

Tackling gender inequality and climate change through the budget

A look at gender-responsive climate change budgeting in Bangladesh and Mexico

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Executive Summary

For over three decades now, governments, international institutions, civil society organizations (CSOs) and others have been working to reduce gender inequality by tackling the structural, policy and cultural factors that lead to gender-based discrimination, oppression and violence.

The uptake of the climate agenda is relatively more recent, but just as urgent. The climate crisis exacerbates existing inequalities, including those of gender. Women and girls are disproportionately impacted by climate-related weather hazards due to persisting discriminations and exclusions.¹ Thus, effective and equitable mitigation and adaptation strategies need to pay particular attention to the gender dimension of climate change.²

Both gender inequality and climate change are extremely complex and intersecting challenges and addressing them requires significant government intervention.

Public finance management sits at the center of any integrated government response to gender inequality and climate change. Government plans and promises, regardless of the issues, are meaningless without dedicated attention to their implementation through public budgets and expenditures, which also provide incentives and regulatory frameworks for private investment.

For over 25 years, governments and civil society organizations around the world have been using gender-responsive budgeting (GRB) as a tool to promote gender equality. Debbie Budlender describes GRB as the “technical task of investigating to what extent the government budget provided the resources to implement gender-responsive policies and programs.”³ GRB has been used for awareness raising; management and accountability purposes, including identifying and tracking gender-related spending; impact evaluation; and ultimately, to improve planning and implementation.

The purpose of this study is to help accelerate progress toward more effective ways of integrating (“double mainstreaming”) gender equality and climate change considerations as equally important imperatives in public financial management. This study presents findings from exploratory research in two countries that are

¹ Schalatek, Liane, “Climate Finance Fundamentals 10: Gender and Climate Finance”, Heinrich Böll Stiftung Washington, DC, November 2020. Downloaded on February 5, 2021 from <https://us.boell.org/sites/default/files/2020-12/CFF10%20-%20Gender%20and%20Climate%20Finance%20-%20ENG%202020%20-%20Digital.pdf>

² Mitigation refers to efforts to reduce the global greenhouse gases in the atmosphere that cause climate change, and “adaptation” refers to efforts to adapt and build resilience to unavoidable climate impacts on people, economies, and societies.

³ Budlender, Debbie, “Tracking Climate Change Funding: Learning from Gender-Responsive Budgeting,” International Budget Partnership, August 2014, p. 4. Downloaded on 6 August 2020 from <https://www.internationalbudget.org/wp-content/uploads/Tracking-Climate-Change-Funding-Learning-from-Gender-Responsive-Budgeting.pdf>

attempting gender-responsive climate change budgeting (GR-CCB) to various degrees and with different approaches: Bangladesh and Mexico.

Gender-responsive climate change budgeting in Bangladesh and Mexico

In both Bangladesh and Mexico, gender budgeting—building on a longer history—has been stronger than climate budgeting and, though there is evidence of progress in this direction, the overlap of the two agendas has not yet been well integrated.

The government of **Bangladesh** produces and publishes gender budgets and climate change budgets annually. A number of policy frameworks and plans form the basis for both budgets. However, the climate budget does not include gender-responsive indicators or vice versa.

A key document guiding Bangladesh's efforts toward building climate and disaster resiliency, particularly for women and children, is the 7th Five-Year Plan (2016-2020). This plan recognizes the need for gender-differentiated interventions to both address inequality and to advance women's empowerment. The Delta Plan 2100, a 100-year vision document to address climate change and associated impacts, also recognizes women and children's differentiated vulnerability to climate change. Nonetheless, there is still some way to go in translating these plans into meaningful action.

Similarly, the government of **Mexico** has made progress in including gender and climate change perspectives in government planning and budget processes; however, the progress in these agendas is moving at different rates and consistencies. The election of Andrés Manuel López Obrador in 2018 has redefined the priorities of the Mexican government. Its interest in pursuing the Agenda 2030, to comply with the Sustainable Development Goals (SDGs), is reflected in the new government's planning process. Despite this, the focus of this government, reflected in its budget allocations, has been concentrated on the 25 priority programs that the president proposed during his presidential campaign.

Mexico's main planning instrument, the National Development Plan (PND) 2019-2024, has adopted gender and other sustainable development goals and approaches that support budgeting in these areas. New annexes in the federal budget monitor eight specific "cross-cutting" issues. Both gender and climate change are part of these thematic annexes, which allows tracking public investments in addressing these issues across relevant sectors. However, shortcomings remain in the cross-cutting budget processes and in integrating the gender and climate agendas.

Insights and lessons

The experiences of Bangladesh and Mexico offer the following insights for gender-responsive climate change budgeting:

- **The integration of emerging priority areas into budgeting requires the sensitization of all actors involved in the budget process – and this takes time.** In both Bangladesh and Mexico, gender planning and budget processes have been implemented over a longer period than climate planning and budget processes. Thus, in both countries the gender agenda is more integrated and consistently applied than the climate agenda.
- **Policies and plans need to provide a strong foundation for climate, gender, and climate-gender-responsive actions to be taken.** To affect and be applicable to budgeting, policy development must identify concrete actions, clarify roles and responsibilities of the relevant actors, and outline budgets and costs.
- **A strong national legal framework is key to ensuring appropriate planning and policies are incorporated into the budget process.** Accordingly, national leadership in establishing national priorities that become enshrined in laws and mandating responsibility for budgeting and implementation, is important.
- **An accountability system is needed to ensure adherence to laws and mandates on gender and climate goals.** Clear targets and review from government leadership can facilitate the inclusion of climate and gender budgets within the ministries.
- **Political cycles may affect the consistency of implementation of the climate and budget agendas.** Where new governments, particularly from different political parties, have come into power, the consistency of gender and climate budgeting has changed.
- **Integration of the gender and climate agenda at the international level has supported the national uptake of these agendas.** Participation in international forums provides momentum in these areas, as well as opportunities for knowledge sharing and learning.
- **Gender and climate disaggregated sections or annexes in the national budget are important for transparency and accountability.** This level of detail helps identify where gender and climate spending is happening, across which ministries and programs.
- **Gender and climate tagging needs to be consistent across ministries.** If all spending toward climate and gender activities is not reported to the budget, an inaccurate, often under-represented, picture of climate and gender spending is presented.
- **While climate and gender budget reporting are often led by ministries of finance, they often rely on and need the support of line ministries for information.** Staff in the ministry of finance is not necessarily familiar with the intricacies of financing for gender and climate; therefore, line ministries must be engaged and provide them with the requisite information. Relatedly, the roles of line ministries and local authorities need to be made clear to support consistent reporting.

- **The effectiveness of spending needs to be consistently measured and integrated.**

Demonstrating the effectiveness of the spending could provide an evidence basis to support the better integration of climate and gender components across ministry activities.

Recommendations

Based on these insights, we present recommendations in five areas:

- **National leadership:** National governments have an essential role in shaping a strong policy, legislative and accountability framework incorporating gender equality and climate concerns. Governments can lead on clarifying mandates, roles and responsibilities for various actors and on supporting transparency and consistency.
- **Capacity strengthening:** Regular and locally relevant capacity development of all key staff, from high-level decision makers to technical personnel, must be built in across sectors to ensure these actors understand, internalize, and incorporate the principles of gender equality and climate change. National and local governments, and partner entities and agencies, all need to lead on training and capacity development of staff.
- **Budget reporting methodologies and processes:** Budget reporting methodologies and processes can be strengthened by the inclusion of information disaggregated by cross-cutting priorities, such as climate and gender, and by programs of work. Transparency on which activities or programs are related to cross-cutting priorities is essential to the support and strengthening of such activities.
- **Multistakeholder participation:** Nongovernmental stakeholders are key players in promoting the necessity of an integrated approach between gender and climate change. They can provide important evidence from the local level on outcomes and effectiveness of support in these areas, and through their advocacy activities can highlight the benefits as well as best practices.
- **Financial resourcing:** Resources are necessary for supporting all these activities — to provide capacity and training, strengthen methodologies and processes, and support multistakeholder engagement — and can be significantly strengthened by strong policies and legislation, which determine the focus of financial resourcing.

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1. Introduction

For over three decades, governments, international institutions, civil society organizations (CSOs) and others have been working on several fronts to reduce gender inequality by tackling the structural, policy and cultural factors that lead to gender-based discrimination, oppression and violence. Gender mainstreaming in government planning and public finance processes and targeted empowerment strategies have particularly focused on improving the rights and opportunities of women and girls, including their physical and socio-economic well-being.

The promotion of gender equality aims to ensure the fundamental human rights of all genders but is also seen as essential to countries' economic growth and social development. In the face of multiple intersecting challenges and crises – including growing inequality, exclusion and repression, climate and biodiversity emergencies and post-COVID-19 recovery – it has never been more important. Gender equality is enshrined in global commitments ranging from the Beijing Platform for Action that came out of the fourth World Conference on Women in 1995 to the Sustainable Development Goals (SDGs) where gender is embedded across all goals but is also notably addressed in an explicit one (Goal 5). Similar commitments are found in environmental agreements and decisions, including in the UN Framework Convention on Climate Change and the Paris Agreement. These efforts to achieve gender equality have included advocacy and campaigns, research and analysis, dialogue, policy making, needs assessments and budgeting and service delivery within countries. While there has been progress on several fronts, including legal reforms in support of gender equality, educational enrollment of girls, maternal health, female entrepreneurship and women's representation in legislatures and leadership positions, there is still a long way to go.

The climate crisis exacerbates existing inequalities, including those of gender, and thus elevates the need for mitigation and adaptation strategies to pay attention to the gender dimension of climate change. Women and girls, due to persisting discriminations and exclusions, are disproportionately impacted by climate-related weather hazards.⁴ For example, women, particularly those living in poverty, are more susceptible to weather events and slow onset climatic changes than men because they are more likely to live in inadequately constructed homes in high-risk areas; often rely heavily on natural resources for food, fuel, and income; and have limited economic options. Women also have limited capacity to respond to climate hazards because of existing structural inequalities —discrimination; unequal access to financial services like credit and insurance; insufficient provision of public services like education, health care, and disaster recovery support; and little or no opportunities to participate in the decision-making processes that might allow them to challenge these structural issues.

⁴ Schalatek, Liane, "Climate Finance Fundamentals 10: Gender and Climate Finance", Heinrich Böll Stiftung Washington, DC, November 2020. Downloaded on February 5, 2021 from <https://us.boell.org/sites/default/files/2020-12/CFF10%20-%20Gender%20and%20Climate%20Finance%20-%20ENG%202020%20-%20Digital.pdf>

Box 1. Women's agency in gender-responsive climate change budgeting

Women may be more vulnerable to climate risks than men, but they should not be considered passive victims. Rather, they are change agents who have experience and knowledge that, once recognized and supported, can help provide solutions to climate-related issues. As stewards of forests and other ecosystems, key food producers and leaders for disaster preparedness, women are already playing critical roles in minimizing risks of and adapting to climate change impacts. They also are contributing to mitigation strategies as in the example of female entrepreneurs advancing low-carbon renewable technologies, such as solar water heaters.

Through domestic policy agendas and global agreements on human rights, environmental protection and sustainable development, governments have committed to addressing both gender inequality and climate change. Drawing on women's knowledge of climate-sensitive sectors, such as agriculture, water and sanitation, in planning and policy making provides a tangible opportunity for governments to address both gender inequality and climate change. Through a "dual mainstreaming" approach that recognizes, engages and supports women as active and informed agents in crafting and executing policy responses, governments are more likely to identify actions with multiple benefits, including in addressing climate change and gender equality.

Both gender inequality and climate change pose extremely complex and intersecting challenges and addressing them requires significant government intervention. As separate issues, neither fits neatly into one or two key sectors or are clearly defined and commonly understood. Frequently, efforts to address climate or gender are components of a larger program or project and involve what is known as "mainstreaming." To devise and execute effective policy solutions for each of these cross-cutting issues, governments must identify the diverse factors driving them and their various impacts. Clearly, the definitional and operational challenges are huge.

