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GENDER-RESPONSIVE BUDGETING GUIDE 2020

FOR LOCAL BUDGET USERS



Ulaanbaatar, Mongolia
2020



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Canada

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FOREWORD

This guide for gender-responsive budgeting presents an explanation of gender equality and its place in the planning, approval, execution and evaluation of local budgets in Mongolia. The goal of this guide is to act as a practical tool for public servants to integrate a gender-sensitive approach in the local budget process, in line with Mongolia's laws on budgeting and gender equality. This approach is founded on the principle that women and men, girls and boys should benefit equally from all public expenditures and that the public budget should be responsive to the different needs of women and men.

Since the Fourth World Conference on Women in Beijing in 1995, Mongolia has established a number of meaningful laws and policies aimed at achieving widespread gender equality. Central to Mongolia's commitment to gender equality is the principle that it be achieved in all political, economic, public and family spheres, and gender-responsive budgeting has been recognised as a productive tool in achieving this commitment. Given Mongolia's progressive strides in building a supportive legal environment and in strengthening the capacity for gender mainstreaming among civil servants across the government, this guide is being introduced at a strategic point in time and will support progress on Mongolia's goals for gender equality.

Additionally, State Secretary Order #A281 of the Ministry of Finance on the "Approval of the Public Financial Management Detailed Action Plan" incorporates Strategic Objective 9.5 to "conduct gender analyses on budget planning and performance, and to formulate and replicate methods to plan and evaluate the budget in a gender-responsive manner". This has created an opportunity for the exploration and adoption of gender-responsive budgeting in the Mongolian public sector. In this regard, Mongolia is well aligned with the global movement and with the priorities of governments and donors in gender-responsive budgeting as a tool to realise national commitments to gender equality.

Mongolia's National Committee on Gender Equality and the Ministry of Finance is coordinating the development of a gender-responsive budgeting approach for the public sector and has partnered with the UNFPA, the World Bank, GIZ and the MERIT project to identify entry-points and an appropriate methodology for Mongolia.

The MERIT (Mongolia: Enhancing Resource Management through Institutional Transformation) project, funded by Global Affairs Canada, is supporting these efforts in line with its approach to gender mainstreaming in the public sector by proposing a methodology for use at the local budget level. As awareness for gender-responsive budgeting is growing, government actors at the local aimag (provincial), soum (district) and bagh (sub-district) levels are highly interested in the potential for this tool to promote equitable budgeting. Thus, MERIT has partnered with the Governor's Office of Dornod Aimag to launch a pilot programme in mining-affected soums to build capacity among local officials and to implement gender-responsive budgeting in the 2021 budget cycle.

MERIT is pleased to align our efforts and approach with the policy and ongoing work of the National Committee of Gender Equality and the Ministry of Finance, as well as the current work of the World Bank and GIZ in this area. I am confident that these partnerships will contribute to the evolution of gender-responsive budgeting and the achievement of gender equality in Mongolia.

A handwritten signature in black ink, appearing to read 'J. Adams', with a stylized flourish at the end.

Jennifer Adams
MERIT Project Director

ACRONYMS

CESO	Canadian Executive Service Organisation
CRK	Citizen's Representative Khural
GBA+	Gender-Based Analysis Plus
GDMMS	Government Debt-Management Medium-Term Strategic Document
GIZ	German Development Agency
GRB	Gender-Responsive Budgeting
IBL	Integrated Budget Law of Mongolia
LPGE	Law on Promotion of Gender Equality of Mongolia
M&E	Monitoring and Evaluation
ME	Margin of Error
MERIT	Mongolia: Enhancing Resource Management through Institutional Transformation project
MoF	Ministry of Finance
MTFFS	Mid-Term Fiscal Framework Statement
NCGE	National Committee of Gender Equality
NDA	National Development Agency
NPGE	National Programme on Gender Equality
PIP	Public Investment Programme
SGK	State Great Khural
SME	Small- and Medium-Sized Enterprise
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund

1

PURPOSE AND CONTENT OF THIS GUIDE

The purpose of the Gender-Responsive Budgeting Guide 2020 for Local Budget Users is to act as a practical guide for local budget users to implement gender-responsive budgeting in their work with the local budget. The guide was prepared by reviewing policies and practices in Mongolia's budgeting process, at the national and local levels, and integrating a compatible approach of gender mainstreaming therein. The gender-responsive budgeting approach recommended in this guide is simple and impactful as it is based on an incremental analysis of individual programmes, which can be scaled up to various levels. By using this guide, civil servants and decision-makers will be able to:

produce a gender assessment on expenditures for their respective organisation;

understand the causes of gaps in equity or fairness in service delivery and payroll; and

develop and implement responses to those causes in the form of positive actions.

NATIONAL FRAMEWORK FOR A GENDER-RESPONSIVE BUDGETING INTERVENTION

In 2015, Mongolia signed and adopted the United Nations Sustainable Development Goals under the "Transforming our World: 2030 Agenda for Sustainable Development" programme. Sustainable Development Goal 5, "achieving gender equality and empowering all women and girls", was localised in the Mongolia Sustainable Development Vision 2030's goal to promote "gender equality in social development and progress by creating a favourable environment for equal access to social wealth". This goal is supported by a number of national laws and frameworks, namely the Law on Promotion of Gender Equality (2011) which recognises gender-responsive budgeting as a crucial tool in realising gender equality:

- "ensure that state policies and legislations are defined in a gender equality and human rights-based manner" (article 15.1.1);

- “integrate gender equality promotion activities in the Economic and Social Development guides and sector development policies and programmes, introduce gender-responsive budgeting system...” (16.1.1); and
- “introduce a methodology to incorporate gender considerations in local and sectoral policies, general strategies, programmes and projects; to conduct gender analysis of drafts of these documents...” (19.1.1).

In accordance with Mongolia’s laws and programmes, the Ministry of Finance has established the Mid-Term Gender Strategy for Organisations and Agencies under the Authority of the Minister of Finance of Mongolia (2016-2024). This policy sets the objective of introducing a gender-responsive budgeting methodology in the budgetary processes under the authority of the Minister of Finance and other budget administrators.¹ To date, the Ministry of Finance and the National Committee on Gender Equality have led Mongolia’s efforts in gender-responsive budgeting and have partnered with various international agencies to identify a methodology appropriate for the Mongolian context.

THE OBJECTIVE OF GENDER-RESPONSIVE BUDGETING IN THE PUBLIC BUDGET

Gender-responsive budgeting is a tool to assess the impact of government revenue and expenditure on women and men, girls and boys. At the core of gender-responsive budgeting is the principle of gender equality: that women and men, girls and boys should benefit equally from government revenue and expenditure policies and practices. This equality is achieved by inclusive and informed decision-making, based on evidence obtained through gender analyses of the incidence of public programme expenditures and of the planning, approval, execution (revenue generation, spending, accounting and reporting) and evaluation of public budgets. This principle requires that when gaps in equity are identified and investigated, the public budget shall adapt to meet the needs of an underserved or overlooked group.

¹ Gender Strategy for Organisations and Agencies under the Authority of the Minister of Finance of Mongolia (2016-2024). Priority objective 3, pp. 11.

While the public budget is typically thought to be a ‘gender-neutral’ policy instrument, since it makes no specific reference to women nor men; however, this is more appropriately described as ‘gender-blindness’. Without gender-responsive budgeting, a budget may be considered ‘gender-blind’ since it will generally ignore the different roles, responsibilities, powers and needs of women and men, as well as the different impacts that policies may have on the two groups.²

STRUCTURE OF THE GUIDE

This guide is organised into 11 chapters, accompanied by 7 annexes. The guide covers what is necessary to introduce a gender approach in the public budget at the local level and to favour equitable decision-making. The methodology proposed by this guide is compatible with the Mongolian budget cycle, budget laws and gender equality laws. While this guide has been specifically tailored for use by local level governments, the methodology is applicable to every level of the government and for all public servants.

Forwarded by the Director of the MERIT project, **Chapter 1** introduces the purpose of the guide, the current context in which it is introduced and the need and purpose of gender-responsive budgeting. **Chapter 2** provides an overview of gender-responsive budgeting methodologies from international best practices to justify and contextualise the methodology proposed later in this guide. **Chapters 3, 4 and 5** establish a foundation for the proposed methodology by defining the Mongolian budget cycle; the terms and language necessary for understanding and implementing a gender approach; and the country’s gender legislation and policies. These chapters form the justification for introducing a gender approach in the Mongolian public budget and demonstrate how the intervention aligns with national interests and commitments.

Chapter 6 proposes a gender-responsive budgeting methodology for use in Mongolia’s local level public budget cycle, based on a gender-disaggregated public expenditure incidence analysis of local level programmes and policies. The methodology is broken down into three steps, beginning with a method to identify the outcomes of public programmes and outlining a method for analysing and rectifying gaps in equity of programme delivery. Comprehensive implementation of this approach is outlined in **Chapter 7** which clearly defines

2 Budlender, D., Elson, D., Hewitt, G., & Mukhopadhyay, T. (2002). *Gender Budgets Make Cents: Understanding gender responsive budgets*. Commonwealth Secretariat. Publication.

the roles, responsibilities and activities necessary for adoption and integration into the local level budget cycle. **Chapter 8** offers a discussion on the potential for a gender-sensitive budget analysis to be a participatory process and **Chapter 9** describes the potential for scaling a local level initiative to higher levels of the Mongolian government, as well the compatibility of a local level approach implemented simultaneously with a central level approach. **Chapter 10** demonstrates ten steps which can be followed by a Chief of Staff, gender focal point or interested public official to implement a gender-responsive budgeting intervention at the local level. Finally, **Chapter 11** concludes the guide and 7 annexes support practical application and use of the guidelines.

2 | OVERVIEW OF GENDER-RESPONSIVE BUDGETING METHODOLOGIES

This section will summarise best practices in GRB methodologies recommended by multilateral and international organisations in order to provide context for the methodology recommended. To-date, gender-responsive budgeting initiatives have been implemented in several countries and while implementation varies widely between countries, evidence shows that the greatest impact comes from ongoing, rather than one-off, initiatives that are led by local authorities, rather than by donors.³ Differences in approaches are influenced by:

Social and political context.

Coordinating actor (government, legislator, civil society).

Capacity of implementing institution.

Focus on national or sub-national level.⁴

Most GRB initiatives set a goal to:

1. improve allocation of resources to women;
2. support gender mainstreaming in macroeconomics;
3. strengthen civil society's role in economic policymaking;
4. enhance links between economic and social policy outcomes;
5. compare public expenditure to gender and development policy initiatives; and
6. contribute to the sustainable development goals.⁵

3 Budlender, D. & Hewitt, G. (2007). *Engendering Budgets: A Practitioners' Guide to Understanding and Implementing Gender-Responsive Budgets*. Commonwealth Secretariat: London.

4 Ibid.

5 Ibid.

These goals are achieved through different approaches aimed at the macro- or micro-budget level to affect revenues and taxation, and expenditures and programmes. In this section we will take a closer look at application of GRB in the macro- and micro-levels.

MACRO-BUDGETING

Budgetary macro-processes, or macro-budgeting, are the strategic choices made by the head of an organisation, in our case the head of a State, about the source and use of revenues. This includes macro decisions on the budget law and fiscal policies, the planned use of revenues, the composition of the tax base, offerings of public services and the spaces where privatisation is appropriate, etc. Including a gender perspective in macro-budgeting processes creates an opportunity to link national commitments to gender equality with the national budget process. This link is becoming clearer with a growing understanding of how macroeconomic policy can narrow or widen gender gaps in a country.

A key entry-point for GRB at the macro-level is in Parliament's decisions during the discussion and approval stages of the budget framework statement, budget projection and annual budget law documents. Generally, macro-level decision-makers will decide between a redistributive state system (where services are mostly public, offered by the government) or a system based on the offerings of the market (where services are mostly offered by private entities). The use of a public-private scheme, or a fully private scheme, typically has a negative impact on women and on those living in poverty; whereas strong public spending on areas like health care, education, transportation, etc. promote equality. It is possible to conduct a gender analysis on the impact of different weightings among spending categories – for example, military and defense education, health, social welfare, infrastructure, transportation, etc. – to ensure that macro-budgeting promotes equity and does not exacerbate inequalities in the economy. This also works to maintain the social framework which upholds the efficiency of the economy.

