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INTERACTIVE EXPERT PANEL

Review theme: Evaluation of progress in the implementation of the agreed conclusions of CSW 52 on "Financing for gender equality and the empowerment of women"

Panel 4: Progress in financing for gender equality from the perspective of international organizations and multilateral development partners

STRENGTHENING FINANCING FOR GENDER EQUALITY AND WOMEN'S ORGANIZATIONS

by

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I. Introduction

The rise of gender equality as a cornerstone of development

Broader debates on the role of gender equality in development have highlighted the need for governments and donors to get concrete and specific in tracking their commitments. At the international level, women's rights and gender equality activists involved in the aid and development effectiveness discussions¹³

(e.g., trade, migration, energy, etc.) and social policies are not working at cross-purposes, resulting in the perpetuation or intensification of social and gender inequalities.

While, at the HLF-4, activists welcomed paragraph 20 of the Busan outcome document, they also felt that mentions of gender equality in the outcome document did not concretize the catalytic and central role of women's collective empowerment and gender equality for development grounding in a rights-based approach. Also at Busan, the United States (US) and Korean governments presented the Joint Busan Action Plan for Gender Equality and Development. The economic empowerment trend was evident in this plan as well as a limited focus on economic employment, education, and entrepreneurship. Nonetheless, women's groups at Busan recognized the efforts of the Korean and US governments to take leadership and produce the action plan and to promote gender equality as a central principle of the HLF-4 and in the Busan outcome document. We also welcomed any efforts by states to increase funding to women's rights and empowermentunding emng

women and girls” and “investing in gender equality” has for ending poverty, increasing security, as well as enhancing women’s status and livelihoods.¹⁸ Actors from diverse sectors have begun publically prioritizing and speaking about the importance of women and girls, including corporate donors, bilateral and multilateral donors, mixed civil society organizations (CSOs), foundations, individual philanthropists and their philanthropic advisors. Arguments for “investing in women and girls” have mainly been articulated through economic arguments, supported by key documents such as the World Bank’s “Gender Equality as Smart Economics” strategy published in 2007 and more recently their 2012 World Development Report (WDR). The entrance of this approach into the mainstream has also been seen in Nicholas Kristof’s and Sheryl Wu Dunn’s “Half the Sky” and Nike’s “Girl Effect” campaign. Other mainstream institutions have also shifted their rhetoric towards this approach of ‘women as solutions to the crisis’, ‘women as key economic actors’, ‘women as better leaders’, e.g., in the mass media, such as Newsweek, Reuters, BBC, USA Today, the New York Times, CNN and Al Jazeera.

This increased attention is an encouraging development and a validation of what feminists and women's rights movements have been saying for decades, and transforms the context for advocacy to advance women's rights and gender equality. This important shift has the potential to have profound implications on financing for gender equality. This .2 (o) .2 (rT) 0.2rof () Tj(ha) 0

including women's funds), interest has been steadily increasing.²¹ More recently a rise in new partnerships between foundations has been taking place to advance investment in women and girls, with a particular focus on girls and adolescents. The Nike Foundation has been a key actor in this sector giving new focus to its giving in 2008 by partnering with Novo Foundation to launch the "Girl Effect" in support of adolescent girls around the globe. The partnership gave a total of \$100 million through 2011, also contributing \$3 million to the Adolescent Girls Initiative of the World Bank in 2008.

Additionally, corporations through corporate social responsibility (CSR) initiatives and other philanthro-capitalist efforts have increasingly been part of this trend in recent years. We have seen new corporate investments, many focused on building women's entrepreneurship (e.g., Goldman Sachs' 10,000 Women initiative and \$100 million commitment to educate women in developing and emerging markets in management and business skills²⁸) or Exxon Mobil's \$47 million investment since 2005 in the Women's Economic Opportunity Initiative, which reaches women in almost 100 countries through NGOs, universities, and government agencies).²⁹

There are other actors from the corporate sector (such as Coca Cola and Walmart) that have 'jumped' on this trend, but information is not available to know how much they are really investing. It seems apparent that in some cases corporations are using this heightened interest in women and girls as part of their broader marketing efforts, without meaningfully transforming harmful c

represents. A more holistic definition of women empowerment framed in women's rights, building on existing international commitments and agreements (such as the Beijing Platform of Action and CEDAW to name just two), is essential to a people-centred development. The enjoyment of women's rights and advancement of gender equality should be a central objective of development strategies that should be fully funded, include specific indicators and focus on shifting structural, entrenched power imbalances, patriarchal attitudes, and multiple and intersecting forms of discrimination and inequalities.