Complicating the task of addressing gender inequality and climate change is the need to recognize and respond to the dynamic relationship *between* them. Arguably, an effective response requires no less than a double mainstreaming approach that integrates both gender equality and climate change actions into all facets of governments' policy and decision making, as well as into the financing structure supporting implementation. Failure to do so threatens progress toward resilient, equitable and sustainable societies within a safeguarded environment. A final layer of complexity is that, while gender and climate intersect, there is not a complete overlap between them, posing significant challenges to planning, public finance and accountability systems/practices.

Public financial management (PFM) sits at the center of any integrated government response to gender inequality and climate change. Government plans and promises, regardless of the issues, are meaningless without investments in their implementation through public budgets and expenditures, which also provide incentives and regulatory frameworks for private investment. For over 25 years, governments and civil society organizations around the world have been using gender-responsive budgeting (GRB) approaches as a tool to promote gender equality. Debbie Budlender describes GRB as the “technical task of investigating to what extent the government budget provided the resources to implement gender-responsive policies and programs.”⁵ GRB has been used for awareness raising, management and accountability purposes, including identifying and tracking gender-related spending, impact evaluation, and toward the improvement of planning and implementation.

As governments in climate-vulnerable countries have sought to improve their public finance systems and practices to respond to climate change, there have been early efforts to learn from GRB experiences. Several countries have used lessons from GRB to develop and implement climate change-responsive budget reforms to better manage public funds to mitigate the causes of global warming; protect and build the resilience of people and communities; and safeguard the environment on which they depend (“adaptation”). However, while governments increasingly recognize the need to acknowledge the gender-differentiated impact of climate hazards and climate change action plans, this is rarely included in budget allocations. Governments need to take the next step of making their climate-responsive budgets also gender-responsive and vice versa. The extent to which they do this could determine whether climate change further entrenches or deepens gender discrimination and inequality, poverty and exclusion.

So far, climate and gender budgeting have revealed often surprising findings. For example, in the case of climate budgeting it has been revealed that ministries of environment have not been the main source of expenditure; rather, ministries of agriculture or energy have often been far bigger. And even less expected, ministries such as those in charge of disaster management, public welfare or local government, have often been big spenders on climate. The same has been true for gender budgeting, with women’s ministries often having relatively small gender-related budgets compared to the ministry of education or the ministry of social welfare.

2. Objectives of the study

The purpose of this study is to contribute to and accelerate progress toward more effective approaches to integrating both gender and climate in public financial management (“double mainstreaming”). Our exploratory research probes existing practices, approaches and opportunities and seeks to elicit potential core guiding

⁵ Budlender, Debbie, “Tracking Climate Change Funding: Learning from Gender-Responsive Budgeting,” International Budget Partnership, August 2014, p. 4. Downloaded on 6 August 2020 from <https://www.internationalbudget.org/wp-content/uploads/Tracking-Climate-Change-Funding-Learning-from-Gender-Responsive-Budgeting.pdf>

principles for gender-responsive climate change budgeting (GR-CCB). The research is a first step in testing the hypothesis that GR-CCB is useful in terms of better planning and more effective, efficient and equitable use of public financial resources—and that it leads to stronger outcomes, i.e., in terms of addressing the causes of climate change, building resilience to and adapting to gender-differentiated climate change risks and impacts, as well as improving gender equality.

Our research looks at examples of countries that are explicitly or implicitly attempting GR-CCB to various degrees and with a variety of approaches. The study seeks to identify models that are being used and analyze key components of the different approaches, implementation considerations and impacts on decision making and outcomes.

We intend for this exploratory exercise to inform current discussions on the impact of the climate-gender connection and the response it can have on existing financial needs assessments, budgeting and allocation and expenditures practices, as well as to identify a future research agenda or program of work.

To meet these objectives, the study analyzes GR-CCB issues and opportunities in two countries—Bangladesh and Mexico—that face significant risks of negative impacts from climate change, represent different climate change policy and public financial management (PFM) contexts and have engaged in gender- and/or climate change-responsive budgeting at the national and subnational level. The research was conducted through a literature review of relevant government and other policy documents, a survey of key experts and practitioners in government and civil society, analysis of country findings and validation workshops with relevant stakeholders to discuss country analysis.

The study for each country seeks answers to the following research questions:

1. What is the approach to public finance related to gender and climate change, and where is there evidence of gender-responsive climate change budgeting or climate-responsive gender budgeting?
2. What are the drivers for the gender and climate budgeting (beyond awareness raising, transparency and accountability to influence planning and implementation)? Are there multi-year commitments?
3. What is the scope of the initiatives? Do they cover only policies that contribute to progress, or also those that undermine it, e.g., harmful subsidies?? Are the initiatives program-level or activity/sub-activity level? Are line ministries/sectors included? For tagging: only principal focus, i.e., targeted spending, or also relevant “significant” focus and related categorization? Allocation and/or expenditures? Is revenue considered to explore issues of fiscal space, particularly in the COVID-19 context? Do they differentiate donor/contributor vs. domestic resources? Do they consider a country’s “climate resources”, e.g., carbon sinks = avoided deforestation? What is or could be

- produced (gender climate budget statement or gender-relevant information interspersed through the climate budget? What is the level of detail (number vs. ballpark estimate?)
4. What is the gender and climate budget in two key priority ministries, and where do intersections, or potential intersections, of the climate and gender budgets exist?
 5. Who leads the mainstreaming of gender and climate considerations across government? What is the role of line ministries or relevant desks or external consultants in doing the detailed work? Who is involved beyond the executive branch of government (e.g., parliaments, local level government [subsidiarity/local decision-making]?)?
 6. What has the experience of climate, gender and gender-responsive climate budgeting been so far? What has worked well? What are bottlenecks or barriers?
 7. To what extent is the public involved, especially representatives of marginalized groups? How are women's groups and climate CSOs and others outside of government involved?
 8. What is the experience of GR-CCB in affecting actual decision making, such as resource allocation? What is the evidence of GR-CCB facilitating expenditure tracking and accountability for expenditure management and outcomes/impact of gender-climate change investments?
 9. Does the experience so far allow for the abstraction of some core recommendations or principles serving as a starting point/guide for further work on the issue?

3. Global landscape of gender-responsive climate change budgeting (GR-CCB)

Whereas gender mainstreaming in government planning and public finance processes and the targeted empowerment of women and girls have been ongoing strategies for over three decades, the equivalent for climate change mainstreaming has been developed only more recently. Thus, the landscape of gender budgeting is deeper and wider. Already by 2014, over 90 countries had experimented with some form of gender budgeting over the preceding decade.⁶ An equivalent figure is not available for the number of countries experimenting with some form of climate budgeting, likely reflecting its more nascent development.

However, given the urgency and international and national momentum of both agendas, many countries are beginning to undertake gender-responsive and climate-responsive budgeting to some extent and with varying approaches. Gender-responsive budgeting has taken forms that include: gender-informed resource allocations, where gender equality is used as a metric in determining specific policy decisions and budget allocations; gender-assessed budgets, where the budget impact is analyzed in terms of gender equality; or needs-based gender budgeting, which seeks to achieve specific goals in decreasing disparity in sectors and programs where gender

⁶ OECD (2014), *Women, Government and Policy Making in OECD Countries: Fostering Diversity for Inclusive Growth*, OECD Publishing, Paris, <http://dx.doi.org/10.1787/9789264210745-en>.

inequalities are greatest.⁷ Similarly, climate-responsive budgeting has taken various forms, including climate tagging of budget lines, the use of environmental cost-benefit analysis for decision making and carbon pricing. One tool that countries have used to initiate climate budgeting are Climate Public Expenditure and Institutional Reviews (CPEIRs), which review legislation and public expenditure contributions to national climate goals and identify specific public expenditure policy and management challenges.⁸

In many of the cases where countries have started gender and climate budgeting in some form, they have not necessarily considered or advanced on a combined gender-responsive climate change budgeting approach. However, since these countries are already undertaking budgeting for both areas to some degree, advances could be made quickly to integrate the two areas, which would hopefully increase the effectiveness of efforts to address the intersection of these two issues.

For example, **Thailand** started developing gender budgeting in 2006 and has since worked to develop and expand their approach.⁹ The country included a commitment to gender budgeting in their 2017 Constitution and in 2018 developed a Gender Budgeting Action Plan to assess how to strengthen the necessary foundations and to develop and implement an effective approach to gender budgeting.¹⁰ Thailand also undertook a CPEIR in 2012 and has since been working to strengthen their governance of climate budgeting.¹¹ With the approval of Thailand's National Strategy 2018-2037 in 2018, gender-sensitive climate policies are emerging. The strategy has been a key step in recognizing the necessity of gender-sensitive climate adaptation policies, programs and financing, including women's participation throughout the decision-making processes.

Another example is illustrated in the progress of the two agendas in **Indonesia**. Indonesia's National Development Planning Agency (Bappenas) initiated the implementation of gender mainstreaming in Indonesia's national development planning policies in 1999.¹² This agenda has since progressed from policy to financing. In 2012, a government circular titled "National Strategy to Accelerate Gender Mainstreaming through Gender-responsive Planning and Budgeting" was signed by four ministers. By 2014, some form of gender-responsive budgeting was being implemented in 36 line ministries and 34 provinces.

On the climate side, Indonesia undertook a CPEIR in 2012 and implemented its climate budget tagging framework in 2016. Indonesia's gender budget process also already makes some climate change references in the budget

⁷ <https://www.internationalbudget.org/2017/10/gender-budgeting-in-2017/>

⁸ World Bank Group (2014) Moving Toward Climate Budgeting. Policy Note. <http://documents1.worldbank.org/curated/en/319971468329953865/pdf/933830WP0Boc380e0Budgeting00PUBLIC0.pdf>

⁹ <https://www.un.org/womenwatch/daw/beijing15/responses/escap/Thailand.pdf>

¹⁰ https://www.oecd-ilibrary.org/governance/thailand-gender-budgeting-action-plan_6c398fc7-en

¹¹ <https://www.climatefinance-developmenteffectiveness.org/countries/thailand>

¹² <https://journal.bappenas.go.id/index.php/jpp/article/view/9>

allocated by line ministries, and the government is considering taking this further by developing a guideline on gender-responsive climate budgeting. Toward this objective, the Ministry of Finance and Ministry of Women Empowerment and Child Protection developed a study in 2020 on gender-responsive climate budgeting to assess the existing government's climate change programs and activities that are gender-responsive through the budget tagging system.¹³

Nepal is another country where climate and gender budgeting has been advancing. Gender-responsive budgeting was introduced in Nepal in 2007-08. The National Plan document (14th periodic plan) mentioned a working policy to increase gender-responsive allocations through the central budget and assigning responsibility to local government levels for achieving gender equality and women's empowerment. The Ministry of Finance's Gender-responsive Budgeting Manual (2012) has provided a framework for government agencies to integrate gender into the budget formulation and classify the level of gender-responsiveness of their programs and budgets. In addition, a Gender-responsive Budget Localization Strategy was developed in 2015, and the Ministry of Finance also has integrated the principles of gender-responsive budgeting into the Budget Management Information System (BMIS) and the Line Ministry Budget Information System (LMBIS).¹⁴

On the climate side, Nepal's National Planning Commission conducted a CPEIR in 2011, which generated recommendations to develop a feasible method for tracking climate expenditure in the public finance system. The Climate Change Budget Code, a tagging system, has been implemented in the national budget since 2012-13.^{15,16} In 2017 the Ministry of Finance developed a Climate Change Financing Framework (CCFF) that recommended reforms in the climate budget tagging system to increase its accuracy and integrate gender into climate budgeting.¹⁷ The improved budget tagging method has made gender one of the key parameters to identify the level relevance of the climate budget. In a short narrative, planners need to specify the expected result of the proposed investment in terms of reducing gender-related climate change vulnerability and gender inequality. The narrative will be used to evaluate the effectiveness of the climate change budget. The Ministry of Agriculture and Livestock Development has been applying this improved tagging for the last two years.