Essentially, GRB allows us to identify and analyse macro-decisions that have different impacts on women and men; for example, the choice between contributive or non-contributive pension schemes, public or private health care services, and public or private childcare services, will all have favourable or unfavourable incidences on women. Consider the following examples of tools for integrating gender-responsive budgeting in macro-budgeting decisions:

1) Gender analysis of national policies

Gender analysis can be employed as a tool to assess whether macro-level policies affecting a large population or sector are likely to reduce gender inequalities or likely to reinforce them. This may include assessing and updating the Budget Law, fiscal policies, Development Policy Planning Law, etc. There are several tools for gender analysis of policies offered by the United Nations Development Programme, the European Institute for Gender Equality and other organisations (see footnote 6).⁶

2) Gender analysis of the national pension scheme

Gender analysis reveals that when pension entitlements are related to paid work and/or contributive history, women are more likely to accumulate limited pension rights due to lower levels of workforce participation and shorter contributive histories (i.e. resulting from more frequent and longer leaves from work; concentration in informal work and unpaid work; etc.). Coverage through contributive systems depends on participation in the formal labour market, earning levels and family compositions, and therefore tend to reproduce gender inequalities found in the labour market. Contrastingly, universal and non-contributive pensions schemes are able to provide benefits to women and men equally, preventing the reproduction of inequalities from the labour market.⁷

3) Gender analysis of the impact of macro-budget decisions on time use

A critical factor upholding the social framework is the unpaid work done by women in raising children and strengthening families and communities which should be considered in macro budgeting. While men have a role in child rearing and family responsibilities as well, evidence shows that women bear the main responsibility for these activities in almost every society in the world. Therefore, when spending on areas like education and health care decrease, the unpaid work burden on women increases and their available time decreases to make up

6 UNDP. (2012). Gender and Economic Policy Management Initiative: Gender-Responsive Policy Analysis. Handbook; EIGE. (n.d.). Gender Analysis: Gender Mainstreaming Tools. Retrieved from <https://eige.europa.eu/gender-mainstreaming/methods-tools/gender-analysis>.

7 Arza, C. (2012). Pension Reforms and Gender Equality in Latin America. United Nations Research Institute for Social Development. UNRISD research paper. AND Arsa, C. (2015). The Gender Dimensions of Pension Systems: Policies and constraints for the protection of older women. UN WOMEN discussion paper.

for lost public services.⁸ Integrating a gender perspective into macro-budgeting means that we consider the impact of high-level budget decisions on women and men.⁹

MICRO-BUDGETING

Micro-budgeting includes the decisions at the services-level made by operational decision-makers and agents. As we move to this level, GRB efforts become concerned with budgeting decisions made at ministries, agencies and local governments regarding revenues and expenditures, from a gender equality perspective, related to individual policies and programmes. After decades of practice, GRB initiatives have moved beyond looking at just social sectors, such as education and health, to focus broadly on all sectors of the economy, including key industries such as mining, agriculture and urban development. This level represents a strong entry-point for GRB as the governmental units engaged in micro-budgeting are the ones to carry out the bulk of the work to uphold commitments to gender equality.

The micro-budgeting level involves almost every public servant in some capacity and is executed through decisions at the programme level – making it an effective entry-point for GRB initiatives. At this level, gender analyses can be conducted on the budgets of different sectors, organisational units and programmes, to promote gender equality. **Diagram 1** illustrates several entry-points for GRB in the micro-level aspects of the budget cycle:

8 Ibid.

9 UN Women. (n.d.). Gender-Responsive Budgeting: The Gender Perspective in Macroeconomics. Online training, UN Women Training Centre.

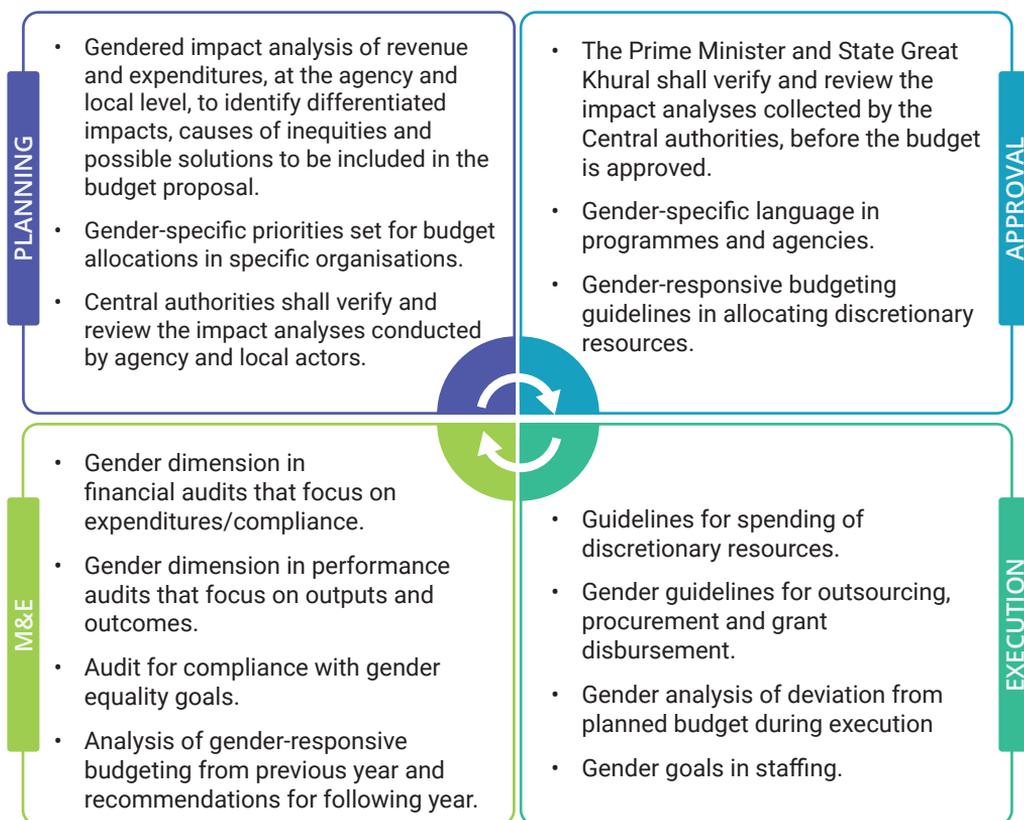


Diagram 1: Gender Entry-points in the Micro-level Budget Cycle

Similar to the budget cycle, gender equality perspectives can also be incorporated into programme and project cycles in order to promote a wholistic approach to promoting gender equality. There are numerous guidelines for gender mainstreaming in programme cycles provided by multilateral and international organisations, and by the National Committee on Gender Equality in Mongolia (see footnote 6).

REVENUE AND TAXATION

The total budget revenue consists of current revenues, capital revenues and grants revenues. The current revenue is a sum of tax and non-tax revenues, of which, tax revenue is collected through taxation, service fees and payments. Applying a gender-responsive budgeting initiative in this area allows a government to assess the gendered impact of each revenue source through gender analysis. The training on gender-responsive budgeting offered by UN Women describes

that most gender-responsive revenue initiatives are applied to analyses of direct (to be imposed on revenues and capitals) taxation and indirect (to be collected from sale and use of goods, works and service) taxation:¹⁰

Direct Taxation	Indirect Taxation
<ul style="list-style-type: none"> Assess degree of progressivity or regressivity of taxes and the gender-differentiated impacts <p>(i.e. the impacts of taxes that take a larger percentage of lower-incomes and a lower percentage of a higher-incomes)</p>	<ul style="list-style-type: none"> Analyse the composition of the basic basket and its gender-differentiated impacts Analyse the indirect taxes (i.e. VAT tax, fuel tax, tax on cigarettes and tobacco) and their gender-differentiated impacts

It has been well established that taxation, both direct and indirect, have gender-differentiated impacts and therefore should be improved through GRB initiatives. The gender differences may be identified and understood by conducting a gender-disaggregated public revenue incidence analysis to calculate how much taxation is paid by different categories of women and men, and categories of households.¹¹ Challenges to this type of revenue analysis are raised by a lack of gender-disaggregated data, especially for indirect taxation; however, this theory is evolving in practice as governments look for ways of collecting government revenue in a gender-equitable way.¹²

EXPENDITURE AND PROGRAMMES

Public expenditure refers to government spending on the needs of the population, including government goods and services, infrastructure investments, etc. The government's policies and practices for expenditure have different impacts on women and men. Rhonda Sharp (1990) identifies three different categories of expenditures to be considered by gender-responsive budgeting:¹³

¹⁰ Ibid.

¹¹ Council of Europe. (2008). Gender budgeting: practical implementation. Handbook.

¹² Budlender, D., et al. (2002). Gender Budgets Make Cents: Understanding gender responsive budgets. Commonwealth Secretariat. Publication.

¹³ R. Sharp and R. Broomhill. (1990). Women and Government Budgets. Australian Journal of Social Issues, Vol. 25, No.1. Sharp's 3 expenditure categories are cited in GRB guides and methodologies of the International Monetary Fund, UN WOMEN, the Commonwealth Secretariat, etc.

01

Gender-specific expenditures: spending for programmes that specifically target a group of women, men, girls or boys (i.e. violence against women, health procedures for females and males, campaigns for healthy masculinities);

02

Expenditures that promote gender equality in the public service: spending to promote equal employment opportunities and representation in decision-making positions, equal pay and conditions of service; and

03

General or mainstream expenditures: all other government spending, should include an analysis on the differentiated impact of allocations on women and men, girls and boys (this category includes about 99% of government expenditure).

GRB must be integrated into the third category of expenditures identified above in order to ensure equality in 'mainstream' expenditures. Applying a GRB initiative to 'mainstream' government expenditures requires a gender analysis of policies and programmes, with their associated financial resources, to assess the differentiated impacts on women and men, girls and boys. This type of assessment will consider the budget's relation to gender equality, i.e. "does the budget exacerbate gender inequalities or does it promote equality?", to justify a redistribution of resources through programme expenditures to make the budget more responsive to the needs of the population.¹⁴ In their comprehensive guide, "Gender Budgets Make Cents: Understanding gender responsive budgets", gender budgeting pioneers Debbie Budlender, Diane Elson, Guy Hewitt and Tanni Mukhopadhyay identify a number of tools for gender-responsive budgeting at the expenditure level:¹⁵

1) Gender-disaggregated public expenditure incidence analysis

A tool to assess the gender-inclusivity of public spending by comparing the distribution of expenditure between different groups of women and men, girls and boys. This requires an analysis of net unit costs of a programme or of

14 UN Women. (n.d.) Gender-Responsive Budgeting: The Gender Perspective in Macroeconomics. Online training, UN Women Training Centre.

15 Budlender, D., et al. (2002). Gender Budgets Make Cents: Understanding gender responsive budgets. Commonwealth Secretariat. Publication.

providing a service – this total is then divided by the number of ‘units’ of the service/programme provided per annum. This number can then be analysed with the “pattern of utilisation”¹⁶ – i.e. how many “units” were used by women, men, women-headed households, single fathers, etc. This combined information should be used to inform equity in distribution of expenditures.

2) Beneficiary assessment

A means by which the voice of the citizens can be heard by the government. In this type of assessment beneficiaries and potential beneficiaries of government services and programmes are asked to assess the extent to which public spending is meeting their needs, as they perceive them – this can be done through opinion polls, attitude surveys, focus groups or interviews. Questions can focus on overall priorities for public spending or on the details of public service operations. Both women and men must be represented in this assessment, and participation, feedback and questions must be disaggregated by gender in documentation.¹⁷

3) Gender analysis of sectoral, local or organisational policies

In areas where a public expenditure incidence analysis is difficult to conduct, i.e. due to lack of gender-disaggregated statistics, a gender-sensitive policy analysis can be employed to assess whether policies affecting a population or sector are likely to reduce gender inequalities or likely to reinforce them. There are several tools for gender analysis of policies offered by the United Nations Development Programme, the European Institute for Gender Equality and other organisations (see footnote 18).¹⁸

16 Ibid. Also in Council of Europe. (2008). Gender budgeting: practical implementation. Handbook, pp 35.

17 Ibid.

18 Ibid. Also in UNDP. (2012). Gender and Economic Policy Management Initiative: Gender-Responsive Policy Analysis. Handbook; EIGE. (n.d.). Gender Analysis: Gender Mainstreaming Tools. Retrieved from <https://eige.europa.eu/gender-mainstreaming/methods-tools/gender-analysis>.

3 | MONGOLIAN BUDGET CYCLE

BUDGET THEORY IN THE MONGOLIAN FRAMEWORK

Programmes are the main vehicles used by governments to reach the population across various sectors. In Mongolia, state policies and activities to be implemented under the Government Action Plan are referred to as *national programmes* and activities to be implemented under the Governor's Action Plan are referred to as *sub-programmes*.¹⁹ These levels of expenditure programmes encompass the activities and budget allocations of all relevant central government ministries, all local government organisations and other budgetary units.²⁰ The current Government has prioritised and listed 84 national programmes (69 new and 15 continuing)²¹ under the Action Plan of the Government of Mongolia (2016-2020).²²

Over the last century, Mongolia has mainly practiced *activity-based budgeting*, an expenditure planning method based on line-items by economic classification, meaning that the annual integrated budget (including central and local level budgets, the Social Insurance Fund budget and the Health Insurance Fund budget) is designed and approved based on the planned activities for that year. Activity-based budgeting is a management accounting tool that analyses planned activities which will incur costs and allocates budget lines based on this analysis. As the name suggests, this practice is activity, or line-item, oriented rather than function or outcome oriented.