As a complementary strategy to women's economic empowerment, strengthening different dimensions of women's autonomy and empowerment is needed to advance women's rights and gender equality. Lessons articulated in my presentation in the 54th session of CSW still hold true today regarding the diverse implementation of women's empowerment, which should be framed in an integral way, taking into account the diverse realities of women in different contexts.

some cases, where policies representing significant cuts have been put in place. At times these debates are arising in light of constrained national resources due to economic recession and some also combine with the entrance of more conservative political parties with different positions on development aid, e.g., Sweden, Spain, Canada, UK and the Netherlands. The outcome has resulted in cutting funding for many well-established international development CSOs, human rights and women's rights advocacy networks.

Rising interest of multilaterals and bilateral in funding global maternal and child health

Another development in multilateral and bilateral funding has been the global push for funding of maternal

gender equality has come from the Swedish Development Agency (SIDA). In 2010 SIDA disbursed \$4.12 billion in ODA, of which \$315 million were allocated to the Democracy, Human Rights and Gender Equality sector—5% of which went to women’s equality institutions and organizations, for a total of \$15.75 million.⁴⁰ SIDA committed to maintaining or increasing aid in future years through its Global Gender Equality Program. In fact, the budget line has increased 3.5 times from 2008 to 2011⁴¹ to a budget of 90 million SEK (approximately USD \$13.7 million).⁴²

Another important investment made by a key donor to gender equality and women’s empowerment has been the Dutch Ministry of Foreign Affairs’ MDG3 Fund. The MDG3 Fund was a historic investment with \$70 million supporting 45 projects from CSOs worldwide from 2008-2011 (34 of the 45 projects were implemented by women’s organizations, networks or funds). Clearly the results from investing in women’s organizations and CSOs to catalyze changes in gender equality and women’s rights have been recognized by the Dutch government, as the fund has been continued under the new name, Funding Leadership Opportunities for Women (FLOW). In May 2011, the Dutch government officially launched the FLOW Fund, sourced at \$70 million from 2012-2015.⁴³ FLOW prioritizes work on security, including work eliminating gender-based violence and the active engagement of women in security and peace processes, women’s political participation and economic empowerment.⁴⁴

Increasing multilateral support to women’s organizations from UN Women

Another key shift in the multilateral sector includes the establishment of UN WOMEN in 2011. However, underfunding represents a serious threat to the efficacy and the scope of the agency—with a budget of less than half the Secretary General’s suggested starting budget of \$500 million in 2011— little more than the combined budgets of the four agencies that were merged into UN Women. This reality further supports a consistent trend of under financing across the gender equality sector. Yet, the need for an effective and well-resourced multilateral voice on gender equality and women’s rights could not be greater.

Women’s rights organizations are counting on UN Women to champion the role of women’s organizations’ and movements’ in development, ensuring that their voices and agendas are visible and that they are key actors at decision making tables in development spaces of importance.

Funding challenges notwithstanding, UN Women manages important financing for NGOs and government agencies dedicated to gender equality and women’s rights: the Trust Fund to End Violence against Women and the Fund for Gender Equality.

⁴⁰SIDA. Open Aid. Available at: <http://www.openaid.se/en/sectors/Democracy,%20Human%20rights%20and%20Gender%20equality?year=2010>

⁴¹In 2008, the budget was 20 million SEK (\$1.94 million). In 2009, the budget was 40 million SEK (\$3.9 million). In 2010, the budget was 70 million SEK (\$6.78 million). In 2011, the budget was 90 million SEK (\$8.7 million).!

⁴²Data provided by Sida representative, September 2009. Also see Alpizar, L. et al, (2010), “2009-2010 FundHer Research Update Brief 1: Trends In Bilateral And Multilateral Funding” Association for Women’s Rights in Development (AWID), p.33. Available at: <http://www.awid.org/eng/About-AWID/AWID-News/Brief-1-FundHer-Research-Update->

Summarizing the poor overall share of financing for gender equality across bilaterals and multilaterals

Even though donors have acknowledged that gender equality is a cornerstone of development and some governments and multilaterals are financing at greater levels than others, overall commitments and interest in gender equality are not necessarily translating into more resources. Too often funding for gender equality takes a backseat to other priorities. The data illustrate the extent to which gender equality gets short-changed at the bilateral and multilateral levels, despite strong rhetoric on the importance of women and girls in development. For example, using data presented earlier on the OECD DAC (sector code 15170 on funding to women's organizations and institutions), we find that \$331.8 million dollars in the 2010 budget went to women's organizations and gender institutions (including national machineries)—this represents 1.3% of all DAC screened funds dedicated to gender equality (\$24.9 billion). Moreover, the largest dedicated multilateral agency for gender equality, UN Women, had a budget of just \$235 million in 2011, which equals 4% of the total UN budget for 2011 at approximately \$5.4 billion, and does not even reach half the target of \$500 million that we all expected UN Women to have in its first year.