Countries such as Thailand, Indonesia, Nepal, and many others that are working on climate- and gender-responsive budgeting, and their integration, could begin to form a "community of learning," capitalizing on South-South and South-North learning opportunities. Countries can share their experiences of the good practices and challenges for gender-responsive climate budgeting and illustrate core lessons, abstracting from country specificities. There are a

¹³ <https://www.id.undp.org/content/indonesia/en/home/library/IFL-Study-on-Gender-Responsive-Climate-Budgeting.html>

¹⁴ <https://www.nhssp.org.np/Resources/GESI/Gender%20Responsive%20Budget%20Guideline%202019.pdf>

¹⁵ http://www.undp.org/content/dam/nepal/docs/Our%20Perspective/UNDP_NP_Climate-change-budget-code.pdf

¹⁶ <https://www.npc.gov.np/images/category/Climate-change-budget-code.pdf>

¹⁷ https://mof.gov.np/uploads/document/file/CCFF_FINAL_Web_20180222050438.pdf

number of potential multilateral or regional opportunities (international meetings, frameworks and commitments) for countries to share learning.

In the remainder of this report, we take a closer look at two countries—Bangladesh and Mexico—which, like the examples above, are making significant advances in climate and gender budgeting. The purpose of the deep dive will be to identify the opportunities and challenges in gender-responsive climate change budgeting in the two cases and to elicit takeaway lessons for the wider landscape.

4. GR-CCB in Bangladesh

4.1 Approach to public finance of gender and climate change

Gender and climate have been emerging priority areas for the government of Bangladesh (GoB), and this has been reflected in the integration of these areas into planning processes, institutional arrangements, national guidelines and instructional arrangements for resourcing. In addition to requiring ministries to identify expenditures in their annual budgets that contribute to gender equality and climate mitigation and adaptation, the GoB has also produced and published this information in annual gender budgets and climate change budgets. The GoB has been reporting gender budgeting since 2009, but the climate budget began only in 2018. There are several policy frameworks and plans that form the basis for both the budgets; however, the climate budget does not include gender-responsive indicators or vice versa.

In 2013 the GoB developed the Climate Change and Gender Action Plan (CCGAP) that includes four key pillars of Bangladesh's Climate Change Strategy and Action Plan 2009 (BCCSAP): (1) food security, social protection and health; (2) comprehensive disaster management; (3) infrastructure and (4) mitigation and low-carbon development.¹⁸ The key objective of developing the CCGAP was to implement climate actions that will specifically benefit women and girls and lay the pathway for gender-responsive climate action. However, this plan has not been implemented yet.

One of the key documents to guide Bangladesh's efforts toward building climate and disaster resiliency, particularly for women and children, was the GoB's 7th Five-Year Plan (2016-2020). Compared to the previous five-year plan, the 7th FYP was a significant step forward in identifying environmental and climate change actions as preconditions for achieving sustainable development, as well as reducing gender inequality. Furthermore, the plan

¹⁸ The Bangladesh CCGAP was developed with the support of the International Union of Concerned Scientists. The IUCN developed the first gender-responsive national climate change strategies and action plans and used this experience to consolidate a methodology, which they have used to support Bangladesh and several other countries in developing CCGAPs. To learn more and download the IUCN methodology and approach, visit: <https://genderandenvironment.org/ccgaps/>

recognized the need for gender-differentiated interventions to address inequality and as essential to advancing women's empowerment.

Another key document is the Delta Plan 2100, which presents a 100-year vision to address climate change and associated impacts and recognizes women and children's differentiated vulnerability to climate change.

Translating these plans into meaningful action remains a work in progress. A number of agencies are working on improving the climate budget and gender budget separately, as well as exploring whether and how to integrate the two.

4.2 Drivers for gender and climate budgeting

There have been several drivers for the development of the gender and climate agenda from the integration of these areas into planning processes, institutional arrangements and into national government guidelines. These drivers have come from both nationally driven planning and from engagement in international forums.

Over the years, there has been significant improvement in the understanding of the differential climate change impacts on women and men, which is reflected in the BCCSAP (2009) that recognized that a separate work program is required to integrate gender into climate change projects and programs.

In 2012, at the Doha Conference of Parties to the UN Framework Convention on Climate Change (UNFCCC COP), the government of Bangladesh fully supported the agenda of women's advancement and participation from policy-making through to program implementation. Following up on this decision, the GoB, with support from the International Union for Conservation of Nature (IUCN) and in consultation with a range of stakeholders, developed the Climate Change and Gender Action Plan (CCGAP) in 2013. This document is considered one of the major steppingstones in terms of mainstreaming gender-responsive climate action at the national level. Unfortunately, the integration envisioned in the CCGAP has yet to be implemented.

4.3 Scope of climate budgeting, gender budgeting and gender-responsive climate budgeting. What is produced? What is the level of detail?

Climate budget

Alongside the release of its national budget for the 2020-2021 fiscal year (11 June 2020), the government published its 4th climate budget report titled "Climate Financing for Sustainable Development 2020-2021." The

report presents data on allocation together with actual prior year climate-related spending of 25 key relevant ministries/divisions. Supporting the government’s climate-responsive annual budgeting is the Bangladesh Climate Fiscal Framework that guides climate-relevant allocation and a climate expenditure tagging system that indicates the level of an expenditure’s climate relevance. The report adds a section explaining how a climate relevant allocation is made. The Rio Markers for mitigation (established in 1998) and for adaptation (established in 2010) provide the basis of the Climate Fiscal Framework on which the climate budget allocation is calculated.

The GoB’s climate change response, outlined in the 2009 Bangladesh Climate Change Strategy and Action Plan (BCCSAP), identifies six priority thematic areas:

1. Ensuring access to basic services like food, safe housing, and employment to the most vulnerable groups,
2. Comprehensive disaster management,
3. Maintenance of existing infrastructure, such as river and coastal embankment, cyclone shelters, urban drainage systems, etc.
4. Research and knowledge management,
5. Mitigation and low-carbon development, and
6. Capacity building and institutional strengthening.

The BCCSAP also includes 44 programs that identify relevant interventions under these pillars. For example, the comprehensive disaster management theme includes programs such as: P1. Improvement of flood forecasting and early warning and P2. Improvement of cyclone and storm surge warning, as well as two others.¹⁹

The Climate Fiscal Framework provides the basis for calculating climate budget allocations. The key steps that the GoB and individual ministries follow to determine climate budgets are:

Step 1: Linking programs and activities to the BCCSAP themes and programs with the Climate Relevance Criteria (51 climate relevance criteria that include the 44 BCCSAP programs; “Targeted Climate Change Projects/Programs” in each thematic area—considered to be 100 percent relevant; and “non-climate relevant”),

Step 2: Assigning the appropriate climate-relevance weight against each of the Climate Relevance Criteria (weights presented below),

Step 3: Determining the relevance of projects and programs,

¹⁹ MOEF, 2009. “Bangladesh Climate Change Strategy and Action Plan.” Ministry of Environment and Forestry, Government of the People’s Republic of Bangladesh. Downloaded on 12 December 2020 at <http://nda.erd.gov.bd/files/1/Publications/CC%20Policy%20Documents/BCCSAP2009.pdf>

Step 4: Estimating climate finance for multiple relevance criteria for projects / programs,

Step 5: Establishing climate finance weight for the 'Operating Budget' of the ministries / divisions and associated agencies

The climate relevance category used for the criteria-based assessment are:

- Strongly Relevant (81 to 100 percent),
- Significantly Relevant (61 to 80 percent),
- Moderately Relevant (41 to 60 percent),
- Somewhat Relevant (21 to 40 percent),
- Implicitly Relevant (6 to 20 percent), and
- Not Relevant (0 to 5 percent)

Projects and programs that may match with more than one climate relevance criterion are selected on a priority basis (criteria with maximum climate allocation come first). Both the “development budget” (projects and programs) and “operating budget” are considered for climate finance tracking. Climate relevance for ministry/division operating budgets (general, support activities, special activities and local government transfer) are established based on their “allocation of business,” portfolio of projects and programs and contribution to climate change adaptation and mitigation.

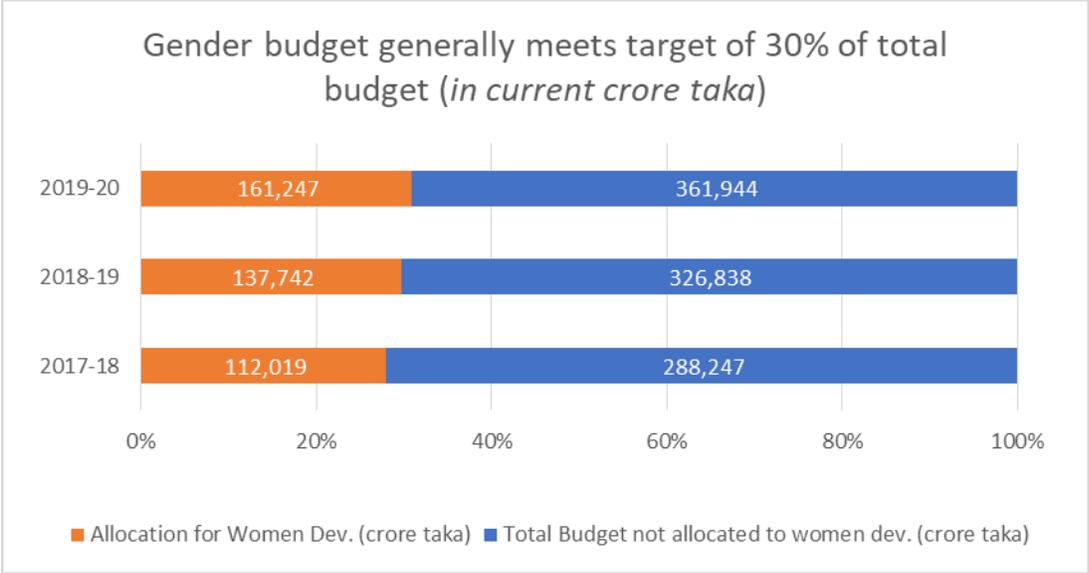
Gender budget

Bangladesh has been undertaking gender budgeting for over a decade. Though formally it began in the 2008-09 fiscal year, there is evidence that four ministries prepared gender budgets several years earlier, in the 2005-06 fiscal year. Currently all 43 ministries and departments of the GoB are required to prepare gender budgets against 14 standards. Furthermore, the gender budget is linked with the 7th Five-Year plan that aims to establish “a country where men and women will have equal opportunities and rights and women will be recognized as equal contributors in economic, social and political development” under broad strategic objectives to improve women’s human capabilities, increase women’s economic benefits, enhance women’s voice and agency and create an enabling environment for women’s advancement.

To implement these strategic objectives, seven actions were identified: (1) increase access to human development opportunities; (2) enhance access to and control over productive resources; (3) increase participation and decision making; (4) establish a conducive legal and regulatory environment; (5) improve institutional capacity, accountability and oversight; (6) increase protection and resilience from crisis and shocks and (7) promote positive social norms.

The GoB has set a target for the gender budget to represent 30% of the total national budget, which has largely been met over time (see Figure 1). In contrast, the share of climate-relevant allocation has been around 7.8% of total allocation (for the number of ministries included in the annual climate change budget, which was 25 in the 2020-21 climate budget) (see Figure 2).

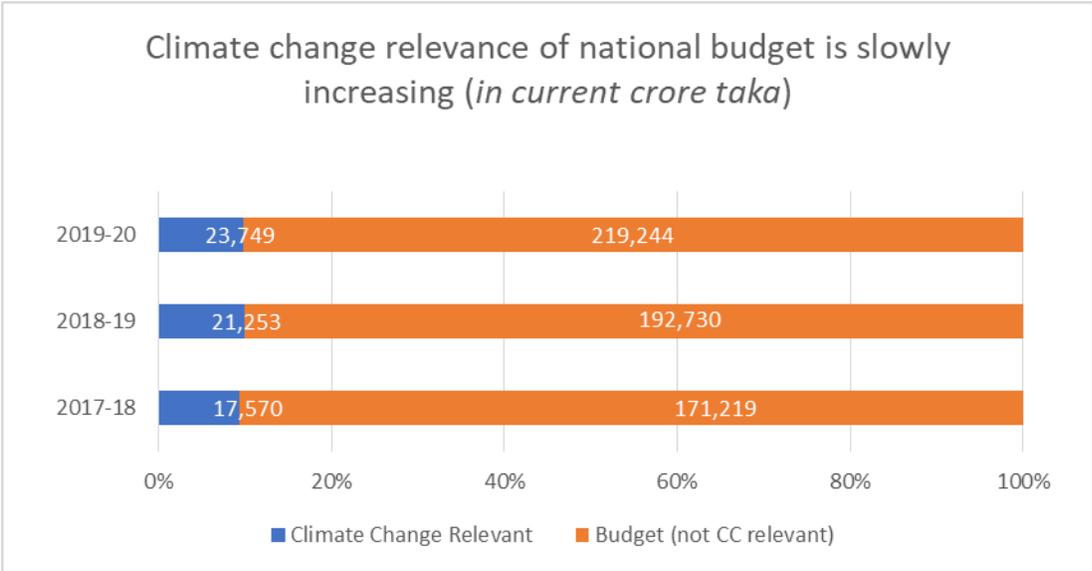
Figure 1. Gender budget as a share of the national budget over three fiscal years, Bangladesh



Source: Author calculations of data from Finance Division, Ministry of Finance, government of the People’s Republic of Bangladesh, 2019-20 Gender Budget. Total budget based on the 43 ministries (all ministries in the government) that are required to report budget of gender relevance.