19 Law of Mongolia on Development Policy Planning. (2015). Retrieved from: <https://www.legalinfo.mn/law/details/11484>.

20 In accordance with article 4.1.16 of the Integrated Budget Law, "programme" refers to a set of closely related activities combined for the purposes of budget allocation and aimed at implementing government functions for which performance is reportable and assessable. In accordance with article 4.1.17 of the Integrated Budget Law, "activity" refers to works and services produced as a part of a programme which is specified by criteria such as quantity, quality and timing.

21 List of national programmes under the Action Plan of the Government of Mongolia (2016-2020). Retrieved from <https://www.legalinfo.mn/annex/details/7551?lawid=12308>.

22 The exact number of sub-programmes is unclear due to a lack of integrated data and, in reality, practice varies widely between aimags (i.e. minimum 9 and maximum 31).

Since 2003, Mongolia has undertaken a transition into *performance budgeting*, an effort that has made steady progress over the last decade to align with international best practices. While some progress has been made, Mongolia still depends largely on the traditional approach (i.e. inputs defined in three-level managerial performance agreements, planning of organisational activities and preparation of an annual budget proposal). Although the current Action Plan of the Government of Mongolia (2016-2020) implemented a form of performance budgeting, the practice has yet to be fully integrated into the annual budgeting process.

Performance budgeting reflects the input of resources and the output of services for each unit of an organisation. It is commonly used by government budgetary bodies to show the link between taxpayer funds and the outcome of services provided by central and local governments. Compared to the traditional activity-based budget system, this approach pays more attention to the reasoning and link between both benefit and cost aspects of the public service. This approach has proven effective in application under several governments around the world for improving the efficiency and effectiveness of public spending and in enhancing transparency and accountability for the use of public funds.²³

Since 2008, Mongolia has piloted a *programme budgeting* approach and, in 2013, established a plan to integrate programme budgeting into the public budget. Mongolia has identified both performance-based budgeting and programme budgeting as suitable result-based budgeting approaches. With the approval of the Development Policy Planning Law of Mongolia in 2016, the result-based approach is being used in the formulation of the draft proposals of all long, medium and short-term development policy documents, as well as in the monitoring and evaluation systems for all central and local government organisations. A result-based planning system is based on the following factors:

- **Indicators:** qualitative and quantitative units, pre-determined in a draft document, to measure changes appearing in each phase of implementation of a development policy document.²⁴

23 Curristine, T. (2005). Government Performance: Lessons and Challenges". OECD Journal on Budgeting. Vol 1/5; Schick, A. (2014). The metamorphoses of performance budgeting. OECD Journal on Budgeting. Vol 13.

24 Resolution No. 89 of the Mongolian Government. (2017).

- **Targets:** qualitative and quantitative criteria, with indicators, pre-determined in a draft document, to measure expected achievements during and after implementation of a policy.²⁵
- **Baseline:** the qualitative and quantitative value of selected indicators at the time of formulating the draft document.²⁶
- **Output indicators:** the direct products or services stemming from the activities of an organisation, policies, programme or project.²⁷
- **Outcome indicators:** the describable or measurable change that is derived from an initiative's outputs.²⁸

In current practice, Mongolia has developed its Medium-term Fiscal Framework Statement (MTFFS), approved by the State Great Khural (Parliament of Mongolia), and the budget ceiling for all general budget governors using a result-based approach. However, Mongolia still faces challenges in implementing result-based budgeting widespread in the budget framework, for example:

- A lack of reliable information poses a significant risk;
- Limited buy-in among decision makers might create challenges for the budget at the approval stage; and
- Time is needed in order to fully transition in the correct way.²⁹

NATIONAL REGULATIONS

Mongolia has a robust regulatory budget system that has evolved over past decades with the country's goals for sustainable development and public financial management reform. The current legal budgeting framework is built by these key laws and policies:

25 Ibid.

26 Ibid.

27 Global Affairs Canada. (2016). Results-Based Management for International Assistance Programming at Global Affairs Canada: A How-to Guide. Second Edition. Results-Based Management Centre for Excellence. Publication, pp. 40.

28 Ibid. pp. 7.

29 OECD. (2016). Performance Budgeting Survey Highlights: Integrating performance budgeting and results in budgeting. Publication.; World Bank. (2015). Mongolia: Report on Public Expenditure and Financial Accountability. Report.; World Bank. (2016). Toward Next-Generation Performance Budgeting. Publication.

1. Integrated Budget Law (2011)
2. Fiscal Stability Law (2010)
3. Law of Mongolia on Development Policy Planning (2015)
4. Debt Management Law (2015)
5. Gender Strategy for Organisations and Agencies Under the Authority of the Minister of Finance Mongolia 2016-2024 in (2016)
6. Regulation of Operations of the Local Development Fund (2018)³⁰
7. General Regulation for Formulating the Development Policy Document (2016)³¹
8. Regulation for Preparing the Local Budget Proposal (2012)³²
9. General Regulation for Monitoring and Evaluation of Enforcement of Policy Documents and Activities of Administrative Bodies (2017)³³
10. Mongolian Sustainable Development Vision 2030 (2016-2030)
11. Mongolian Long-Term Development Policy Vision 2050

The Integrated Budget Law (IBL) states that the general budget consists of (1) the State budget of the central government, (2) local budgets, (3) the Social Insurance Fund budget, and (4) the Health Insurance Fund budget. **Diagram 2** illustrates the components and hierarchy of the Mongolian Integrated Budget.

Public investment planning and capital budgeting processes are significantly strengthened under the IBL, which mandates that only projects which have undergone a proper appraisal process will be considered for financing from the budget. The law also introduces a four-year rolling Public Investment Programme (PIP) for large projects and mandates that the cost implications of capital projects be addressed in budget proposals.³⁴

30 Approved under Order No. 228 of the Mongolian Minister of Finance. (2018).

31 Approved under Resolution No. 249 of the Mongolian Government. (2016).

32 Approved under Order No. 244 of the Mongolian Minister of Finance. (2012).

33 Approved under Resolution No. 89 of the Mongolian Government. (2017).

34 Ibid.

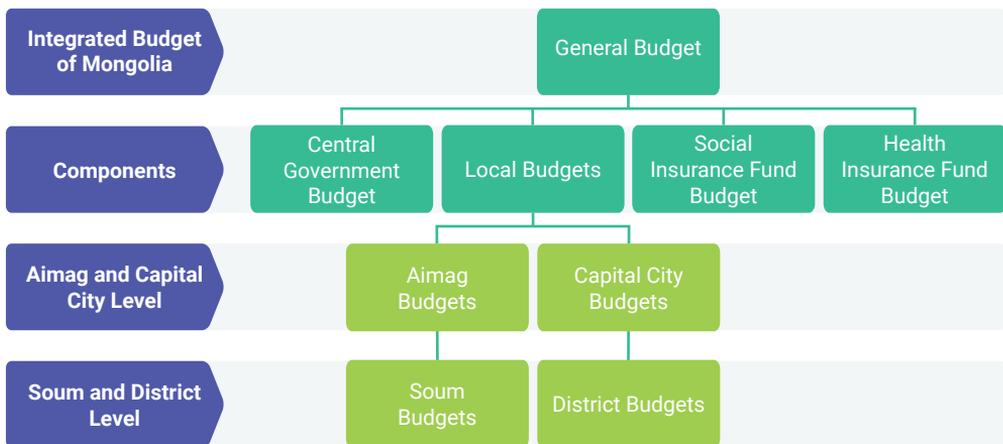


Diagram 2: Mongolian Integrated Budget Components and Hierarchy

The IBL designates that budgets are approved and evaluated on an annual basis and that approved budgets are allotted and implemented on a monthly and quarterly basis.³⁵ At the start of the fiscal year, authorisation of a budget governor to spend the approved budget in the corresponding fiscal year becomes effective.³⁶ Correspondingly, the budget calendar begins with Parliament's approval of the medium-term fiscal framework statement (MTFFS) by June 1, together with the Socio-economic Guidelines, which form the basis for establishing the budget ceilings for each line ministry, and other central level entities.³⁷ From there, line ministries, agencies, other budgetary entities and aimag governments will draft their budget proposals, according to their priorities and policies. The budget cycle and its stages under the IBL are outlined in [Annex 1](#).

The Ministry of Finance (MoF) is the central government organisation in charge of formulating fiscal policies, ensuring timely financing of public funds, overseeing the revenue generation process, and preparing, implementing and reporting on the annual budget. Under MoF, the Fiscal Policy and Planning department is responsible for drafting the annual budget, preparing the MTFFS, and implementing the annual budget law. The Financial Policy department is responsible for managing and reporting on the state debt. On behalf of the government, MoF also proposes changes in tax rates, exemptions and tax holidays. Tax revenue is collected through two central agencies: The General Department

³⁵ Integrated Budget Law. (2011). Article 7. Retrieved from <http://www.iltod.gov.mn/?p=2403>.

³⁶ Ibid.

³⁷ World Bank. (2015). Mongolia: Public Financial Management Performance Report. Publication.

of Taxation and the General Department of Customs. The Treasury department manages expenditure transactions for line ministries, central agencies, local governments and special government funds (i.e. the Social Insurance Fund and the Human Development Fund).³⁸

LOCAL LEVEL PRACTICE

The introduction of an integrated budget system in 2011 initiated significant fiscal decentralisation of expenditure responsibilities and instituted rule-based intergovernmental fiscal transfers to aimag management. This change, combined with rapid increases in government revenues, gave more fiscal responsibility and decision-making power to local governments. Additionally, local level governments now have a generally predictable amount of additional funds with which to deliver services, i.e. through the Local Development Fund.

Under their enhanced authority on budget planning and spending, aimag governments are responsible for providing some functions on behalf of the central government, i.e. pre-school and basic education, primary healthcare, land management, cadastre, children's development and protection services, etc. In addition, aimag, capital city, soum and district administrations are responsible for, with their respective level budget, providing services in urban planning and construction, urban infrastructure development, water supply and sewage, public transportation and other municipal services such as street lighting, roads and bridges, and garbage removal. These functions are financed through local taxes and fiscal transfers.³⁹

The local budget is represented as the combination of the budgets of aimags, and soums, and the capital city and its districts (**Diagram 2**). Under the IBL, aimag governors are classified as "budget governors" of their respective levels and follow the budget cycle set under the law. The local budget is prepared by the general budget governor of the respective unit as an estimation of the budget collected, allocated and expended. At each level, the budget proposal is approved by the respective Citizen's Representative Khural.⁴⁰

38 Ibid.

39 The transfer formula for shared taxes from the Central government is calculated according to population size and density, remoteness, size of local government and level of local development. There is also a conditional performance element based on local tax effort.

40 Integrated Budget Law. (2011). Article 4.1.27.

According to the IBL, 'general budget governors' include:

- Heads of the Citizen's Representative Khurals of aimags, the capital city, soums and districts, in relation to the budget of the respective level Khural;
- Heads of organisations who report directly to the Khural, in relation to the budget of that organisation; and
- Governors of the aimags, capital city, soums and districts, in relation to the budget of the respective level of administration except those specified in articles 14.1.15 and 14.1.16 of the IBL.

General budget governors are responsible for formulating the budget proposal, managing and executing the budget, reporting on programme performance and budget execution to the Cabinet and Citizen's Representative Khural, and reporting to the Ministry of Finance.⁴¹

'Direct budget governors' include the Secretary of the Citizen's Representative Khural of aimags, the capital city, soums and districts, Chiefs of Staff of Governor's Offices and the Heads of local agencies and departments of respective aimags, the capital city, soums and districts. Direct budget governors are responsible for day-to-day management of the budgetary entity, executing the budget, managing budget resources and ensuring realisation within the performance agreement.⁴²

The local budget cycle and its stages are outlined in **Diagram 3** and the table below:

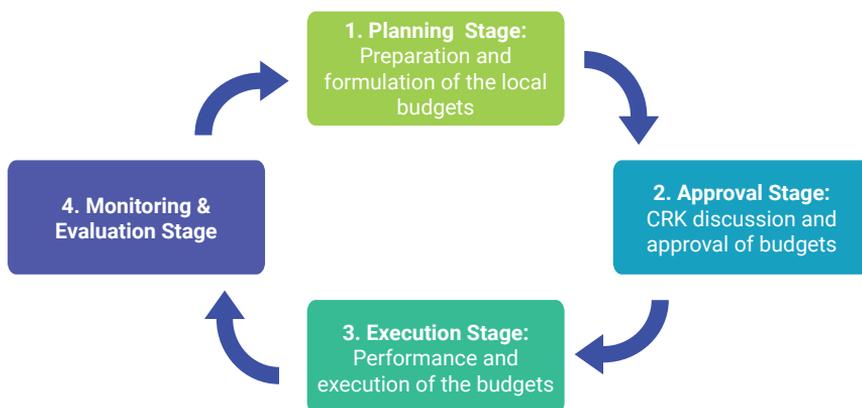


Diagram 3: Stages of the Local Budget Cycle

⁴¹ Ibid. Article 14.