Finally, recent research on the World Bank's commitment to gender equality by Gender Action revealed stark gaps between the discourse and call to action of the 2012 WDR and actual investments—where the World Bank's spending for “social development, gender and inclusion” was less than two percent of its 2011 budget.⁵¹ If women represent half of the population and gender equality is such a high level priority, where multiple international frameworks from BPfA to Busan have affirmed the importance and centrality of investing in gender equality, then financing made available so far is clearly an indication that the political commitment to make this a real priority has still a very long way to go. Fulfilling this commitment is overdue, and we hope all donors will catch up with this pending debt with women around the world and fulfill their obligations soon.

IV. WITM Research Findings on the State of Financing for Women's Organizations

The broader contextual trends and patterns of bilateral and multilateral funding show how high the demand for funding has been and reveals the significant mismatch with actual funds available, despite recognition of the centrality of women and women's rights in development. In this section, we take a deeper look at the state of financing for gender equality from the perspective of women's organizations.

Characteristic of the sample in the latest survey (preliminary analysis)

A snapshot of the state and sustainability of women's organizations' incomes is described from a preliminary analysis⁵² of the 2011 AWID global survey. 1,119 women's organizations and groups from all over the world responded to the survey describing their funding realities since 2008, with particular attention on the 2010 calendar year.⁵³ There was diverse regional

⁵¹See Elizabeth Arend's quote in Panagoda, C. (2012)“Despite Rhetoric, Women Still Sidelined in Development Funding.” February 6, 2012 Available at: <http://www.ipsnews.net/news.asp?idnews=106663>!

⁵²These results are from preliminary analyses and final results may change. See upcoming 2012 WITM reports for final results.!

⁵³85% of the respondents were from registered NGOs with gender equality with a mission primarily focused on promoting women's rights, gender equality and/or empowerment. 15% of respondents were from nonregistered groups of women collective or initiative with a primary focus on promoting women's rights, gender equality, and/or empowerment.!

representation of groups with the majority of respondents headquartered in Sub-Saharan Africa (37%), Latin America (15%), South and Southeast Asia (11%), Southern and Central Europe (9%), and the Middle East and North Africa (7%). Less than five percent of respondents came from the Caucasus, Central Asia, Eastern Asia, the Pacific, North America, and Western Europe. Most of the respondents work locally (53%) or at the national level (55%).

Income sizes of women's organizations: Small organizations prevail

The results show that women's organizations' incomes continue to be (as we pointed out in 2006, 2007, and 2008)⁵⁴ quite small, even though organizations have experienced some growth in income over time. The median annual income of women's organizations in the sample was \$20,000 USD in 2010, and 75% of organizations had incomes of \$62,000 or less.⁵⁵ Contextualizing this funding, over two thirds of women's organizations have annual incomes of less than \$50,000 (68%); around seven percent are large organizations that have incomes of \$500,000 and over, and the rest are small to medium size organizations with incomes between \$50,000-100,000 (11%) and \$100,000-500,000 (11%).⁵⁶ These results mirror results from our previous research.⁵⁷

Income budget fluctuations

The funding situation for women's organizations in the sample has been varied, with a significant number of organizations experiencing funding constraints. The data show that nearly half of women's groups were secure in their funding situations, meeting their ideal budget for 2010 (44%) with very few (3%) seeing budgets surpluses. However, over one third of women's organizations (35%) experienced a significant shortfall in meeting their ideal budget for 2010. Nearly 15% of organizations experienced catastrophic budget shortfalls falling in the 80 to 100% range. The majority of organizations (54%) experienced shortfalls in the 20 to 50% range and 14% of organizations experienced larger shortfalls, ranging from 55-75%. On the less extreme end, minor to moderate shortfalls (between 5 to 15%) affected 14% of women's organizations.

of funding streams is an important protective factor involved in financial sustainability and autonomy. Upcoming WITM research will more fully explore this trend.