Under current frameworks for the gender budget, a gender-responsive climate change budget may well represent 30% or more of the total climate allocation. According to desk research and information from interviews and consultations, the detailed program budget data that would allow for an analysis of the extent to which the climate budget is gender-responsive is produced by line ministries, but this information does not seem to be publicly available. It might be possible to request such data from each of the 25 ministries that are included in the climate budget, though it would strengthen public accountability for the GoB to make this information more easily accessible.

Figure 2. Climate budget as a share of total budget allocations over three fiscal years, Bangladesh



Source: Author calculations of data from Finance Division, Ministry of Finance, government of the People’s Republic of Bangladesh. Total budget based on the 25 ministries that are reporting budget of climate change relevance.

In addition to the data access challenges, the different methods used to determine the gender and climate relevance of expenditure may make integrating the two budgets more complicated. The criteria used to determine the climate relevancy of a project or program are based on weights determined through a substantial mathematical/statistical analysis, whereas the measures for gender-responsiveness are more qualitative. Given that there appears to be limited guidance to ministries on how to determine the climate or gender aspects of programs or activities, it is likely that there will be variations in precision and accuracy of their budgets that is independent of the different approaches. While the government publishes actual expenditure against climate budget allocations (using the same methodology for calculating the climate-relevance of the expenditure), the research did not come across any evidence of measuring the gender budget. For both budget processes, measuring and reporting on the effectiveness or impact of spending is lacking, although there is some effort to do so in the gender budget. To date, there has been no impact reporting in the climate budget.

4.4 What is the gender and climate budget in two key priority ministries, and where do intersections, or potential intersections, of the climate and gender budgets exist?

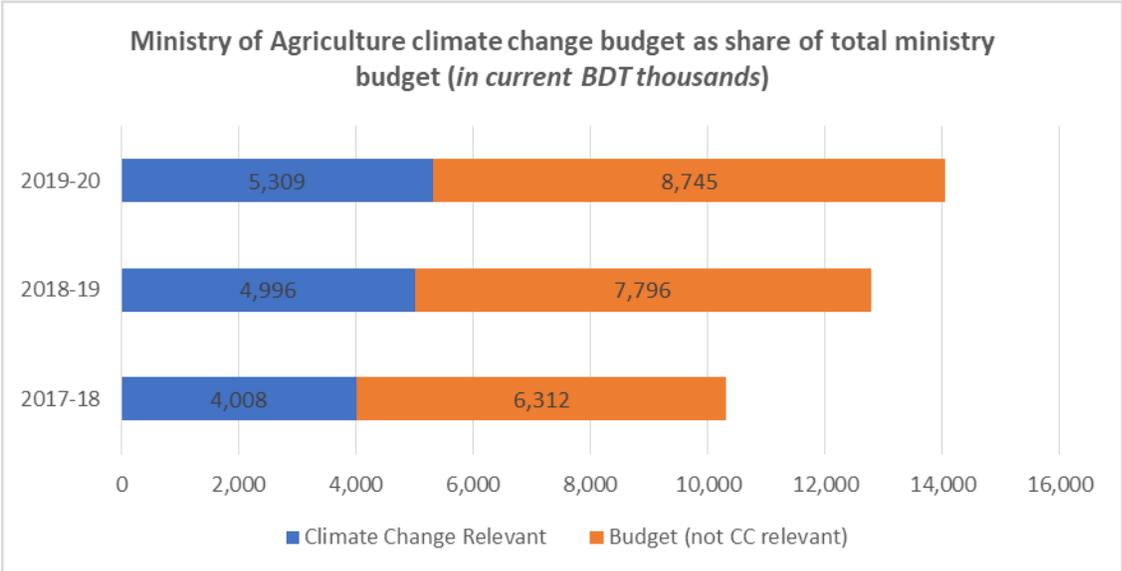
Gender and climate Budget in the Ministry of Agriculture

The agriculture sector is one of the most significant sectors for gender and climate change considerations.

The reported climate change-relevant budget, as a proportion of the budget, has remained consistent over the last three budget years. The Ministry of Agriculture reported that climate change-relevant budget represented **39%** of the ministry budget in both the 2017-18 and the 2018-19 budget years or USD 473 million (BDT 4,008 crore taka) and USD 589 million (BDT 4,996 crore taka), respectively. The amount reported for the 2019-20 budget represented **38%** of the ministry’s budget or USD 626 million (BDT 5,309 crore taka).²⁰

The share of reported gender budget increased from 2017-18 to 2018-19 and then stayed the same over the following year. The ministry reported a gender-relevant budget of **39%** in 2017-18 or USD 425 million (BDT 3,606 crore taka) and then **45%** in 2018-19 or USD 739 million (BDT 6,268 crore taka); the 2019-20 budget also represented **45%** of the ministry budget or USD 744 million (BDT 6,312 crore taka).

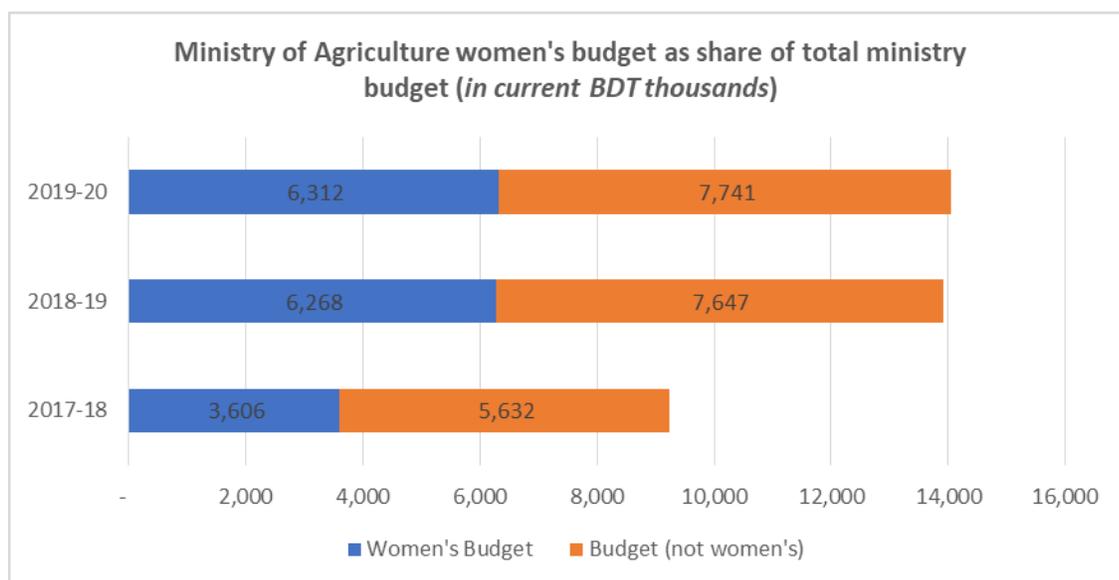
Figure 3. Climate change budget share of the Ministry of Agriculture, Bangladesh



Source: Author calculations of data from Finance Division, Ministry of Finance, government of the People’s Republic of Bangladesh

²⁰ All estimations presented in USD have been converted using an online currency converter (rate used 84.80 BDT per USD).

Figure 4. Gender budget share of the Ministry of Agriculture, Bangladesh



Source: Author calculations of data from Finance Division, Ministry of Finance, government of the People's Republic of Bangladesh

In the absence of gender-responsive indicators or detailed program or activity for the gender and climate budget data, the United Nations Development Program (UNDP) has developed a methodology to calculate a range of the potential overlap – the gender-responsiveness of a ministry's climate budget.²¹ For the Ministry of Agriculture, applying the UNDP methodology finds that between zero and 39.1% of the 2018-19 budget allocations are gender-responsive climate allocations. The range in 2019-20 would be between zero and 37.8%. For both years, the maximum indicates that 100 percent of the ministry's climate-relevant expenditures are gender-responsive; while the minimum would mean that none of the gender budget is climate-relevant. The actual share of gender-responsive climate change allocations is likely somewhere in between, but without clear definitions and access to detailed program data, a more precise calculation is not possible.

Table 1. Ministry of Agriculture, Bangladesh

Fiscal year	Total ministry budget (in Crore Taka)	Potential overlap of climate and gender	
		Minimum %	Maximum %
2018-19	12,795	0	39.1%
2019-20	14,053	0	37.8%

Source: Author's calculations of 2019-20 Gender Budget for Agriculture (pg. 105 at https://mof.gov.bd/sites/default/files/files/mof.portal.gov.bd/budget_mof/1167fe59_014a_4016_a6ef_668e23c2b67a/G-1_08_143_Agriculture_English.pdf on 10 December 2020)

²¹ A. N. Mukherjee, "Incorporating Gender and Poverty Analysis in the Climate Public Expenditure and Institutional Review: A Methodological Note Draft October 29, 2014" UNDP, Bangkok.

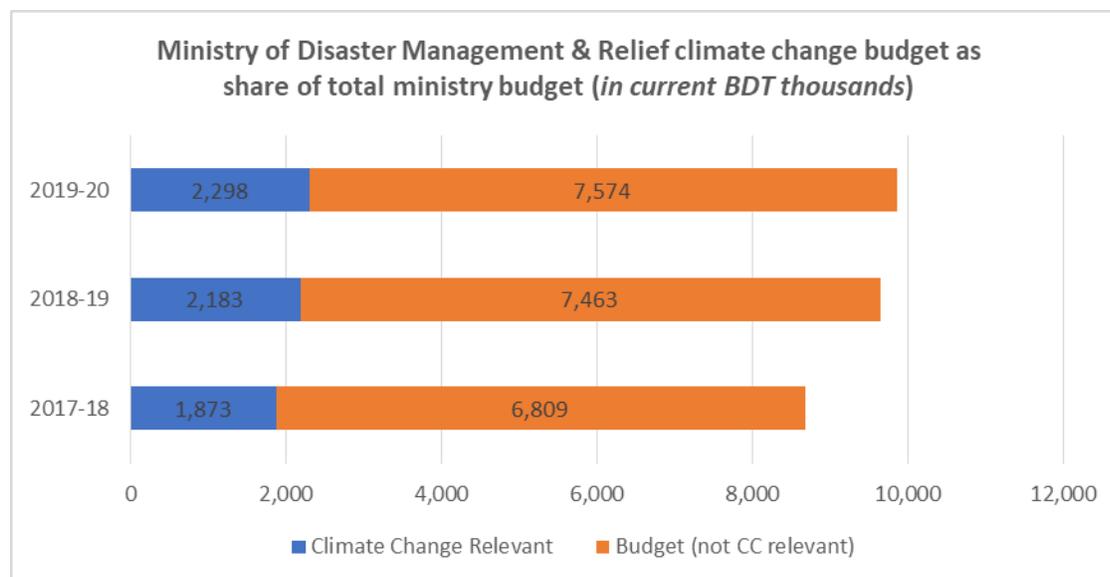
Gender and climate budget in the Ministry of Disaster Management and Relief

The disaster management and relief sector is another significant sector for gender and climate change considerations.