⁴² Ibid. Article 16.

WHO	WHAT	WHEN	TO WHOM
1. Planning Stage: Preparation and formulation of the local budget			
Monitoring, Evaluation and Internal Audit Division of Aimag and Capital City Governor's Offices	Evaluation of the past year's performance and execution of policy documents (i.e. 4-year Government Action Plan, 4 year-Action Plan of Aimag and Capital City Governors, Public Capital Investment Programme, national programmes, etc.)	Evaluation of documents on an individual basis by respective deadlines throughout the year	Submission to the Cabinet Secretariat Results shall inform the local budgets of following year
1			
Direct Budget Governors of Soums and Districts	Base budget proposal of respective level	By July 15th of each year	Submission to respective Soum and District Governors
2			
Direct Budget Governors who are subordinate to Central Budget Governors	Annual budget draft, of the respective level	By July 25th of each year	Submission to relevant Central Budget Governors
3			
Soum and District Governors	Consolidation of base budget proposals, for 1st discussion	By July 25th of each year	Submission to respective Aimag and Capital City Governors
4			
Aimag and Capital City Governors or Central Budget Governors	Base budget proposals of organisations subject to be funded by special purpose transfers	By August 1st of each year	Submission to relevant General Budget Governors
5			
Aimag and Capital City Governors or General Budget Governors	Base budget proposals of local budgetary organisations Including base proposals for capital expenditure related to delivering management functions	By August 15th of each year	Submission to the Ministry of Finance Submission to the National Development Agency
6			

7	Aimag and Capital City Governors	Qualitative and quantitative indicators of programmes and expected results	By November 25th of each year	Preparation and formulation by each budget governor attached as an appendix to the draft budget
8	Aimag and Capital City Governors	Formulation of the annual budget draft, for the 1st discussion, of the Aimag/ Capital City	By November 10th of each year	Submission to the General Auditors and Citizen's Representative Khural (CRK) of the respective Aimag/Capital City
2. Approval stage: CRK Discussion and Approval of Budgets				
1	State Great Khural (SGK)	Discussion and approval of the Annual Integrated Budget	By November 15th of each year	Discussion and approval by the SGK
2	Ministry of Finance	Formulation of detailed information about the intra-budget transfers approved by the SGK	Within 14 days of the budget approval	Submission to Aimag and Capital City Governors
3	Aimag and Capital City Governors	Based on the approved Annual Integrated Budget, formulation of the annual budget draft, for the 2nd discussion, of the respective Aimag/ Capital City	By November 25th of each year	Submission to the CRK of the respective Aimag/Capital City
4	General Auditors of the Aimag and Capital City	Formulation of an opinion on the annual budget draft, for the 2nd discussion, of the respective Aimag/ Capital City	By November 25th of each year	Submission to the CRK of the respective Aimag/Capital City
5	CRK of Aimag and Capital City	Discussion and approval of the annual budget draft, for the 2nd discussion, of the respective Aimag/ Capital City	By December 5th of each year	Discussion and approval by the CRK of the respective Aimag/ Capital City
6	Aimag and Capital City Governors	Review of the approved annual budget of the respective Aimag/ Capital City	Within 3 working days of the approval date	Submission to respective Soum and District Governors

7	Soum and District Governors	Based on the approved annual budget of their respective Aimag/Capital City, formulation of annual budget draft, for the final discussion, of the respective Soum/District	By December 10th of each year	Submission to the CRK of the respective Soum/District
8	CRK of Soums and Districts	Formulation of annual budget draft, for the final discussion, of the respective Soum/District	By December 20th of each year	Discussion and approval by the CRK of the respective Soum/District
9	Soum and District Governors	Review of the approved annual budget of the respective Soum/ District	Within 3 working days of the approval date	Submission to the respective Aimag/Capital City Governors
10	Aimag and Capital City Governors	Consolidation of annual budgets approved by the CRK of respective Soums and Districts	By December 31st of each year	Submission to the Ministry of Finance
3. Execution stage: Performance and execution of the budgets				
1	Aimag and Capital City Governors	Monthly and quarterly budget allotment schedules of Aimag and Capital City budgets	By December 25th of each year	Internal approval
2	Aimag and Capital City Governors	Approved monthly and quarterly budget allotment schedules of Aimag and Capital City budgets	By December 31st of each year	Submission to the Ministry of Finance
3	Soum and District Governors	Approved intra-budget transfer schedule	Within 5 days of the approval date	Submission to Soum and District Governors
		Monthly and quarterly allotment schedules of Soum and District budgets, based on the approved monthly and quarterly transfer schedule for transfers from the respective Aimag/Capital City	Within 5 working days	Formulation and approval
		Approved monthly and quarterly allotment schedules of Soum and District budgets	Within 3 working days of the approval date	Submission to the respective Aimag and Capital City Governors

4	Aimag and Capital City Governors	Consolidation of monthly and quarterly allotment schedules of the annual budget		Submission to Ministry of Finance
5	Ministry of Finance	Consolidation of monthly and quarterly allotment schedules of the annual budgets of all Aimags and the Capital City	By January 20th of each year	Integration into Performance Plan by Ministry of Finance
6	All Budget Governors	Calculation and consolidation of the outstanding balance of their respective local budgetary organisation, using an administration code in the Local Treasury Account	On a daily basis	Internal
7	Accountant and Financial Officer of local budgetary organisations	Consolidated financial source documents	On a monthly basis	Submission to the Local Treasury Fund
8	Local Treasury Funds	Verification of compliance of financial source documents	Before allocating funds and payments required for the following month	Internal
9	Direct Budget Governors	Monthly budget performance/execution information	By the 2nd of each month	Submission to the relevant Central and General Budget Governors
10	General Budget Governors or Aimag and Capital City Governors	Monthly budget performance/execution information	By the 6th of each month	Submission to the Ministry of Finance
11	Ministry of Finance	Consolidation of monthly performance/execution information of the Integrated Budget	By the 8th of each month	Internal

12	Direct Budget Governors	Quarterly budget execution report and financial statements	By the 15th of the first month of the following quarter	Submission to the relevant higher-level Budget Governor
		Annual budget execution report and financial statements	By January 25th of the following year	Submission to the State Central Audit Body
13	Soum and District Treasury Funds	Consolidated audited financial statements	By February 25th of the following year	Submission to the relevant higher-level Budget Governor
		Semi-annual budget execution report and consolidated financial statements	By July 25th of each year	Submission to the higher-level General Budget Governor
		Annual budget execution report and consolidated financial statements	By March 5th of the following year	Submission to the State Central Audit Body
14	Aimag and Capital City General Budget Governors	Audited reports	By March 25th of each year	Submission to the higher-level General Budget Governor
		Annual budget execution report and financial statements	By April 1st of each year	Submission to the State Central Audit Body
15	Ministry of Finance	Audited reports	By April 20th of each year	Submission to the Ministry of Finance
		Execution reports of the Integrated Budget and opinion of the State Central Audit Body	Discussion and approval during the spring session of the SGK	Submission to the SGK

4. Monitoring and evaluation stage

1 Aimags and Capital City State Audit Bodies	Opinion and recommendations of financial audits conducted on annual budget execution report and financial statements	By February 25th of each year	Submission to the respective Direct Budget Governors
	Opinion and recommendations of financial audits conducted on annual budget execution report and consolidated financial statements of Soums and Districts	By March 25th of each year	Submission to the General Budget Governors or Governors of respective Soum/District
	Opinion and recommendations of financial audits conducted on annual budget execution reports and consolidated financial statements of Aimags and the Capital City	By April 25th of each year	Submission to the General Budget Governors or Governors of respective Aimag/Capital City
	Opinion and recommendations of performance and compliance audits conducted on budget schedule	Date is unfixed	Submission to the relevant Budget Governor

2	Internal Audit Unit of the Aimag and Capital City	<p>Opinions on the budget planning, allocation, generation, spending, execution, implementation and reporting processes of the General Budget Governors of organisations under the respective Aimag/ Capital City</p> <p>Opinions on the financing, allocation and effectiveness of public investments; and opinions on the use and spending of financial assistance acquired from the budget and from loans, donations, grants, etc. from international organisations, foreign governments, donor organisations and individuals</p> <p>Opinions on the effectiveness of the risk management system</p>	<p>At least once every 2 years</p> <p>At least once every 2 years</p> <p>At least once every year or every 2 years, based on risk classification</p>	<p>Submission to Budget Governors of all levels, and General Budget Governors or respective Aimag and Capital City Governors</p> <p>Submission to the General Budget Governors of all levels, including Aimag, Capital City, Soum and District Governors</p> <p>Submission to the General Budget Governors or respective Aimag and Capital City Governors</p>
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4 | KEY CONCEPTS OF GENDER ANALYSIS

With an understanding of gender-responsive budgeting practices and the Mongolian budget cycle described in the previous sections, it is now crucial to understand the concepts we will use to design a gender-responsive budgeting methodology for local level budget users in Mongolia. This section will define terms used throughout the rest of the guide that are necessary for understanding and implementing GRB.

A. Gender: Roles, responsibilities and stereotypes

While **sex** refers to the biological characteristics of females and males, **gender** is a term describing the socially-defined roles, responsibilities and statuses which a woman or a man is expected to fulfill in political, economic, social, cultural and family spheres, that are established and that evolve in the course of history.⁴³ For the purposes of gender-responsive budgeting, it is important to understand that women and men have different roles and responsibilities in Mongolian society which influence how women and men access and experience public services, programmes and policies.

Gender roles are the behaviours, values and attitudes that society considers appropriate for women and men. We often assume that gender roles are natural and inherent, but they are actually defined by culture and society and may differ over time and place. These gender roles also define the different **responsibilities** that we assign to and expect of women and men – for example, since we tend to assume women should be nurturing and kind, society assigns women with responsibilities to care for children, elders and sick people; likewise, since we tend to assume men should be physically strong and stoic, society assigns men with physically demanding and even dangerous responsibilities.

Ultimately, gender roles and responsibilities lead us to make assumptions about women and men, and to bypass evidence in favour of assumptions when planning government policies and programmes. However, these assumptions actually culminate to **gender stereotypes** – generalised and simplistic

43 Law on Promotion of Gender Equality. (2011). Article 4.1.1.

preconceptions about the attributes, characteristics and proper roles for women and men. Stereotypes are not based on science, but rather on social and cultural expectations. For the purpose of public programming and policymaking, gender stereotypes are counterproductive as they skew and obscure reality.⁴⁴

With this in mind, **gender analysis** can be seen as a tool for decision makers in the public service to overcome **gender-blindness**, **masculine biases** and **gender stereotypes** in order to understand a situation in its reality and to better design public programmes and policies to meet the real needs of different groups of women and men in the population.

B. Gender equality and gender equity

Notice that both **gender equality** and **gender equity** are referred to throughout this guide. Though they sound similar, these terms are not used interchangeably and the nuance between them is important to understand in our discussion of public budget planning. **Gender equity** refers to the process of being *fair* to women and men. This guide refers to equity, or *fairness*, in delivery of public services and decisions on public spending. As we can see in the discussions that follow, ensuring *fairness* often requires the implementation of strategies and positive actions to compensate for women's historical and social disadvantages that prevent women and men from operating on a level playing field. **Inequities** in public service offerings can impact men as well; however, a mass of evidence shows that women are typically the group who is at a disadvantage (discussed further below).

Gender equity leads to **gender equality**. Gender equality is an absence of discrimination on the basis of gender, achieved through equal participation of women and men in political, economic, social, cultural and family relations and their equal opportunities to contribute to and access the benefits of economic, social and cultural development.⁴⁵ Where **inequalities** exist, it is typically women who are excluded or disadvantaged in relation to decision-making and access to economic and social resources. Gender equality does not mean that women and men should become the same, only that access to opportunities and life changes

44 UN Human Rights, Office of the High Commissioner. (n.d.). Human rights: Women: Gender Stereotyping. Retrieved from <https://www.ohchr.org/en/issues/women/wrgs/pages/genderstereotypes.aspx>.

45 Law on Promotion of Gender Equality. (2011). Article 4.1.2

should not be dependent on nor constrained by their gender. Achieving gender equality requires women's empowerment to ensure that decision-making at all levels in society and access to resources is equal, so that both women and men can fully participate as equal partners in productive and reproductive life.⁴⁶

C. Gender analysis

A **gender analysis** is foundational to the gender-responsive budget as a tool to integrate the perspectives of different groups of women and men into government policies and programmes. When applied to a programme or policy cycle, gender analysis requires a consideration of the differences between and among women and men in relation to their positions in society and their access to resources, opportunities and power in a given context.⁴⁷ The result of this analysis will enable the planning, implementation and monitoring of programmes and policies that meet the different needs of women and men, girls and boys, and that address gender inequalities.