Short-term and project funding continues to prevail over core long-term funding

The data continue to provide evidence on the overemphasis of short-term, fragmented funding. In 2008, only 30% of respondents reported having flexible grants that explicitly cover diverse expenses not related to a project (core funding). In 2010, little had changed: only 28% of women's organizations received core funding that year, and 13% reported receiving core funding at some point, but not in 2010. That means that nearly half the women's organizations in the sample (48%) have never received core, flexible funding for their work.⁵⁸

In addition to flexible funding, multiyear commitments are central to ensuring the predictability of resources and financial sustainability, as well as allow women's organizations the possibility of n442g2 (dj) -0.3 (us) -0.2 (t) 0.2 (i) 0.2(ng) -60.2 (t) 0.2 (o) -60.2 (c) 0.2 (ont) 0.2 (e) 0.2 (xt) 0.2 (ua) 0.2⁵⁹ at

some point (but only 21% of them in 2010). Of those that did receive multiyear funding, two-thirds received two (32%) or three year grants (34%). That means that similar to the general lack of core support, over half (52%) of the organizations in the sample had never received multiyear funding.⁶⁰

Savings and assets' ownership is variable

The majority of women's organizations are essentially living month to month with varying degrees of financial security. This trend became evident in 2006, and has shown little signs of shifting. In 2010, over 30% of women's organizations report having no savings or reserves. Of those that do, the median amount in savings was reported at \$500 with 75% of women's organizations having savings of \$6000 or less.

Moreover, half of women's organizations report having no assets (50%). The others (46%) that do have assets, more commonly hold depreciating assets, such as furniture (34%), machinery/equipment (30%), vehicles (13%), and inventories (9%). Fewer organizations have appreciating assets, such as land (16%), buildings (11%), and investments (6%).

Financial insecurity is the norm

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and stable against external, as well as internal, threats. Governments and donors from diverse funding sectors committed to gender equality and women's rights must attend to sustainability issues within the sector and ensure they are not exacerbating these realities through their practices. In order to support women's organizations and movements, the link between donor driven accountability structures, how this influences what types of interventions get funded, and the quality of resource support (i.e., short-term project based vs. long-term flexible) must be examined and addressed.

In order to deliver upon commitments to increase financing for women's organizations and gender equality, governments and donors must get specific about their strategy for supporting diverse women's movements and organizations, particularly given the reality of funding increasingly being channeled to larger organizations that have the capacity to absorb larger amounts and that are not necessarily part of women's movements. Other types of organizations that are part of women's movements that have the capacity to absorb large funds and re-grant to smaller grassroots organizations include women's funds (e.g., Global Fund for Women, Mama Cash, African Women's Development Fund, the Fondo Centroamericano de Mujeres, the recently launched FRIDA-Young Feminist Fund, to name just a few⁶¹), which directly channel resources to grassroots and other types of women's organizations; funds that provide support to women rights defenders at risk, such as the Urgent Action Fund, or women's organizations and networks that re-grant (e.g., Groots, Huairou Commission, Women in Informal Employment: Globalizing and Organizing (WIEGO), International Women's Health Coalition (IWHC)). In the 2011 WITM survey, 17% of women's organizations that completed the survey were re-granting NGOs with the majority of them working at the local and national levels. Women's funds and re-granting institutions are critical intermediaries as they are able to absorb larger amounts of funding and channel support to reach grassroots organizations and movements, beyond governmental and international nongovernmental funding.

Overall, the results paint a mixed picture for women's organizations' incomes and financial sustainability. While many organizations had met their ideal 2010 budgets and many increases in funding were seen, there is also a significant group of organizations that are struggling. Median incomes are strikingly low and most organizations had not raised the income they needed for the 2011 year, even though they were half way through the year. Across all types of organizations, there seems to be a general trend of fragmented funding, directed more often toward project rather than core support and one year grant cycles at the expense of multiyear commitments. We know that for the type of longer term structural work that women's rights organizations and movements address, there is a mismatch in funding disbursement practices (which range from the quantity, quality and type of funding to the accountability structures attached to that funding). If donor commitments to financing gender equality are to be successful, this requires a shift in how funding is delivered—moving from fragmented, short-term funding cycles to longer term partnerships of predictable, flexible, and multiyear support. Overall, there is also a need to scale up and increase funding for gender equality and women's empowerment and particularly the funds that reach women's organizations, as evidenced by the high demand and low funds available overall, as well as by the lack of the sustainability of organizations and movements in the sector.

⁶¹More information on women's funds can be accessed on the website of the International Network of Women's Funds (INWF) <http://www.inwf.org/> or the Women's Funding Network: <http://www.womensfundingnetwork.org/>

5.-Governments, multilaterals, and donors need to establish clear, measurable, and time-bound gender equality objectives, both mainstreamed and standalone, and instate accountability mechanisms for resources allocated, disbursed and implemented, and the actual results of aid in terms of the types of social, economic, and political transformations being created in women's lives. To that end all donors must:

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