The reported climate change-relevant budget has remained consistent over the last three budget years. The Ministry reported climate change-relevant budget of USD 221 million (BDT 1,873 crore taka), representing **22%** of the ministry budget, in the 2017-18 budget; USD 257 million (BDT 2,183 crore taka), representing **23%** of the ministry budget, in the 2018-19 budget, and USD 271 million (BDT 2,298 crore taka), representing **23%** of the ministry budget, in the 2019-20 budget.²²

The reported gender budget increased significantly between 2017-18 to 2018-19, and again the following year. The ministry reported gender relevant budget of USD 292 million (BDT 2,480 crore taka), representing **29%** of the 2017-18 ministry budget; USD 615 million (BDT 5,218 crore taka), representing **54%** of the 2018-19 ministry budget, and USD 812 million (BDT 6,882 crore taka), representing **70%** of the 2019-20 ministry budget.²³

Figure 5. Climate change budget share of the Ministry of Disaster Manage and Relief, Bangladesh

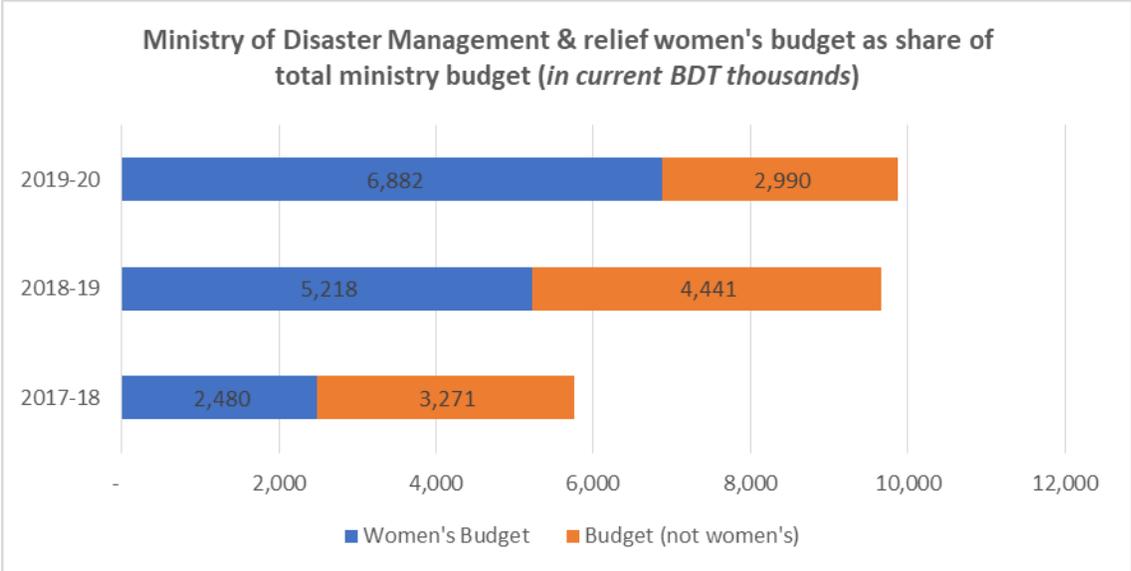


Source: Author calculations of data from Finance Division, Ministry of Finance, government of the People's Republic of Bangladesh

²² All estimations presented in USD have been converted using an online currency converter (rate used 84.80 BDT per USD).

²³ Ibid.

Figure 6. Women’s budget share of the Ministry of Disaster Manage and Relief, Bangladesh



Source: Author calculations of data from Finance Division, Ministry of Finance, government of the People’s Republic of Bangladesh

Table 2. Ministry of Disaster Management and Relief, Bangladesh

Fiscal Year	Total Ministry Budget (in Crore Taka)	Potential overlap of climate and gender	
		Minimum %	Maximum %
2018-19	9,718	0	22.5%
2019-20	9,872	0	23.3%

Source: Author’s calculations of 2019-20 Gender Budget

For the Ministry of Disaster Management and Relief, the UNDP method of analysis finds that between zero and 22.5% of the 2018-19 budget allocations are gender-responsive climate allocations. The range in 2019-20 would be between zero and 23.3%. For both years, as with the Ministry for Agriculture, the maximum indicates that all the ministry’s climate-relevant expenditures are gender-responsive while the minimum would mean that none of the gender budget is climate-relevant.

With access to only highly aggregated ministry budget data, this analysis provides an indicative range of the gender-responsive climate change budget for each ministry. However, it is of limited practical use, and there is no way to identify the actual gender-responsive climate-relevant budget without detailed program-level data.

4.5 Who leads mainstreaming that considers gender and climate across government? What is the role of line ministries? Who is involved beyond the executive branch of government? Are

parliaments? Local level government (subsidiarity/local decision-making)?

The gender budget and climate budget report preparations, as with the national budget reports, are led by the Ministry of Finance. It is not very clear how the line ministries are engaged in the process, and what role they play in defining how much is climate relevant, as there are different views shared by the officials of the Ministry of Environment, Forests and Climate Change. With regards to implementation of climate-relevant projects and programs, the line ministries are responsible for project management and expenditure.

Overall budget reporting is also led by the Ministry of Finance. As for budget preparation, the line ministries submit projects, including an estimation of revenue they can generate throughout the year, using the Mid-Term Budget Framework. The role of the Ministry of Finance is straightforward, as the ministry allocates budget as “an envelope” to the line ministries. In turn, the line ministries determine the projects and programs that fit within this envelope. The final budget of each ministry is agreed in a final consultation between the line ministry, the Ministry of Finance, and the Ministry of Planning. Once the process is completed, the Ministry of Finance prepares the final proposed budget that is then submitted to parliament for consideration and enactment. However, importantly, the mid-year revision (November/December) is not sent to parliament for approval—a practice that can undermine the credibility of enacted budgets. From the informant interviews, there is no clearly defined role of the Ministry of Environment, Forests and Climate Change in the development of the climate budget, whether that be to provide technical guidance to other ministries in preparing/assessing their climate-relevant budget allocations or quality assurance on the ministries’ budget proposals.

While gender budgeting is well known and more deeply embedded in the GoB’s public finance processes, climate budgeting is not yet there. In many ministries, such as the Ministry of Women’s and Children’s Affairs (MoWCA), the climate budget is considered limited to the budget for responding to disasters or projects that are related to the social safety net. This clearly shows a lack of understanding of the range of programs, projects and activities within the ministry that can contribute to climate goals, as well as how investments in climate actions may contribute to the goals of the gender budget. Though the Development Project Proposal (DPP) format includes both climate sensitivity and gender-responsiveness elements to be considered in the making of a project, those are rather qualitative and yes/no questions that do not support the principles of accounting under the gender budget or climate budget.

There are several factors in place that could support a gender-responsive climate change budgeting approach. Each ministry has a gender focal point and a climate focal point, as well as a team that works with the Ministry of Planning and Ministry of Finance on planning and budgeting, so some institutional arrangements for GR-CCB are

established. Furthermore, the existing tools and processes for preparing gender and climate budgets offer opportunities to build upon.

4.6 What has the experience of gender and climate budgeting been? What barriers have been identified?

The analysis has shown that the GoB has somewhat consistently allocated around 30% of the budget to gender-relevant spending, which is its established goal, and around 8% to climate-relevant spending. However, as it is not possible to access detailed program-level data from the ministries, it is difficult to identify how the climate and gender budgets are being spent and to what extent the climate budget is gender-responsive.

Further complicating efforts to integrate gender and climate budgets is that the criteria used to determine the climate relevancy of a project or program are based on weights determined through a substantial mathematical/statistical analysis, whereas the measures for gender-responsiveness are more qualitative. There also appears to be limited guidance to ministries on how to determine the climate or gender aspects in programs or activities, so it is likely that the reporting is inconsistent across ministries. Based on the limited information, further barriers are harder to identify.

4.7 To what extent is the public involved, and particularly, representatives of marginalized groups? Are women's groups and climate CSOs and others outside of government involved?

The research found little engagement with the public in the budgeting processes. Since there is also little public access to detailed program-level data, there is less opportunity for civil society to try to influence policy choices or monitor implementation, which can undermine the effectiveness of both.

Compounding this gap in the policy and oversight process is the lack of consistent impact assessment of public investments. While expenditure analysis can be done through the Ministry of Finance's automated information system, the effectiveness of the expenditure is most often measured by third party consultants (and mostly for select projects). This is especially true for the gender budget impact analysis. Thus, while there is some impact reporting in the gender budgets of ministries, which is welcomed, it is still too limited. The climate budget process is yet to disclose whether the government has done any analysis on effectiveness against expenditure. It is one of the key recommendations made by civil society over the past several years.

There have been several attempts by various internal and external stakeholders to identify ways to make climate action, and budget supporting such action, gender responsive. It has been widely recognized for decades that

women and children are among those most at risk of the negative impacts of climate change, and this is reflected somewhat in policies. Climate action plans, such as the National Adaptation Plan of Action (2005), refer to differentiated gender impacts. However, analysis using a sectoral approach (i.e., intensity of impacts on different sectors due to climate change) was limited to only examining the gender differentiated impacts on livelihoods.²⁴

Given the efforts made by different actors, including UN Women and UNDP, among others, to create an institutional mechanism for developing, reporting, and implementing a gender-responsive climate budget, one of the key entry points would be to introduce into the climate budget approach a set of gender parameters/indicators for each climate issue or action (i.e., adaptation, mitigation, and loss and damage) and develop weights for calculating the gender-responsiveness of the climate budget. Addressing this issue will require a longer-term approach that includes defining gender-climate goals, identifying potential actions and policies against these goals, defining key performance indicators, and collecting, analyzing, and reporting on performance data. This foundational work should be a part of revising and implementing the CCGAP.

4.8 What is the experience of GR-CCB in affecting actual decision making, such as resource allocation? What is the evidence of GR-CCB facilitating expenditure tracking and accountability for expenditure management and outcomes/impact of gender-climate change investments?

As the CCGAP, which would have been a promising vehicle for GR-CCB, was never implemented, it is not possible to answer this question. The CCGAP is soon to be updated, so there is an upcoming opportunity to push much further on the integration of gender into the country's climate response. Even with the data available through the separate gender and climate budget documents, it is not possible to track outcomes/impact. While the gender budget provides some information on impact, it does not identify climate links, and the climate budget does not report on impact at this stage.

The impact of public expenditure matters. Assessing and reporting impact against expenditure contributes to public accountability for the effective use of public finances to meet public goals and priorities, including those related to gender and climate change resilience. It is also essential information for future policymaking and budgeting.

²⁴ Ministry of Environment and Forest, Government of the People's Republic of Bangladesh, "National Adaptation Program of Action, Final Report," November 2005, pg. 17. Accessed on 24 February 2021 at: https://www.adaptation-undp.org/sites/default/files/downloads/bangladesh_napa.pdf

4.9 Where does Bangladesh have opportunities to improve their gender-responsive climate change budgeting?

The government of Bangladesh has demonstrated its political will to address both gender inequality and the climate crisis. Achievements made by the government over the years are significant. Development partners and CSOs have also made significant contributions toward achieving gender- and climate-responsive budgeting processes. As to taking the next crucial step, increasingly efforts are underway to facilitate gender-responsive climate budgeting. Based on the analysis of progress made so far and existing policy instruments, this report recommends the following actions:

- **Revise and implement the CCGAP:** One of the first steps to set up the institutional framework for GR-CCB is to revise the Climate Change and Gender Action Plan, including costing the plan, and establishing parameters and indicators for measuring gender-responsive climate investment. This can be initiated through a two-year pilot program led jointly by the Ministry of Environment, Forests and Climate Change, and the Ministry of Women’s Affairs, along with the Ministry of Planning and the Ministry of Finance. Clear guidance and technical assistance to line ministries can be developed from the pilot experience to ensure consistency and accuracy in GR-CCB across government.
- **Improve existing budget reporting processes:** Reporting of the gender and climate budgets must include:
 - Expenditure against planned allocation,
 - Explanations for changes made to budget allocations during the mid-year revision to enhance credibility and predictability, and
 - Evidence of the effectiveness of projects and programs.

Furthermore, it will be important to have an analysis of budget allocation and expenditure at the Upazila level (subunits of districts) to ensure equitable allocation of resources and support impact/effectiveness measurement.