When applied to a budget cycle, as seen in **Diagram 1**, gender analysis exposes opportunities to integrate a gender perspective into the planning, approval, execution, monitoring and evaluation phases of the public budget. This means that we consider the different needs of women and men while planning and executing public expenditure. Actors involved in approval and monitoring phases should analyse the budget plan and the budget execution against gender-disaggregated targets and goals related to gender equality. A methodology for gender analysis will be explained in **Chapter 6**.

D. Gender-responsive budget

The **gender-responsive budget** is referred to differently by different actors, common terms including: gender-sensitive budget, gender-disaggregated budget, gender budgetary audit, women's budget, gender budget and equitable budget. Each of these terms refers to the same goal of helping the government plan equitable public expenditures and revenues. This guide will refer to the tool and process as *gender-responsive budgeting*, as is the term most commonly used in Mongolia.

46 UNFPA. (2005). Frequently asked questions about gender equality. Website. Retrieved from <https://www.unfpa.org/resources/frequently-asked-questions-about-gender-equality#>

47 EIGE. (n.d.). Gender Analysis: Gender Mainstreaming Tools. Retrieved from <https://eige.europa.eu/gender-mainstreaming/methods-tools/gender-analysis>.

A gender-responsive budget is not just an inclusion of women-focused programmes, such as domestic abuse prevention, nor is it a separate budget solely dedicated to women. A gender-responsive budget requires an analysis and examination of the gendered effects of all programmes and policies, the impacts of resource allocation and the planned outcomes of the budget overall. With this analysis, a planned effort to improve the equitability and effectiveness of government spending can be undertaken. The gender-responsive budget effectively promotes sustainable and equitable development through responsive budgeting that considers the needs of different groups of the population.

E. Gender-neutrality or gender-blindness?

The public budget is typically thought to be a **gender-neutral** policy instrument, since it makes no specific reference to women or men; however, this is more appropriately described as **gender-blindness**. Without a gender perspective, or gender analysis, a budget may be considered '*gender-blind*' since it will generally ignore the different roles, responsibilities, powers and needs of women and men, as well as the different impacts that the policy may have on women and men.⁴⁸

The term *gender blindness* describes an inability among decision makers and institutions to recognise and understand inequalities. The symptom of this *blindness* is to assume and believe that the impacts of public initiatives will be the same for women and men, girls and boys. With gender-blindness, the budget will work based on assumptions and pre-conceived stereotypes about women and men, rather than on evidence and relevant statistics which can be used to predict and analyse the actual impacts of policies on different groups. Therefore, a gender analysis is a necessary step in the budgeting process in order to avoid gender-blindness and to counteract *masculine bias*.

F. Masculine bias

It can be uncomfortable and difficult to discuss and accept the social phenomenon that naturally reproduces unfavourable conditions for women and assumes the needs of men to be universal among the entire population – but it is a necessary discussion to have. Several studies have shown that when one is asked to think of the population as a whole, they imagine a set of rational, autonomous beings,

48 Budlender, D., et al. (2002). Gender Budgets Make Cents: Understanding gender responsive budgets. Publication.

seeking to achieve personal goals in their actions – in this representation of a citizen, masculine characteristics are favoured and therefore a male bias is presented as ‘natural’ and ‘neutral’ in all actions. This phenomenon happens in most societies, including Mongolia, and it leads us to believe that if a policy covers the needs of a ‘rational, neutral man’, then it will naturally cover the needs of women as well.

5

GENDER LEGISLATION IN MONGOLIA

Mongolia is ahead of many countries with regards to national mechanisms for gender equality and has a long history of establishing targeted and flexible laws, policies and programmes to support women and gender equality in the country. Mongolia first assured equality and fairness between women and men in its constitution in 1924 and has maintained this through every constitutional amendment in the last century. Since joining the United Nations in 1961, Mongolia has signed and ratified every international convention and agreement regarding gender equality and women's rights. In response to the Fourth World Conference on Women in Beijing in 1995, Mongolia introduced its first "National Programme on Empowerment of Women" (1996-2001) in 1996. This led to the adoption of the international "Gender and Development" approach in policy and to the creation of the National Committee on Gender Equality.

The National Committee on Gender Equality (NCGE) was established under the Prime Minister in 2005. According to their mandate, the Committee has built a national mechanism for promoting gender equality by establishing gender committees and focal points in every ministry, aimag, district and the Capital City of Mongolia. This process began in 2006 and was mainstreamed across Mongolia's public sector by 2013.

Currently, Mongolia follows the Law on Promotion of Gender Equality (LPGE), legislated in 2011, and the accompanying "National Programme on Gender Equality" (NPGE) (2017-2021) and its action plan. The LPGE (2011) guarantees equal rights for women and men, as is stated in the constitution, and defines the roles, responsibilities and accountability of agencies to upholding these equal rights. The LPGE and the NPGE both outline the role of national, sectoral and local level agencies to promote and protect gender equality through gender-responsive policy planning and implementation.⁴⁹ The LPGE defines an individual mandate for the State Great Khural, the Government Cabinet, the Prime Minister, the NCGE, central and local government agencies, local self-governance bodies and the Civil

49 National Committee on Gender Equality. (2019). Mongolia Gender Situational Analysis: Advances, Challenges and Lessons Learnt since 2005. Publication.

Service Council to promote gender equality within the scope of their respective authorities. With regards to gender-responsive budgeting, under articles 15 and 16 of the LPGE, the State Great Khural and the Cabinet are required to:

- promote state policy and regulations based on a human rights approach, introduce a methodology for promoting gender-responsive sector and local development policies, and gender-responsive budgeting;
- integrate gender equality promotion activities in the Economic and Social Development guides and sector development policies and programmes, introduce gender-responsive budgeting system; and
- develop gender-responsive policy, planning and budgeting processes at sector and local levels.

Under the LPGE and the NPGE, each sector of the Mongolian public service is required to implement a sectoral gender-responsive policy, and to-date such policies have been created for the environment and tourism sectors; the agencies under the Ministry of Finance; the organisations under the Ministry of Justice and Home Affairs; the population, labour and social protection sectors; the construction and urban development sectors; the education, culture, science and sports sectors; the food, agriculture and light industry sectors; and the geology, mining, petroleum and heavy industry sectors. Each of these policies refers to gender analysis and gender mainstreaming at the policy level, as well as gender-responsive budgeting, either as an objective or in reference to the funding of the policy action plan.

Most notably, the Gender Strategy for Organisations and Agencies under the Authority of the Minister of Finance of Mongolia sets its third priority objective as follows:

“Introduce a gender-responsive budgeting methodology in the budgetary processes under the authority of the Minister of Finance and some budget administrator.”⁵⁰

Under this objective, the MoF accepts the responsibility to develop a gender-responsive budgeting methodology and to provide support and capacity building for public servants responsible for planning and budgeting processes.

50 Gender Strategy for Organisations and Agencies under the Authority of the Minister of Finance of Mongolia (2016-2024). Priority objective 3, pp. 11.

A similar objective and/or activity is included in the gender-responsive policies of the population, labour and social protection sectors (objective 1.3); the food, agriculture and light industry sectors (objective 1.2); the environment and tourism sectors (objectives 1.1 and 2.1); the education, culture, science and sports sectors (objective 1.3); and the geology, mining, petroleum and heavy industry sectors (objective 1.2).⁵¹

In addition to the sectoral policies, under the NPGE, 19 aimags, 6 districts and the capital city have developed and are implementing gender-responsive local development sub-programmes, as of 2020. In the future, the remaining aimags and districts plan to establish their sub-programmes.⁵² These sub-programmes are developed and implemented according to a guideline produced by the NCGE. In order to encourage commitment to these sub-programmes and to the achievement of gender equality at the local level, the NCGE Secretariat annually recognises the best Gender Council and Sub-committee. In the past, the Ministry of Mining and Heavy Industry, Dornod aimag and Sukhbaatar aimag, each MERIT project partners, have received these awards as recognition for their efforts in promoting gender equality in their respective jurisdictions.⁵³

51 Gender-responsive sectoral policies are published and available in both English and Mongolian from the National Committee on Gender Equality: https://www.gender.gov.mn/publications?lang_id=2.

52 List of gender-responsive sub-programmes among aimags, districts and the capital city according to the records of the National Committee on Gender Equality, as of July 2020.

53 National Committee on Gender Equality. (2019). Mongolia Gender Situational Analysis: Advances, Challenges and Lessons Learnt since 2005. Publication. pp. 83.

6 | GENDER-RESPONSIVE BUDGETING: A METHODOLOGY FOR LOCAL BUDGET USERS IN MONGOLIA

Gender-responsive budgeting can be implemented at any stage of a budget or programme cycle as a tool to improve the quality of the public initiative – whether it be a new or existing initiative – to ensure that public expenditures are distributed equitably to women and men and that initiatives are meeting the needs of a diverse target population. This guide, in reference to the Mongolian budget cycle and relevant laws, proposes a methodology of *gender-disaggregated public expenditure incidence analysis*⁵⁴ for implementing gender-responsive budgeting in local government entities in Mongolia. This approach is implemented in 3 stages compatible with the programme and budget cycle in Mongolia:

01

Identification of programme results and gaps in equity

02

Analysis of the causes of gaps in equity

03

Design of response to gaps in equity

You may refer to **Annex 4** to see a complete case study of successful implementation of this methodology for gender-responsive budgeting in Dornod, Mongolia. The presented case began in August 2019 and developed over the subsequent months, culminating to the first successful case of gender-responsive budgeting in the local level government of Mongolia.

STAGE 1: IDENTIFICATION OF PROGRAMME RESULTS AND GAPS IN EQUITY

The first stage is accomplished in 5 simple steps using programme information and sex-disaggregated data. If sex-disaggregated data does not exist for your programme, you may employ a method of sampling in order to inform your analysis (see **Annex 2**: How to proceed without sex-disaggregated data).

⁵⁴ This academic term refers to a gender analysis of the impact of government spending, or the distribution of funds to women and men beneficiaries of a given service, activity, programme or operation.

After you have selected the programme⁵⁵ or policy⁵⁶ on which to conduct your analysis (gender-disaggregated public expenditure incidence analysis), you may follow these steps:

- i. Describe the programme or service to be analysed, including the objective, beneficiaries and the responsible unit and/or persons.
- ii. Identify the set of expenses that have been allocated to provide the programme or policy – including current expenses and capital expenses.
- iii. Identify the number of programme or policy beneficiaries and disaggregate by gender.
- iv. Apportion the total cost by the number of beneficiaries, disaggregated by gender.
- v. Reach a conclusion, based on the proportions of the budget allocated to each gender, on whether the programme 1) reinforces, 2) maintains or 3) alleviates the gender inequalities.

i. Describe the programme or policy to be analysed:

Our first challenge is to identify the outline of the programme under study. Government programmes are characterised by pursuing a particular objective with a particular set of beneficiaries and with a predetermined volume of resources. By this characterisation, government entities usually have several programmes which capture the activities of the respective entity. Therefore, you may select any programme, policy, service or operations activity that has an identified objective, set of beneficiaries and assigned set resources.

The analysis method proposed here considers programmes one-by-one, meaning each programme will be analysed independent of the entity's other programmes and plans. This first step is made simple by the use of a descriptive table:

55 Recall that the term "programme" is defined as a set of closely related activities combined for the purposes of budget allocation and aimed at implementing government functions for which performance is reportable and assessable.

56 This method can also be applied to analyse a public policy that has an associated budget and identified beneficiaries. However, our focus will be on application to public expenditure programmes.

PROGRAMME, POLICY OR SERVICE DESCRIPTION	
Name of the service unit	
Name of programme, policy or service	
Programme, policy or service objective	
Programme, policy or service description	
Budget at the beginning of the year	Budget executed – end of the year

Table 1: Description of the programme or policy or service, template

For example: the Education and Culture Department of an Aimag can choose from their set of programmes, including 1) kindergarten education; 2) primary education; 3) secondary education; 4) museum; 5) library; and 6) fundamental research (all with administrative, pedagogical and investment activities). This type of list will exist in each governmental organisation/department.

Once the programme or policy or service under study is identified, we must consider the human, material and financial resources designated to carry out the objective of the programme. It is important to emphasise that these three types of resources – human, material and financial – are monetised in the budget. See [Annex 4](#) for an example of this table in application.

- ii. Identify the set of expenses that have been allocated to provide the programme or policy – including current expenses and capital expenses**
- iii. Identify the number of programme or policy beneficiaries and disaggregate by gender**
- iv. Apportion the total cost by the number of beneficiaries disaggregated by gender**

Steps **ii**, **iii** and **iv** can be organised in the following tables to evaluate the incidence of the programme, policy or service under study:

GENDER-DISAGGREGATION OF PROGRAMME EXPENDITURE					
Name of the programme, policy or service					
Initial budget for the period under study	Budget executed for the period under study	Number of beneficiaries			Value of the programme provided, by gender, according to the budget executed
			Number	Percentage	
		Men			
		Women			
		Total			

Table 2: Allocation of the total budget of the programme, policy or service by gender, template

In **Table 2**, “initial budget for the period under study” refers to the resources allocated in the entity’s budget to achieve the objective of the programme. “Budget executed for the period under study” refers to the actual resources spent during the programme period. The “number (and percentage) of beneficiaries” is broken down by gender. The final column, “value of the programme provided, by gender” is the result of multiplying the budget executed by the percentage of each gender under the beneficiaries. See **Annex 1** for a note on how to proceed with a lack of sex-disaggregated data. See **Annex 4** for an example of this table in application.

Gender-disaggregated incidence analysis of salaries, related to a organisation or programme

The public sector also creates conditions for gender equality through its hiring, remuneration and promotion policies among its employees. Through these policies, the government has the possibility of maintaining, reinforcing or alleviating the inequality between women and men in society. It is therefore appropriate to identify the gender gaps internal to the government entity related to the programme, policy or service under analysis. In this case, think of the public servants as the beneficiaries and perform the same gender-disaggregation as in the preceding steps.

To do this, we first identify the salary mass tied to the entity or programme and disaggregate by gender (i.e. how many women and men are employed and what are the groups’ respective shares of the salary mass?).

Finally, we compare the proportions of women and men with respect to 1) the total number of employees, and 2) the salary mass. Two inequitable situations can result from this: there are fewer employed women and/or the majority of employed women systematically occupy the least paid jobs. **Table 3** can be used to perform this analysis:

GENDER-DISAGGREGATION OF PROGRAMME WAGES									
Name of the programme, policy or service									
Initial budget: initial salary mass of the period studied	Budget executed: wage mass executed in the period studied	Relative weight in terms of number of public servants			Relative weight in terms of salary mass				
		Number		Women (%)	Men (%)	Amount		Women (%)	Men (%)
		W	M			W	M		

Table 3: Employment and salary mass, by gender, template

In **Table 3**, the first column, “initial budget: initial salary mass of the period studied”, presents the salary mass registered in the entity’s budget to achieve the stated objectives for the service, programme or policy. It is suggested to use the initial budget. The second column records the salary mass executed in the period under study. In the third column, the number and percentage of employees are broken down by gender. Finally, the fourth column shows the amount and percentage of the salary mass by gender. See **Annex 4** for an example of this table in application.

v. Reach a conclusion, based on the proportions of the budget allocated to each gender, on whether the programme 1) reinforces, 2) maintains, or 3) alleviates the gender inequalities

The gender analysis of the budget can lead to three possible conclusions: 1) the programme maintains existing inequalities; 2) the programme reinforces existing inequalities; or 3) the programme alleviates existing inequalities. In order to reach a conclusion, you may compare the final calculation of value-to-women, by a ratio of 50%.* That is, if the programme or policy offers less than 50% of the value of its services to women, then you shall conclude that it is reinforcing or maintaining inequalities. If your analysis in steps 2-4 leads you to this conclusion, then you must take action to identify the cause of this gap and to respond to it.

STAGE 2: ANALYSIS OF THE CAUSES OF GAPS IN EQUITY

The goal of this stage is to identify the reason that a gap in equity of a programme, policy or service is occurring. This stage will require you to gather statistics and stakeholder perspectives to interpret the gap identified in your programme results. Again, this stage will be necessary if your gender-analysis concludes that the programme is reinforcing or maintaining gender inequities. There are four key terms to apply during a causal analysis: linear causality, non-linear causality, correlation and information bias. Let's briefly explore these principles to prepare for a causal analysis:

LINEAR CAUSALITY

Linear causality describes a cause-and-effect relationship that flows in one direction, i.e. event A causes event B – but event B has no effect on event A. Linear causal thinking assumes that events can be described by a limited number of causes; therefore, causal analysis is done by breaking down a system into its component parts.⁵⁷

NON-LINEAR CAUSALITY

Non-linear causality describes a cause-and-effect relationship that can flow in more than one direction between two or more elements. This describes a system where effects can create causes, i.e. event A causes event B, and event B has an effect on event A. This is organised in a feedback loop to display reinforcing and balancing relationships between events to explain disproportionality between initial causes and final effects.⁵⁸

- * You may face resistance or hesitation to follow a 50% ratio across the board, as some could argue that some sectors are just naturally dominated by men and therefore a 50% ratio is not practical. However, the reality is that women are always present in the value chain of production in any given sector. Sometimes they are made invisible by the sector's structure or by our assumptions. In these cases, a concerted effort must be made to include women in government concerns and decisions.
- * You may also face resistance against this method for concerns that it invokes inequality against men. However, currently in Mongolia women are at a greater disadvantage in economic, social and political spheres. Men face certain disadvantages as well; however, as a group, men have access to more power and resources than women. Therefore, it is strategic to concentrate efforts where inequalities are strongest.

57 Systems Innovation. (n.d.). Linear Causality. Website: <https://systemsinnovation.io/linear-causality>.

58 Systems Innovation. (n.d.) Nonlinear Causality. Website: <https://systemsinnovation.io/nonlinear-causality>.

CORRELATION

Correlation refers to the relationship between two or more variables. A correlation between variables does not automatically mean that a change in one variable is the cause of a change in another variable, i.e. correlation does not automatically mean there is a causation relationship.⁵⁹

INFORMATION BIAS

Information bias happens when information is measured, collected or interpreted inaccurately and leads to an error in conclusion. Opportunities for bias can occur in data sources, in researchers (i.e. assumptions) and in collection and interpretation methodologies. Controls can be implemented to manage information bias, i.e. standardisation protocols for data collection with different groups; researcher training on overcoming biases and assumptions; data collection from multiple sources; and strategies to identify potential sources of bias.

This methodology of programme, policy or service analysis for GRB suggests the use of a cause-effect diagram, known as the Ishikawa diagram (**Diagram 4**), or the similar problem tree diagram (**Annex 6**), to represent sequential and hierarchical causes in relation to an identified problem. This tool is used to display a problem in relation to its environment in order to analyse the linear and non-linear causal relationships affecting it. You can also consider which factors are ‘causing’ the problem and which are just ‘correlated’ to the problem. As we move deeper into this causal analysis, we must also consider opportunities for bias to occur and how to control for it.

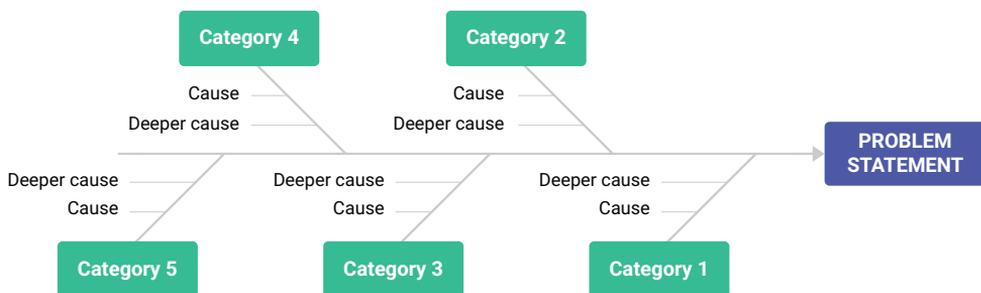


Diagram 4: Ishikawa cause-effect diagram, template

59 Australian Bureau of Statistics. (n.d.). Statistical Language: Correlation and Causation. Retrieved from: <https://www.abs.gov.au/websitedbs/a3121120.nsf/home/statistical+language+-+correlation+and+causation>.

The Ishikawa method (**Diagram 4**) involves identifying a problem statement (the effect) on the far right of the diagram. From there, brainstorm major categories of possible causes of the problem (i.e. resources, environment, culture, access) – these categories are written as branches from the main arrow. From here, think of the problem again and ask: “*why does this happen?*” – the identified causes are written as branches under the appropriate category(ies). Continue to ask the question, “*why does this happen?*”, to generate a deeper understanding of the causes and to indicate causal relationships. When you feel you have completed your brainstorming, discuss and identify the key causes you wish to further investigate and then respond to in the following stage (*Stage 3: Design of response to gaps in equity*). For now, let’s apply the Ishikawa diagram to the Mongolian context.

Ishikawa Diagram Application

One prominent case of women lacking access to government services, or benefitting less from government programmes, is in public financing for small- to medium-sized enterprises. This is a common phenomenon in many countries in the world and has occurred in some areas in Mongolia as well. According to NCGE’s 2019 situational analysis on gender equality, Mongolian women remain heavily reliant on family relationships in order to make their businesses successful and tend to be concentrated in lower-earning sectors that are vulnerable to competition from imports. Women also lack access to financial services and business loans and are harmed by their limited land and property rights.⁶⁰ Furthermore, the International Finance Corporation’s study on women’s access to finance in Mongolia (2014) found that the top three barriers faced specifically by women-owned SMEs is a lack of networking opportunities, perception of women by financial institutions and challenges to combining work and family responsibilities.⁶¹

In order to gain a deeper understanding of this problem, we can perform an analysis using the Ishikawa method (**Diagram 5a**). First we shall state the problem to be analysed and the ‘categories’ of causes that answer:

60 National Committee on Gender Equality. (2019). Mongolia Gender Situational Analysis: Advances, Challenges and Lessons Learnt since 2005. Publication, pp. 11.

61 International Finance Corporation. (2014). SMEs and Women-owned SMEs in Mongolia. Market Research Study. Publication. Retrieved from <https://www.ifc.org/wps/wcm/connect/fa1da257-f7a3-43a7-961f-720c19eb9e25/Women+SME-Mongolia-Final.pdf?MOD=AJPERES&CVID=kFmAtKt>.

“why is there a gap between women and men in access to public finance programmes?”. For this example, we shall use these five categories (access, interface, social obligations, socialisation and culture) to deepen our analysis.⁶²

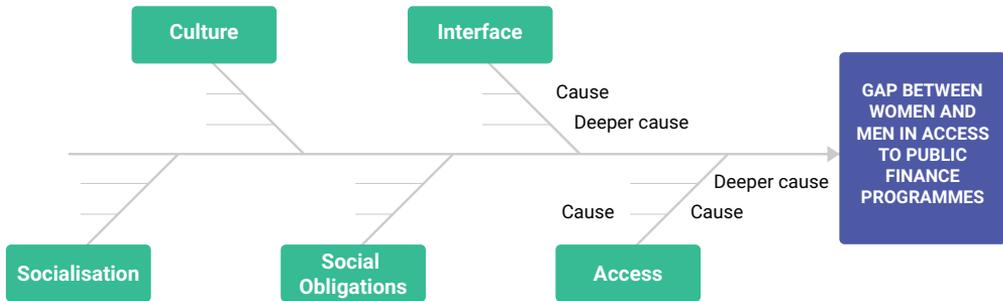


Diagram 5a: Ishikawa diagram applied to Mongolian case, with problem and categories

In this case, we can see an example of the immediate and deeper causes of this problem affecting women’s access to public service programmes. Immediate causes of this problem, such as access to the programme and the interactions between women and public servants (interface), are visible nearest to the problem. At the intermediate level, family and social obligations that impact women’s time availability, affecting their ability to access government programme benefits, are visible in the middle. Deeper causes of this issue, linked to culture and socialisation, are positioned farthest from the problem statement, as they are less visible and less obvious.

Now, under each of the categories, we shall define the visible issue that causes the gap between women’s and men’s access to public finance programmes (Diagram 5b):

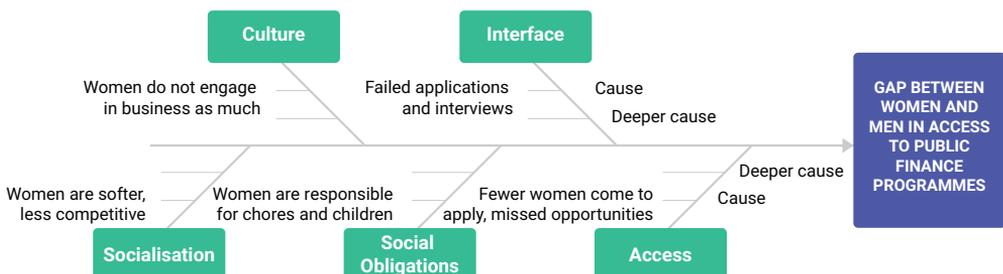


Diagram 5b: Ishikawa diagram applied to Mongolian case, with causes

62 These five ‘categories’ have been selected as examples for your gender analysis, based on common findings on women’s access to credit from international cases; however, you may select any categories that are relevant to the problem you are analysing.