- **Strengthen the audit process:** Investment must be made in strengthening the Implementation Monitoring and Evaluation Division (IMED), especially with regard to evaluating program effectiveness. While third-party evaluation of projects can improve program quality, strengthening IMED remains a critical step to ensure continuous monitoring and learning.

For increased transparency and accountability, as well as for measuring effectiveness, the social audit can become a key tool that government/IMED can facilitate, especially at the Upazila level, and can be performed annually. This recommendation is made mostly to monitor the execution of adaptation projects, whereas mitigation projects may require different approaches. Furthermore, larger

mitigation projects, such as energy projects, require the development of a rigorous methodology to measure gender-responsiveness.

- **Establish a joint monitoring taskforce:** A Joint Monitoring Taskforce (JMTF) has already been proposed by CSOs for strengthening climate budget preparation, implementation, and assessment. This can be a strong step forward toward setting up institutional processes to make the climate budget gender-responsive. Furthermore, a JMTF can also play a role in measuring the effectiveness of programs and projects, including those implemented with funding from the Green Climate Fund and to implement Delta Plan 2100.
- **Capacity enhancement:** Those interviewed for this study clearly identified the need for capacity enhancement of both government officials, especially from the MoWCA and the MoEFCC, and development actors. Within the line ministries there is a strong need to deepen the understanding of the roles and purpose of both the climate and gender budget processes and the application of the methods for calculating both. While setting gender indicators for climate budgeting can support GR-CCB and reporting on expenditures can be improved to increase transparency, ensuring that funds are used to effectively respond to gender and climate goals requires deeper understanding and capacity.

5. GR-CCB in Mexico

5.1 Approach to public finance management for gender and climate change

Eliminating gender inequality and tackling climate change are two of Mexico's top development priorities, though they have largely been pursued separately. Over time, the country has integrated gender and climate change perspectives into government planning and the budget process but progress has not advanced to the same level on both issues. The gender agenda has been more embedded in central government policymaking processes, while the climate change agenda less so. The latter's weaker integration is reflected in the volatility of the climate change budget in the key sectors of agriculture and welfare.

One factor behind the differences is that the gender agenda has been a budget focus of the government for a longer period, starting informally in 2003 and formalized through legal mandates and institutional arrangements since 2008. In contrast, the climate change agenda has only been included in planning and budgeting since the enactment of the Climate Change Law in 2012.

5.2 Drivers for gender and climate budgeting

Since 2003, academia and CSOs have played key roles in advancing the inclusion of gender in budgets through advocacy and helping the government to better understand the rationale for such an approach, and how it might be implemented. In large part because of these efforts, the government agreed in 2007 to establish the legislative mandates and institutional arrangements for gender integration into planning and policymaking. The integration of climate change in 2012 followed a similar journey.

Political shifts, however, have led to inconsistent gender and climate agendas. The election of Andrés Manuel López Obrador from the National Regeneration Movement (MORENA) in 2018 has redefined the priorities of the Mexican government, including goals to end corruption, protect the population “forgotten” by previous governments, regain state control over natural resources and other public services, and redefine the role of the market and the private sector. Among its early actions, Lopez’s government adopted an austerity policy, which has redirected and redefined public expenditures, reducing the budget in some sectors and increasing it in others, particularly those aligned with the government’s priorities. The result is that 25 priority programs have dominated the allocation of the public budget in recent years and will continue to drive public policy through 2024.

Mexico’s main planning instrument, the National Development Plan (PND) 2019-2024, adopted gender and sustainable development goals (SDGs) into its approach. Though the PND makes no specific reference to climate change, the issue is included in the SDGs. Based on the PND, sectoral programs, such as those focused on agriculture and welfare, have been developed with goals that are related to both gender and climate change agendas.

5.3 Scope of climate budgeting, gender budgeting and gender-responsive climate budgeting. What is produced? What is the level of detail?

An important step that Mexico has taken regarding gender and climate change budget allocations is the creation of cross-cutting annexes in the budget proposal (the *Presupuesto de Egresos de la Federación*, or PEF). According to Article 2 of the Law of Budgeting and Fiscal Responsibility, there are eight cross-cutting annexes that present information on budget programs that contribute to specific policy goals; among them is a “gender” annex on equality between women and men and a “climate change annex” on climate change adaptation and

mitigation.^{25,26} Each annex looks across ministries and sectors to present programmatic information (i.e., the components of the programs and the government units responsible for their implementation) and budget information on the resources allocated to actions and services that are linked to different areas included in the annex. An analysis of the evolution of these two annexes during the last five years shows that while there has been a steady, incrementally increasing allocation of the public budget to gender-related investments, this has not been the case for climate change, whose allocations have fluctuated over time (Figure 1). An important step that Mexico has taken regarding gender and climate change budget allocations is the creation of cross-cutting annexes in the budget proposal (the *Presupuesto de Egresos de la Federación*, or PEF). According to Article 2 of the Law of Budgeting and Fiscal Responsibility, there are eight cross-cutting annexes that present information on budget programs that contribute to specific policy goals; among them is a “gender” annex on equality between women and men and a “climate change annex” on climate change adaptation and mitigation.^{27,28} Each annex looks across ministries and sectors to present programmatic information (i.e., the components of the programs and the government units responsible for their implementation) and budget information on the resources allocated to actions and services that are linked to different areas included in the annex. An analysis of the evolution of these two annexes during the last five years shows that while there has been a steady, incrementally increasing allocation of the public budget to gender-related investments, this has not been the case for climate change, whose allocations have fluctuated over time (Figure 7).

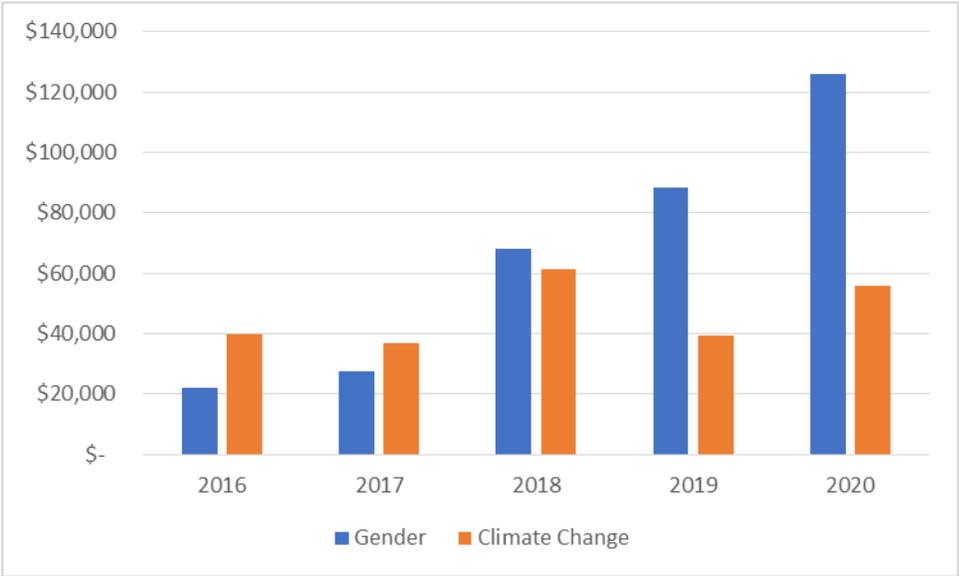
²⁵ The 2006 Law of Budgeting and Fiscal Responsibility can be found at https://www.senado.gob.mx/comisiones/finanzas_publicas/docs/LFPRH.pdf.

²⁶ Other annexes are related to comprehensive development of indigenous people and communities; youth development; special program for rural sustainable development; science, technology and innovation program; national strategy for energy transition and sustainable use of energy; and attention to vulnerable groups.

²⁷ The 2006 Law of Budgeting and Fiscal Responsibility can be found at https://www.senado.gob.mx/comisiones/finanzas_publicas/docs/LFPRH.pdf.

²⁸ Other annexes are related to comprehensive development of indigenous people and communities; youth development; special program for rural sustainable development; science, technology and innovation program; national strategy for energy transition and sustainable use of energy; and attention to vulnerable groups.

Figure 7. Gender and climate change budget (in millions of MXN) over time, Mexico



Source: Author’s calculation with data from the Federal Public Budget based on the gender and climate change annexes (2016-2020), Mexico.

5.4 What is the gender and climate budget in two key priority ministries, and where are there intersections, or potential intersections, of these budgets?

Gender and climate budget in the Ministry of Agriculture

Agriculture is one of the sectors that has managed to include both gender and climate change considerations in their planning process, because the impacts of climate change are more evident and the role that women play in the still male-dominated sector is also growing. The Ministry of Agriculture and Rural Development (*Secretaría de Agricultura y Desarrollo Rural, SADER*) is responsible for designing and executing the policies of the sector. Like other Mexican government ministries after the arrival of the López Obrador administration in 2018, SADER changed their internal rules (published in 2019) and committed to include both gender and sustainable development perspectives; climate change was included in the latter.

The ministry had designed a Sectoral Program for Agriculture and Rural Development (2019-2024), which seeks to integrate gender and climate as cross-cutting priorities. The program has three key objectives:

1. Achieve food self-sufficiency by increasing production and agricultural and aquaculture fishing productivity.
2. Contribute to the well-being of the rural population through the inclusion of historically excluded producers in rural and coastal productive activities, taking advantage of the potential of the territories and local markets.
3. Increase sustainable production practices in the agricultural and aquaculture-fishing sector in the face of agroclimatic risks.

The budget analysis shows that SADER reported to the gender annex of the public budget an allocation of USD 183 million (3.7 billion MXN) in 2019 and USD 190 million (3.8 billion MXN) in 2020.²⁹ The 2019 amount represented **5.6%** of the total programmatic budget, while the gender share rose to **7.9%** in 2020.

The austerity policy of the Lopez Obrador government reduced the public sector budget and reallocated resources among sectors, which may have contributed to the reduction in the total agriculture budget. However, even though the budget allocation for SADER was decreased, the share of the agriculture budget related to the gender agenda increased.

In the case of the climate change annex, SADER reported USD 487million (10 billion MXN) in 2019 and merely USD 11 million (219 million MXN) in 2020 (representing a nearly 98% reduction). These climate-related allocations represented **15%** of the total sector budget in 2019 but less than **0.5%** in 2020. It is possible that the reduction of the climate budget reflects the overall reduction of the SADER budget in many areas of the sector rather than a shift away from addressing climate change. Unfortunately, the lack of detail in the reporting for 2019 and 2020 does not clearly identify where the reductions were made.

The evolution of applying gender and climate change perspectives to the agriculture budget has varied. Based on the analysis conducted for this report, there are programs that were reported in both the gender and climate change annexes, implying a convergence of the two issues. In the 2019 annexes such convergence was found in the following areas: (1) General Coordination of livestock; (2) General Direction for agri-food standardization, (3) General Direction of tropical area, (4) General Direction of natural fibers and biofuels and (5) Undersecretary of rural development. Allocations for these areas totaled USD 578 million in 2019. Because of the lack of access to clearly labeled disaggregated data for these areas, it is not possible to estimate what portion of the total gender budget allocations were climate relevant and vice versa, so these estimates should be considered the maximum possible GR-CCB for these five areas. In 2020, there was only one area where both agendas converged, the rural

²⁹ All estimations presented in USD have been converted using an online currency converter (rate used 19,93 MXN per USD).

development area, which represented USD 5.5 million. The overlapping budget in 2019 represented **20.7%** of the total budget of the sector, while in 2020 it represented only **8.4%**.

Gender and climate budget in the Ministry of Welfare

In Mexico, the welfare sector has been involved in both gender and climate change matters for some time. The welfare ministry (*Secretaría de Bienestar, Bienestar*) has been part of the Inter-ministerial Commission for Climate Change since 2012, and it has long been engaged in gender equity matters, particularly through the National Institute of Social Development (*Instituto Nacional de Desarrollo Social, INDESOL*). Under the López Obrador government, the sector has clearly stated its responsibility to supporting the gender agenda but has not expressed recognition of its relationship to or any responsibility for the climate change agenda.