After identifying the surface-level causes, we need to go deeper and question again: “*why does this happen?*”. For example, under Access, we can ask: “*why do fewer women apply and why do they miss appointments?*”; and under Interface, we can ask: “*why are women’s applications and interviews less successful?*”. By answering these questions, we find the deeper causes (**Diagram 5c**, below):

Immediate: Access to government policies, programmes and services may be affected by physical barriers, such as travel times to government offices, availability of public transportation, government office schedules, etc.⁶³ Women’s time availability is limited due to family responsibilities and social obligations; therefore, office operating hours are often difficult to reconcile and access. Furthermore, the interactions and attitudes of public servants are subject to common gender biases and assumptions that women are less suited for certain types of businesses or that they pose a higher risk for the loan programme.⁶⁴ NCGE’s situational analysis also identifies that women of reproductive age face discrimination because their reproductive function is seen as an additional risk for investing.⁶⁵

Intermediate: Women’s social obligations to their families, such as their schedule of childcare, caring for the elderly, cleaning the home, cooking, etc., are highly demanding and may make it difficult for them to access government services. For example, a woman faces social pressures to prioritise her family’s needs at all times which makes it difficult for her to access government offices during working hours, attend meetings or travel far distances. Furthermore, NCGE identifies that stereotypes and expectations of women’s physical appearances are a high burden on women in professional settings; a phenomenon that affects women of all ages and that applies additional discrimination against women from low-income and rural areas.⁶⁶

63 While this hasn’t been explicitly identified as an issue in Mongolian research or national statistics, this issue is commonly raised in international cases and has been identified as an issue in the delivery of other public services in Mongolia. Therefore, it is pertinent to include this in the analysis, rather than relying on assumptions.

64 Asian Development Bank and the Asia Foundation. (2018). *Emerging Lessons on Women’s Entrepreneurship in Asia and the Pacific*. Publication.

65 National Committee on Gender Equality. (2019). *Mongolia Gender Situational Analysis: Advances, Challenges and Lessons Learnt since 2005*. Publication, pp. 31. This is also noted in a report by the International Finance Corporation. (2014). *SMEs and Women-owned SMEs in Mongolia. Market Research Study*. Publication. Retrieved from <https://www.ifc.org/wps/wcm/connect/fa1da257-f7a3-43a7-961f-720c19eb9e25/Women+SME-Mongolia-Final.pdf?MOD=AJPERES&CVID=kFmAtKt>.

66 *Ibid.*, pp. 25.

Access to financing programmes is also severely hampered by women's limited access to property and asset ownership, which affects their ability to qualify for collateral requirements. The NCGE situational analysis identifies that on average in Mongolia, 60% of men and only 33% of women have home ownership rights – a statistic that is more pronounced in rural areas – and that women's share of land inheritance is only 27%.⁶⁷ This phenomenon is deeply related to culture and socialisation.

Deep/Underlying: Socialisation of gender roles is supported by family relations, cultural traditions, educational and political institutions, etc., and looks different in every culture in the world. In Mongolia, socialisation of gender roles means that women are less prepared and less accepted to work in competitive business environments. Their social education favours that they enter caring sectors and serve in reproductive roles. From a young age, women are taught to be more supportive, less competitive and to respect and follow the head of their family – which affects their relationship with the economic sphere. For example, NCGE describes that women's business activities are greatly dependent on family relationships, specifically the behaviour and attitude of their husbands, and that women's entrepreneurship may affect family relations if current gender norms are not changed.⁶⁸

The problem is also deeply related to the history and ancestral culture of Mongolia. While women are seen as very strong in Mongolian tradition and culture, their power is mostly related to their reproductive role as mothers and wives, and their power in the economic and political sphere is greatly undermined. It is clear that there is a common perception of the superiority of the male character in Mongolia to serve as the head of the household, the economy and the state. Therefore, while there may be a perception that women are just less successful or less suited for the competitive business environment, this is likely caused by a cultural phenomenon.⁶⁹

67 Ibid., pp. 21.

68 Ibid., pp. 31.

69 This phenomenon is visible in most societies in the world, and Mongolia is no exception. The differences in the economic and political power of women in Mongolia, compared to men, have been well documented by the National Committee on Gender Equality, the Government of Mongolia and by numerous studies conducted by national and international organisations. For example: Asian Development Bank. (2019). Women's Asset Ownership: Evidence from Georgia, Mongolia and Cavite, Philippines. Working Paper.; World Bank. (2018). Perceptions of Precariousness: A qualitative study of constraints underlying gender disparities in Mongolia's labour market. Report.; UNDP and Government of Mongolia. (2016). Mongolia Human Development Report 2016: Building a better tomorrow. Report.; UNDP. (2016). Beyond the Glass Ceiling: Expanding Female Leadership in Mongolian Politics and Businesses. Article.; World Economic Forum. (2020). Global Gender Gap Report 2020. Report.; etc.

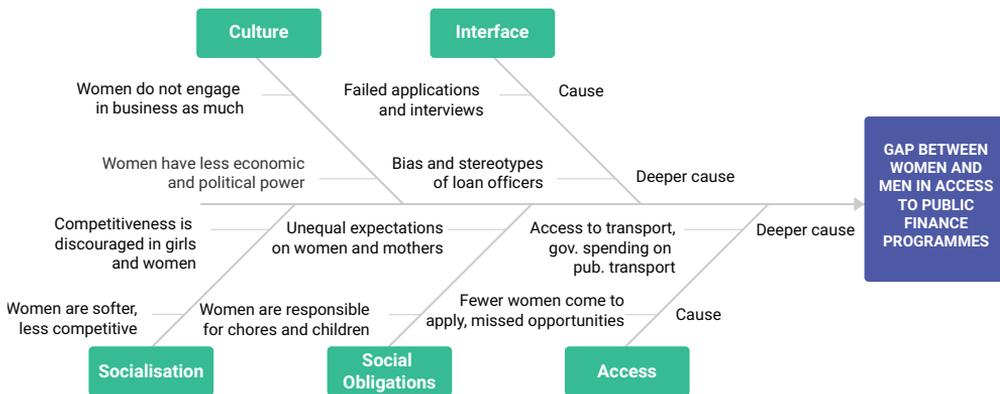


Diagram 5c: Ishikawa diagram applied to Mongolian case, complete

With this analysis, you can select the causes that can be affected by changes in the programme or by the implementation of positive actions to respond to gaps in equity.

STAGE 3: DESIGN OF RESPONSE TO GAPS IN EQUITY

After you identify and understand the causes of gaps in equity, you have a responsibility and an opportunity to rectify the gaps by implementing special measures through positive actions. Positive actions represent a response to the gaps observed and analysed in public programmes and policies, this response may require a large or small measure that may be resource-consuming or not. The goal of implementing positive actions is to restore opportunities for women through measures that compensate for the issues identified during analysis, i.e. related to access, social obligations, interface, etc. Positive actions should be seen as temporary and shall be implemented only as long as the inequity persists – if the positive action has a positive impact on the gap in equity then it may be integrated into the programme or policy design, or eventually phased out. Positive actions should also be designed as reasonable undertakings in relation to the objective being pursued, and designed proportionately to the inequity in the programme and in consideration of the available budget.

Positive actions are meant to level inequities; therefore, you should consider the following objectives when determining the proper course of action:

Match opportunities for women and men, of different groups.

Reduce or eliminate obstacles that hinder women from benefitting/participating and guarantee the same results for women and men.

Confront and affect hierarchy relationships between women and men to promote equality.

During your causal analysis, you may identify that the 'problem' has several causes at different levels and you must decide which causes to prioritise in your response, i.e. some may be outside the scope of your authority or ability. Therefore, it is important to select the cause on which you can have a meaningful effect. Your approach to positive actions will depend on the needs of the situation and what you identify in your analysis:

- *If the obstacles lie in the design, operation or delivery of your service, programme or policy*

Simple modifications requiring limited or no financial resources may be enough to affect the gap in equity. For example, if the hours of operation do not consider the social obligations of women; the stereotypes and attitudes of programme staff diminishes the opportunity for women to participate or benefit equally; or the assumptions involved during the design of the programme have inadvertently excluded women from the beneficiary group.

- *If the obstacles are related to deeper causes, i.e. culture and socialisation*

Positive actions that offer a greater budgetary impact may be required to balance gaps related to deeper causes. For example, if women's inability to participate/benefit equally from a programme is related to a lack of technical education, then positive actions may be implemented in the form of a specialty training programme for women to gain technical skills. Likewise, if the barrier is related to society's perception that women should prioritise their family obligations above their participation in the economy, then positive actions may be implemented in the form of a public awareness campaign on the benefits of women participating in the economy and being business owners.

Simple modifications can be applied to the provision of a service or the promotion of a programme in order to affect the gap in equity. Designing such modifications as micro-projects, using a project design template (see [Annex 7](#)), makes it so your recommended positive action can be easily justified and accepted by State agents and decision-makers. For example, micro-projects may be used to outline positive actions that will:



Modify office hours to consider women's social obligations;



Change the attitudes of government officers that diminish the importance of women's needs and participation in the programme;



Develop speciality training programmes for women to gain technical skills in non-traditional areas, such as electricity, mechanics, etc.;



Implement an awareness programme for the prevention of gender-based violence in the workplace, including harassment and bullying; or



Implement a quota for women's equal participation and benefit (i.e. value of expenditure) in government services, programmes and policies.

This method is suggested as a simple and logical planning tool to compensate for the cause of the gap in equity, whether the cause lies in operations or in a deeper level. Experience shows that once the necessary information has been collected, a micro-project can be designed in approximately 2 hours and is therefore a very practical and smart tool to answer a complex issue. Examples of successful positive actions in Mongolia are included in the complete case study attached in [Annex 4](#), with a completed project planning template, and in [Annex 5](#).

7 | COMPREHENSIVE GENDER-RESPONSIVE BUDGETING: ROLES AND RESPONSIBILITIES AT THE LOCAL LEVEL

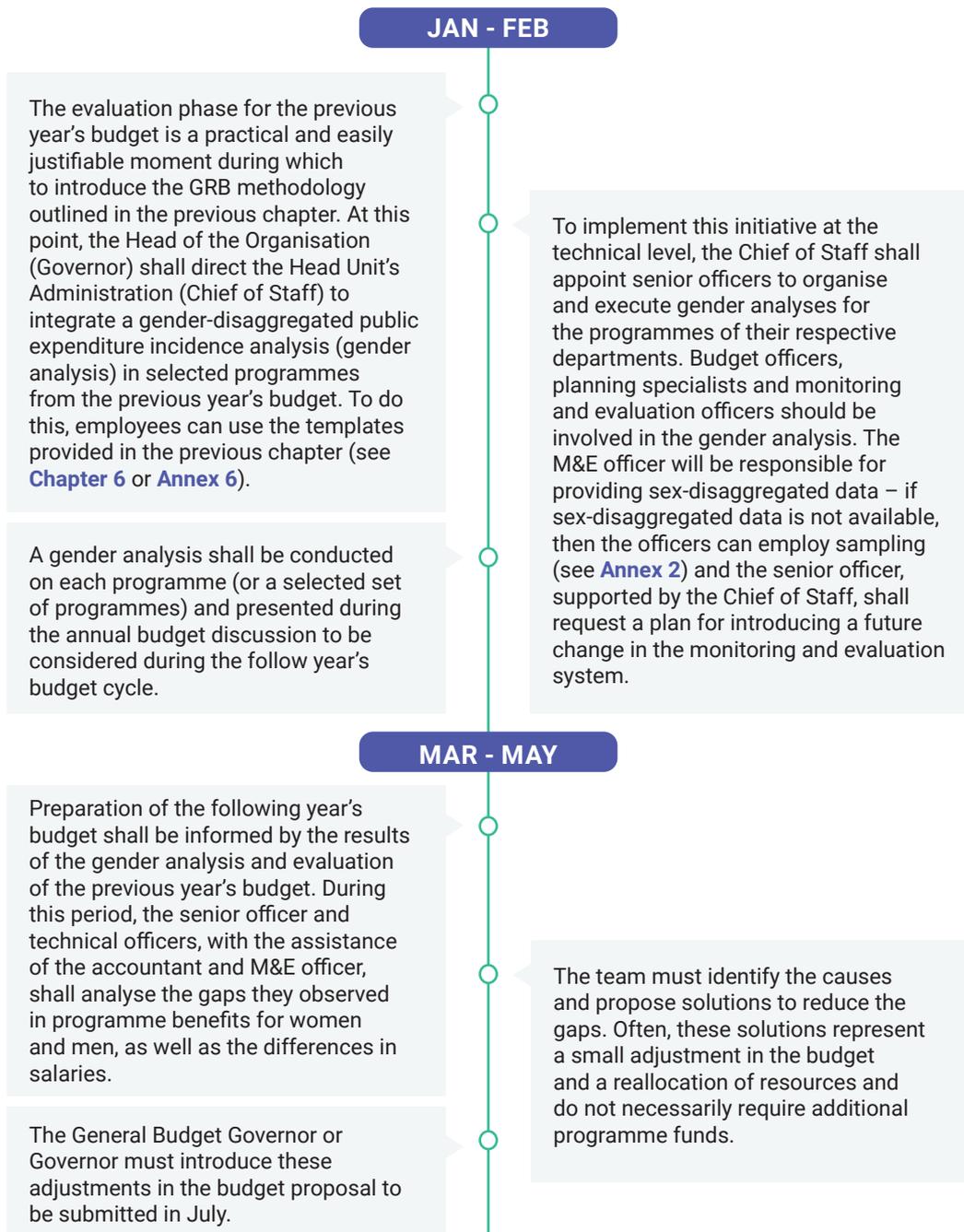
The methodology proposed in the previous chapter can be integrated into a local level government organisation by defining a set of key roles, assigning clear responsibilities and undertaking a number of activities in line with the schedule of the regular budget cycle. Gender-responsive budgeting can be implemented in any organisation and at any level, i.e. in an agency, a local government, a ministry or an entire state. In any context, the head of the organisation has the responsibility of applying the laws and approving a methodology for use within the organisation to improve the equity of their services.