The ministry developed a Sectoral Program for welfare (2019-2024), which seeks to integrate gender and climate as cross-cutting priorities. The program has five key objectives:

1. Contribute to guaranteeing a basic set of human rights in an effective and progressive manner, starting with those who need it most.
2. Reduce the socioeconomic inequality gaps between territories.
3. Contribute to social welfare through sufficient income, promote food self-sufficiency, rebuild the social fabric, and generate the productive inclusion of peasants in rural locations to make the land productive.
4. Reduce the socioeconomic inequality gaps faced by historically excluded population groups.
5. Contribute to a culture of peace to influence the reduction of violence in communities and territories.

The welfare sector has budget lines of action related to gender, but not related to climate change. In the gender annex, Bienestar reported an allocation of USD 2,076 million (41 billion MXN) in 2019 and USD 2,560 million (51 billion MXN) in 2020—a **23%** increase. However, in the case of climate change, the sector did not report any allocations.

According to the Sectoral Program 2019-2024, the priority programs of the welfare sector are: (1) Pension program for the well-being of older adults, (2) Pension program for the well-being of people with permanent disabilities, (3) Sowing life program, (4) Support program for women's representation in the federal entities (5) Promotion program for the social economy and (6) Program for the welfare of people in social or natural emergency.

There is some controversy over including the “Sowing life program” (*Sembrando Vida*) in the gender annex. The program gives monetary support to families to grow fruit trees in their territories, primarily to generate economic

activity, but there is little evidence that the program contributes to gender equality. Although some aspects of the *Sembrando Vida* program are related to the practice of reforestation, the program's main goal is not related to the environmental sector or reducing greenhouse gases emissions, but rather to providing an income to families during certain times to help their fruit tree production. This focus of the program's primary goal might explain why the welfare ministry does not consider the program one that contributes to the adaptation or mitigation of climate change.

The welfare sector has been clearly integrating the gender perspective in the planning process and this has been reported in the gender annex of the federal budget, but the case of climate considerations is less clear. Since 2012, when Bienestar was included in the Climate Change Law, promoting climate change mitigation and adaptation measures has been part of the ministry's agenda. However, Bienestar did not report information to the climate change annex in 2019 and 2020. Nevertheless, based on the analysis of the general budget of the sector, which aimed to identify specific programs labeled as climate relevant or with titles or information in the program description that indicate a clear relationship with climate change, it was possible to identify some climate-relevant programs. The *Sembrando Vida* program is one, as is the program related to the sub-goal to secure the "well-being of people in a social and natural emergency situation." The resources allocated to these programs were USD 749 million (15 billion MXN) in 2019 and **USD 1,472 million** (29.2 billion MXN) in 2020. This would represent **3%** of the total welfare sector budget in 2019 and **5.1%** in 2020. It is important to note, however, that these figures may overstate the climate-relevance of the sector budget as not all of the activities of the *Sembrando Vida* program have climate benefits.

In analyzing the potential overlap between the gender and climate change budgets, the program where both agendas appear to converge is in the *Sembrando Vida* program. Bienestar reports that only 30% of the program is related to gender equality and does not explicitly attribute any share of the program budget to the climate change agenda. There is clearly a link as the program's reforestation component would contribute to climate change mitigation through the absorption of CO₂. Regardless of whether the program allocations are—or are not—reported in the two annexes, there is no available evidence that it contributes to either the promotion of gender equality or climate change challenges, so, ultimately, it should not be considered gender-climate relevant.

In sum, Mexico has made important progress in the inclusion of gender and climate change perspectives in government ministry planning processes, but less so in the budget processes of the two sectors analyzed here, agriculture and welfare.

5.5 Who leads mainstreaming that considers gender and climate across government? What is the role of line ministries? Who is involved beyond the executive branch of government? Are

parliaments? Local level government (subsidiarity/local decision-making)?

Under López Obrador, the office in charge of incorporating the sustainable development agenda, the Directorate General of the 2030 Agenda (*Dirección General de la Agenda 2030*), is under the Office of the Presidency, the highest level of the decision-making process. This office has worked to support ministries to include a sustainable development approach in planning and budgeting through workshops organized with other ministries as part of the National Committee for the 2030 Agenda, created in 2018. It is in the context of sustainable development that the agriculture, welfare and other ministries have incorporated gender and climate change in their sectoral programs.

In this context, the gender and the climate change agendas have been incorporated in the sustainable development agenda, although not at the same level of interest.

5.6 What has the experience of gender and climate budgeting been? What barriers have been identified?

As already indicated, the Mexican government has made important progress in integrating gender and climate change perspectives into their planning processes. However, there has been less progress in doing so through the budget process.

The inclusion of both agendas in the key cross-cutting budget annexes clearly indicates gender and climate as priority issues in the country. While there is little evidence of significant efforts to integrate the agendas at the central government level so far, the adoption of the SDGs and their inclusion in the National Planning Law suggests that a more integrated approach to elaborating both sectoral programs and budgets is on the near horizon. The first step has been the integration of the Agenda 2030 in the National Development Plan 2019-2024, which is the most relevant planning instrument in the country.

Institutions, such as the Institute of Women (INMUJERES), have been advocating for mainstreaming the gender agenda across government, and there has been an attempt to include specific gender units within all ministries. However, these units differ in hierarchy and structure, affecting their influence in among the specific ministries. Establishing these units has not been enough to ensure the inclusion of the gender perspective in ministries' planning and budgeting, since they often lack the capacity to integrate gender appropriately.

In the case of climate change, the Inter-ministerial Commission on Climate Change, which comprises 14 ministries including agriculture and welfare, is tasked with considering climate change matters in their process and

institutions. To date, though, not all the ministries have taken this up. Other than the Ministry of Environment, the Ministry of Agriculture has been one of the most progressive; it has been the only other ministry to establish a dedicated *Dirección* to deal with climate change in the sector. By contrast, the welfare sector in the current administration does not see climate change as a key area of work.

Although the actual integration of these perspectives in all the ministries is a work in progress, the Ministry of Finance increasingly recognizes the relevance of gender- and climate-responsive planning and budgeting. Nevertheless, it is limited in the extent that it can ensure the mainstreaming of these two agendas into planning and budgeting.

There are also persistent challenges in ensuring that legal and other mandates for climate and gender budgeting are meaningfully operationalized. For example, according to representatives of SADER, while the gender agenda has technically been embedded in the planning process of the new government, “it is difficult to assess how this works in practice, because the commitment on paper [sectoral program] does not mean that this agenda is implemented in the activities of the sector, which continues to be male dominated” (Interview 2). In other words, while the ministry reports gender-related budget allocations, the sector is still behind in integrating gender considerations into its internal and external operations, indicating that the “labels” are not enough to ensure meaningful actions that will reduce the gender gap.

Further, Mexico has not yet developed nor implemented an approach to identifying activities, and their relevant budget allocations, that address both gender and climate change. The annexes in the budget are intended to increase transparency, but proper methodologies for elaborating them have yet to be designed; the latter undermines the value of the annexes for tracking spending and monitoring execution and impact. The existing approaches for integrating climate and gender equality concerns into programming and budgeting need to be refined, and the sectors with relevant technical expertise, such as environment and INMUJERES, have a necessary role in designing methodologies that other ministries can apply appropriately. There is some progress here, as the Ministry of Finance is working with the National Institute for Ecology and Climate Change (INECC) to improve the climate change annex and with INMUJERES on the gender annex.

The Agenda 2030 office and the Ministry of Finance aim to use the experience of the cross-cutting budget annexes to further promote a sustainable development budget process. The intention is that all the SDGs should be considered in the elaboration and execution of programs and budgets. In this context, not only would the gender and the climate change approaches be better integrated, but an even more comprehensive sustainable development approach could be implemented.

A key challenge is in ensuring that gender- and climate-responsiveness is integrated throughout the public policy cycle, including the design of the National Development Plan and all the sectoral programs, as well as the budgeting, execution and oversight processes.

The Deputies Chamber of the legislature in charge of approving the public budget, with the technical support of the Climate Finance Group for Latin-America and the Caribbean (GFLAC), has implemented a promising initiative to support SDG mainstreaming in Mexico's public finance governance. The initiative aims to increase legislators' understanding of the sustainable development agenda and the capacity to use this knowledge in reviewing, revising and enacting budgets.

5.7 To what extent is the public involved in gender and climate budget approaches, and in particular, representatives of marginalized groups? Are women's groups and climate CSOs and others outside of government involved?

While civil society groups have played important roles in advocating for climate- and gender-responsive budgets and re-sensitizing government officials to these agendas, there has been very little evidence of government-led public consultation or engagement with relevant civic actors, including CSOs focused on gender equality, impoverished and marginalized people, or climate. We found no evidence of active mechanisms, such as digital or in-person stakeholder consultations, that the government has in place for meaningful and sustained engagement. And, while the publication of the annexes have been a step forward in increasing budget transparency, the limited detail that is included, stemming from insufficient reporting and methodologies, limits the information available to monitor and evaluate spending on and the impact of these two agendas.

This lack of engagement is not due to a lack of public interest in climate and gender budgeting. According to a representative of the INMUJERES, the inclusion of gender in budgets started in 2003, when feminist economists promoted this in coordination with allies in the legislature, raising the government's understanding and recognition of the importance of the approach. CSOs, such as Fundar and *Equidad de Género: ciudadanía, trabajo y familia*, (CEPAL, 2013), increasingly became involved and were supported by international organizations, such as UN Women. Still, it was not until 2007 that the government agreed to formally integrate gender into the process of allocating public resources, which led to the creation of the gender budget annex in 2008. Establishing the climate change budget was also the result of a collective effort from civil society, including the Mexican Climate Finance Group, and the legislature. The result was the enactment of the Climate Change Law, among other instruments, that aimed to further mainstream climate across key sectors beyond the environmental sector, though this has been a slow process.

It is important to note that, although there is interest and involvement among CSOs in promoting gender and climate change budgets, there is a limited involvement of marginalized groups in these processes. Finally, in recent years there has also been growing interest among local governments in gender- and climate-relevant budget allocation. Greater local government involvement has the potential to better support mechanisms to target and involve marginalized groups, as they have closer connections to the community. However, it has been difficult for states and local governments to meaningfully engage in gender- and climate-responsive public finance governance because of the limited resources that subnational governments control.

5.8 Is there evidence of GR-CCB affecting actual decision making, such as changes in resource allocation? What is the evidence of GR-CCB facilitating expenditure tracking and accountability for expenditure management and outcomes/impact of gender-climate change investments?

Given the limited progress toward gender-responsive climate change budgeting in Mexico – the gender and climate budgeting that is happening has been pursued separately – it is not possible to speak to the impact of a GR-CCB approach on actual decision making. In fact, there is still very limited insight on the impact of the existing approaches to gender budgeting and climate budgeting on decision making. The limited detail reported in the annexes, partly due to missing granularity in the reporting from line ministries, has made it very difficult to track changes in the budgets with consistency. While the overall gender budget has shown more stability, the impact of the budgeting on program and fiscal decision making is still unclear. Examining the trajectory of each of the gender and the climate budgets, however, indicates that the credibility and stability of the gender budget, in contrast to the climate budget, is likely because ministries have had more experience, over a longer period, with the gender approach.

The limited detail in the budgets, and the relatively short amount of time that gender and climate budgeting have been implemented, means that there are also few insights to offer on the impact of climate- and gender-relevant expenditures. As government does not provide detailed information on program or activity allocations linked to clearly defined gender or climate change outcomes, it is almost impossible to track impact or hold government to account managing gender and climate change investments.

5.9 Where does Mexico have opportunities to improve their gender-responsive climate change budgeting?

While the creation of annexes in the public budget represent an important step in increasing transparency, there is more work to be done to support a robust gender and climate change—and gender-responsive climate—

mainstreaming process. The gaps identified in the research call for methodological/process improvements, strengthening capacities across the relevant sectors and institutions and more robust impact assessment and reporting that ensures that sufficient funds are allocated and used as intended to promote gender equality and effective climate actions.

The Agenda 2030 office in the Presidency and the Ministry of Finance are seeking to develop methodologies for sustainable development budgets, which would be able to support the integration of the gender and climate change agendas into the elaboration of policies and budgets in the coming years.

The following recommendations are intended to support such an integrated approach, and to strengthen the gender and climate budgeting efforts in Mexico more broadly:

Legal framework:

- Top-down mandates: The government of Mexico should establish a requirement to account for gender and climate change in ministries' programs and operations. The head of the government has significant influence over the heads of ministries; likewise, if a minister buys-in to gender-responsive climate change budgeting, it will be more likely to be implemented at the sectoral level.
- Application of the law: It is necessary to further study the mandates established by the Climate Change Law and ensure that ministries and sectors understand and adopt these existing legal mandates.
- Accountability and goals: Accountability measures should be established to guide and evaluate the implementation of gender and climate change perspectives in budgeting relative to goals.
- Obligatory assessments: An obligatory assessment, conducted by independent auditors, should be established for the programs that report to the various annexes to verify that they are implementing gender and climate change perspectives to budgeting.

Capacity strengthening:

- Create and strengthen governmental knowledge: Ongoing capacity development is needed for all levels of staff—from high-level decision-makers to technical specialists in charge of the design and implementation of programs—to ensure that ministries understand, internalize and incorporate the principles of gender equity and climate change into planning and budgeting.
- Regular support for strengthening sector and local capacity: Individuals throughout a sector, not just government officials and public servants, should also receive regular capacity development support. Issues related to gender and climate change can be experienced daily (e.g., discrimination towards

women), so it is important that workers involved in these sectors are familiar with government priorities and how implementation affects their areas of work.

- Coordination: It is necessary to connect and strengthen the relationship between the technical specialists and those in charge of the budget to understand and support each other's work and increase their collaboration.

Methodologies:

- Create better methodologies, as well as guidelines: The development and application of methodologies to elaborate the budgeting and accounting in the annexes need to be strengthened to better define what activities related to gender and climate change need to be reported in the annexes. Furthermore, it is necessary to create a manual to accompany these methodologies with clear guidelines that is accessible and applicable to all sector ministries to help assess programmatic and departmental compliance.
- Best practices exchange: Inter-ministerial workshops should be conducted to allow for the exchange of experiences and challenges in applying the methodologies provided by the finance ministry. Additional special courses with technical entities could also support the implementation of new methodologies.

Multistakeholder participation:

- Advocacy processes: Non-governmental stakeholders have an important role to continue promoting an integrated approach between gender and climate change, not only at the central government level, but with legislative and local governments as well.
- Best practices: Dialogue between civil society organizations, academia, international organizations, and government can allow for sharing knowledge and experience with effective design and implementation of methodologies and processes.

Resources:

- Sufficient budget allocation: One key challenge is an austerity approach leading to further budget cuts. Ministries and congress need to work together to ensure that sectors increase their budgets for cross-cutting issues such as climate change and addressing the gender equality gap.
- Redirection of resources: An important debate in Mexico is on how best to use available resources, which means cutting those programs that increase climate change or gender inequality and redirecting their funds to actions that can help to deal with these issues in a more structural way.

6. Insights from Bangladesh and Mexico

The integration of emerging priority areas into budgeting requires the sensitization of all actors involved in the budget process – and this takes time. In both Bangladesh and Mexico, gender planning has been associated with the budget process longer than climate planning has. In both cases the gender agenda is more integrated and consistent than the climate agenda. Given the longer track record of the gender agenda, those involved in the budget process have become increasingly sensitized to the scope and practice of addressing the gender agenda and how that translates to its inclusion in the budget and processes for accounting.

Policies and plans need to provide a strong foundation on climate, gender and climate-gender actions to be taken. For example, the 7th Five-Year Plan (FYP) in Bangladesh represented a significant step forward from the 6th FYP in identifying environmental and climate change actions that were preconditions for achieving sustainable development, as well as reducing gender inequality. The 7th FYP also recognized the need for gender differentiated interventions. The greater clarity of these areas in the 7th FYP compared to the 6th FYP helped facilitate greater uptake and exploration of the agendas in relevant agencies.

Policy development does not necessarily translate to budgeting. In the case of Bangladesh, a Climate Change and Gender Action Plan (CCGAP), aligned with Bangladesh's Climate Change Strategy and Action Plan (BCCSAP), was developed but never implemented. This failure was partly because the plan was not fully developed to include costing of potential actions, nor did it set up parameters and indicators for measuring gender-responsive climate investment. These steps would have helped facilitate the implementation of the plan.

A key component of ensuring that planning and policies are incorporated into budget processes involves strengthening the national legal framework. National leadership to establish national priorities that become enshrined in laws and to mandate responsibility for budgeting and implementation is necessary. The two studies have found that where there has not been a high-level mandate, it has been difficult for ministries to include gender and climate in the budget, or, more importantly, to keep supporting these agenda's during periods of austerity and budget cuts.

Linked to the development of laws and mandates, there need to be clear goals and an accountability system to ensure follow through. Clear targets and review from government leadership can facilitate ministries in integrating climate and gender budgets. Government review can provide a system through which ministries can communicate their struggles in allocating a budget to climate and gender, which can highlight areas for guidance or other support, identify need for greater budget allocation and indicate ways to restructure processes to help remove barriers.

Political cycles may affect the consistency of implementation of the climate and budget agendas. Where new governments, particularly from different political parties, have come into power, the changes in government priorities have impacted the consistency of gender and climate integration.

Integration of the gender and climate agenda at the international level has supported the national uptake of these agendas. For example, the GoB's support of the agenda on women's advancement and participation from policymaking through program implementation at the UNFCCC 2012 COP was a key driver for the development of the Climate Change and Gender Action Plan in 2013. The document is considered one of the major stepping-stones in terms of mainstreaming gender-responsive climate action at national level.

Gender and climate disaggregated sections or annexes in the national budget are important for transparency and accounting. This level of detail helps identify where spending on gender and climate is happening, across which ministries and programs. The creation of the cross-cutting annexes in Mexico's Federation Expenditure Budget was an important step in transparency of resource allocation. Each annex looks across ministries and sectors to present programmatic information (i.e., the components of the programs and the government units responsible for their implementation) and budget information on the resources allocated to actions and services that are linked to different areas included in the annex.

However, gender and climate tagging is not consistent across ministries. Not all spending of climate and gender activities are reported to the budget, providing an inaccurate, often underrepresented, picture of climate and gender spending. One problem found through the case studies is that not all ministries include gender and climate disaggregated information in their budgets proposed to the Ministry of Finance, leaving the Ministry of Finance to tag only where there was clear climate and gender spending.

Climate and gender budget reporting is often led by ministries of finance. However, staff in the ministry of finance will not necessarily be familiar with the intricacies of financing for gender and climate. Line ministries must engage and provide the Ministry of Finance with the information needed. Bangladesh provides an example of how this can be done—where each ministry has a gender focal point and climate focal point and a team working on planning and budgeting along with their Ministry of Planning and Ministry of Finance.

The roles of line ministries and local authorities are unclear. In both countries studied, there is no guidance or defined processes for the engagement of line ministries and local authorities, leaving their roles and responsibilities unclear. This ambiguity may be one reason for the inconsistent reporting from line ministries to the ministry of finance.

The effectiveness of spending is not consistently measured or integrated. Spending allocated specifically for climate and gender is not evaluated on effectiveness or impact. Impact assessment can support the better integration of climate and gender components across ministry activities by providing an evidence base on effectiveness.

While projects and programs that receive both climate and gender budget can be identified, the integration of the climate and gender agendas remains limited. Both the Bangladesh and Mexico cases show a number of areas of overlap in climate and gender budgets and therefore a number of areas of potential integration.

7. Recommendations for gender-responsive climate change budgeting

Ultimately, gender-responsive budgeting, climate-responsive budgeting and gender-responsive climate change budgeting are intended to support public finance management to adequately fund better targeted investments that will effectively meet public needs and priorities. The aim of this study was to survey the extent to which governments, particularly those of countries facing great risk from climate breakdown, are integrating the intersecting challenges of gender inequality and climate change into their planning and public finance systems and practices. The ultimate goal of such integration is to ensure that enough public money is spent both in support of climate change actions and to address gender inequality while prioritizing financing for interventions that tackle the disproportionate impact of climate change on women and girls. By looking at countries that have taken initial steps toward gender-responsive climate change budgeting—and attempting to analyze spending in key ministries through data these budget systems have produced—the researchers were able to identify some of the necessary components, gaps and challenges in advancing such integrated public finance approaches.

The following recommendations are based on the findings of this initial research and indicate key considerations for governments undertaking reforms to make their public finance systems more gender- and climate responsive. They also indicate areas for additional research into models, resources and guidance that promote and support progress on effective GR-CCB.

- **National leadership and mandates.** Both our country examples show that national leadership is an important driver of the gender and climate agendas. Government priorities reflected in legal and institutional mandates are crucial to ensuring that action is taken and are particularly important to maintaining focus on these priority issues during times of austerity or other shifts. Our recommendations in this area:
 - Strengthen policies and plans to provide clarity on gender, climate and overlapping priorities. Provide cost estimates for actions needed to address these priorities and identify

objectives and indicators for measurement where possible, or state clear next steps for costing and measurement.

- Establish national priorities, enshrined through national laws where applicable, and assign mandates to reporting ministries.
- Link laws and mandates to clear goals and an accountability system.
- Ensure that processes for planning and budgeting, based on laws and mandates, are robust to political cycles through the development of short-, medium- and long-term plans.

- **Capacity strengthening.** Ensure that all actors at all levels are receiving training and that they have the capacity to internalize the climate change and gender agenda and support the institutional and budget processes that provide the mechanisms for these. Our recommendations in this area:
 - Provide capacity development across relevant sectors to ensure key actors understand, internalize and incorporate the principles of gender equality and climate change into planning and budgeting. This should include both high-level decision makers and technical staff.
 - Provide regular and local capacity development opportunities so that all levels of workers (men and women) across sectors are familiar with and can implement these agendas in their areas of work, accounting for staff turnover and other long-term changes.
 - Strengthen coordination between the technical areas and those responsible for developing plans and budgets to support the work to increase understanding and collaboration between the two.
- **Improve budget reporting methodologies and processes.** Strengthen methodologies for elaborating gender and climate budgeting by more clearly defining relevant programs, projects, and activities. Ensure that these more robust methodologies are applied consistently across ministries and actors to generate comparable and accurate budget information — information that provides key data for decision making. Our recommendations in this area:
 - Produce and publish budgets that contain information disaggregated by cross-cutting priorities, such as climate and gender, and by programs of work. Develop clear and commonly understood definitions for activities that support progress on the climate-gender agenda.
 - Create manuals and other resources for all relevant line ministry staff to use the developed methodologies in their planning and budgeting.
 - Determine detailed cost estimates for achieving the government's gender equality and climate goals.

- Conduct peer-to-peer knowledge exchanges of best practices, such as inter-ministerial workshops to share their experiences and challenges in applying the gender and climate budgeting methodologies.
- **Multistakeholder participation.** Engaging state and non-state actors is an essential part of ensuring accurate and relevant budgeting that is effective in serving the gender and climate agenda. Our recommendations in this area:
- Establish an engagement platform. For example, governments and civic actors could establish a joint taskforce or platform that brings stakeholders from across society into gender and climate planning and budgeting processes, including preparation, implementation and assessment.
 - Encourage and support advocacy processes: The role of nongovernmental stakeholders is essential in promoting the need and pushing for accountability for an integrated approach between gender and climate change action. Such engagement and advocacy is valuable at all levels of government, as well as with legislatures and supreme audit institutions.
 - Document best practices: The design of gender and climate change budgets could benefit from practices that exist and have been tested in civil society organizations, academic and international organizations. Exploratory dialogue between government and civil society and others is an opportunity to identify or develop effective methodologies and approaches and improve their implementation.
- **Resourcing:** To ensure that priority areas like gender and climate are integrated into planning and budgeting, there needs to be adequate investment in activities from capacity strengthening to strategy development, to supporting monitoring and evaluation and learning processes. The latter are needed to identify and address challenges in the gender and climate budgeting processes and generate evidence of their effectiveness. Such evidence is critical for sustaining support for gender equity and climate action. Our recommendations in this area:
- Ensure sufficient budget allocations by strengthening attention and understanding of cross cutting problems, such as the impacts of climate change and the gender gap across sectors.
 - Strengthen monitoring, evaluation and learning processes to evaluate programming effectiveness. Providing evidence of the positive impact of climate and gender actions and investments can strengthen budget allocations against these areas.