ROLE OF THE HEAD OF THE ORGANISATION AND OTHER EMPLOYEES

As head of the organisation (agency, local government, ministry, or state), you and your collaborators must share the obligations imposed by the Mongolian laws, namely the Law on Promotion of Gender Equality. Considering the mandate of your organisation under this law, it is imperative that you accept the role of leading and coordinating an effort to adopt gender-responsive budgeting in your organisation. This means you shall become aware of and select a methodology to be applied at the technical level and create an order for your employees to begin implementation in their respective departments. Senior officers, technical officers and support staff have different roles to play in this process:

- **High- and mid-level managers**, i.e. Chiefs of Staff and Heads of Departments, will be required to organise and lead the gender-responsive budgeting process, and to guide the technical officers responsible for the analysis.
- **Senior officers** of respective departments will be required to conduct the gender analysis of their department's programmes, with the help of lower-level officers in their departments.
- **Support staff**, i.e. accountants and monitoring and evaluation officers, will be required to support the work of the senior officer by providing relevant data and information. These staff shall also be responsible for improving existing data collection and storing systems to ensure the existence of sex-disaggregated data.

A gender-responsive budgeting initiative can be introduced at any moment in the fiscal year. However, it may be most effective to implement gender-responsive budgeting in relation to the national and local budget calendar. You may follow this proposed timeline:



HOW TO ANALYSE YOUR PROGRAMMES

While the Mongolian Government currently uses an activity-based, or line-item, budgeting system there is an ongoing reform procedure to implement a programme budgeting system.⁷⁰ The Mongolian Government and all its constituencies must move to a programme budgeting system to improve budget effectiveness and transparency. This requires a policy to describe the budget in process, including a set of results with associated indicators, targets, and clear parameters. Even under the current system of activity-based budgeting it is possible to begin a transition and to organise your activities and services provided to the general public into programmes so they are more easily understood.

For example, your organisation, with all its resources (human, material and financial), provides services and goods to the public – the associated activities fit into a limited number of programmes and can be organised as such. As Head of the Organisation, you should have a clear understanding of these programmes and how they mobilise resources (quantity, quality, human, material and financial), the results they produce, and to whom and with which level of satisfaction they are delivered. For each programme, you must apply the methodology suggested in the previous chapter (gender-disaggregated public expenditure incidence analysis). You can use **Diagrams 6 and 7**, below, to visualise how to organise your activities, services and offerings into programmes:

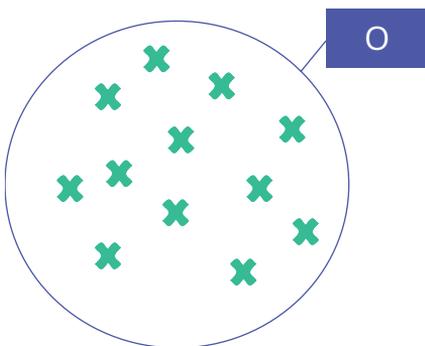


Diagram 6: Organisation with activities

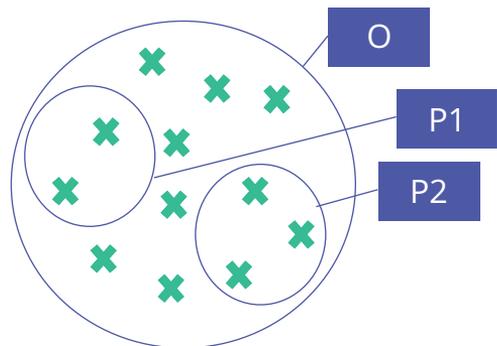


Diagram 7: Organisation with activities organised into programmes

⁷⁰ Recall from Chapter 3, programme budgeting, or result-based budgeting, reflects the input of resources and the output of services for each unit of an organisation. This approach pays attention to the reasoning of both benefit and cost aspects of the public service.

In **Diagram 6**, you can see your organisation (O) represented as being comprised of several activities (X). These activities are currently organised individually and for individual objectives under the organisation. In **Diagram 7**, you can see your organisation (O) represented with the same activities (X); however, we see similar activities (X) can be organised to form programmes (P1, P2). In this case, individual activities are grouped and organised to contribute to a common goal. This simple method can be used to conceive your organisation's many activities as systematic programmes on which to conduct gender analyses. This method will also improve organisational understanding of the reasoning behind individual activities and their respective values in contributing to the unit's objectives and organisational goals.

For example, the organisation (O) in **Diagrams 6** and **7** may be the department of education of a local government. In **Diagram 6**, their activities (X) are listed line-by-line and are not organised into programmes. This method is less efficient and presents challenges during monitoring and evaluation processes. In **Diagram 7**, the department of education has grouped similar activities (X) that contribute to a common goal into programmes: i.e. all activities required for operation of kindergartens are grouped into programme 1 (P1: Pre-school education policy and coordination) and all activities related to operation of the local university are grouped into programme 2 (P2: Post-secondary education policy and coordination). While this diagram has been oversimplified, and your programmes will likely contain several more activities, the method is based on the international principle that organisations can generally group their activities into 6-8 programmes based on the objective they are contributing to.

- ✓ Recall that some positive actions do not require large or additional funding, but simply call for a reallocation of a small amount of the budget or a change in the programme implementation plan (i.e. operational hours, quota for women participants, public outreach activities, etc.).
- ✓ In cases when more significant changes to allocation are required, your organisation should adhere to the normal budget cycle and present positive actions in the budget proposal to be approved in June for the following year.

HOW TO ANALYSE YOUR ORGANISATION

Alongside an initiative for gender-responsive budgeting, you should turn your gaze inwards to understand the situation of gender equality within your own organisation. With a mindset for gender equality, you have an opportunity to analyse your own organisation in order to identify opportunities for promoting equality, which is a part of your mandate under the Law on Promotion of Gender Equality. This is a process of self-learning and self-reflection to improve your organisation.

You can use a simple organisational chart (**Diagram 8**, below) to illustrate and imagine the hierarchy of authority in your organisation, though this provides only a limited representation. This diagram is typical of most organisations and illustrates the links within the organisational hierarchy (i.e. the chain of command). However, this chart does not illustrate relationships and relative power within the organisation.

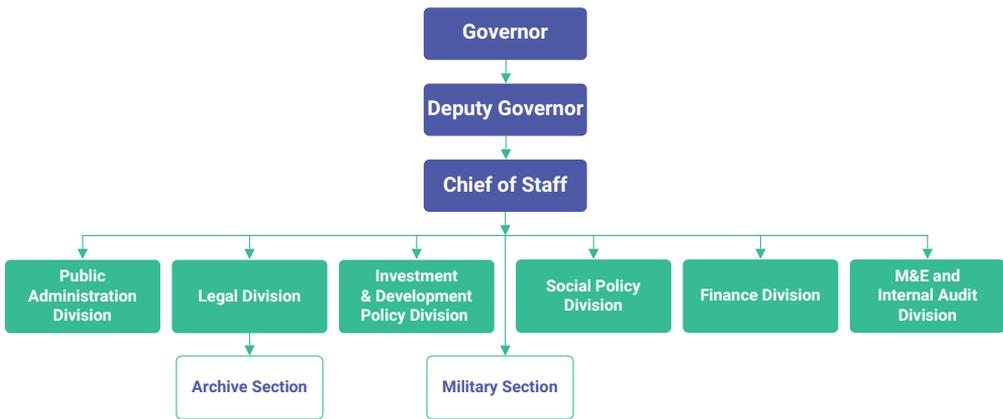


Diagram 8: Basic organisational chart, example from Mongolian aimag Governor’s Office

Henry Mintzberg’s model (**Diagram 9**, below) offers a clearer representation of your (the Head of the Organisation) influence on the system you lead. This model divides your organisation into five basic components, illustrating the system (organisation) within its environment (the polity and society). At the base of the system is the *operational core*, or the working base, who are responsible for delivery of services to the public. The operational core is enabled by the *support unit* (i.e. administrative and legal departments), *middle management* and the *technostructure* (i.e. strategic planning department).

These four components are led and mandated by the *top management*. These components help the organisation to perform well in its environment.

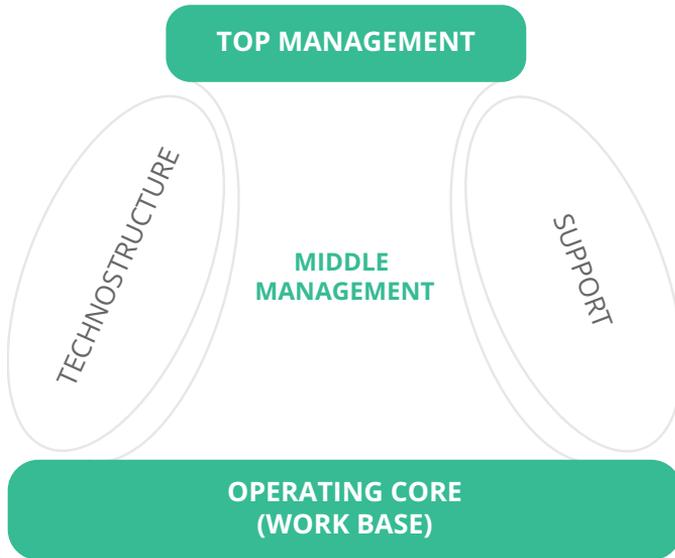


Diagram 9: Mintzberg organisational model

You can reorganise the organisational chart you currently use into the relationship-based model proposed by Mintzberg (**Diagram 9**). This will give you a straightforward representation of the structure that you lead with which to complete a gender analysis. Apply Mintzberg's five-component organisational system with the help of your Human Resources officer to identify:

- How many women and how many men work in each component?
- In each component, what is the capacity building process and who are the beneficiaries of this (# of women and men)?
- What is the system for promotion in each component and who is promoted (# of women and men)?

When you identify a gap in any of these areas, try to understand what has caused it (i.e. using the Ishikawa causal diagram presented in the previous section).

8 | PARTICIPATORY APPROACH TO GENDER ANALYSIS OF A BUDGET

A participatory approach is a critical component in the gender analysis of a budget. Participatory approaches to gender analyses can be seen as a tool to strengthen the impact of the GRB initiative by enabling deeper analyses of budgets and by enriching data sources with diverse perspectives and a more comprehensive information base. Consultation and involvement of stakeholders presents an opportunity to deepen the gender analysis and reach a conclusion that reflects the real experiences and concerns of diverse Mongolians, rather than a conclusion based on assumptions and gender stereotypes. Moreover, involving stakeholders, civil society, programme beneficiaries and taxpayers in any level of the budget cycle promotes democracy, transparency and public confidence in the budget.⁷¹

When conducting a gender analysis of a programme or policy, stakeholder consultation represents a critical information source. While the methodology detailed in **Chapter 6** relies on sex-disaggregated data on programme use and resource allocation, a gender analysis on the impact of the programme or policy should go deeper to understand the different experiences of different groups of women and men, girls and boys. Therefore, in addition to considering statistics and data collected by governmental organisations, it is important to engage with beneficiaries and stakeholders directly. Primary data for gender analyses can be collected by means of selected focus groups, individual interviews or consultation seminars with direct and indirect beneficiaries of the programme or policy under study. Other, more cost-effective methods include a survey or questionnaire-based study with beneficiaries.

Participatory approaches to public budgeting can be applied at various levels – from the consolidation of budget proposals and processing stages to actual planning, approval, implementation, monitoring and evaluation – by engaging with civil society groups and communities to seek input and feedback.⁷²

71 The Chartered Institute of Public Finance and Accountancy. (2004). Gender and Participatory Budgeting. Publication.

72 Ibid.

This tool is especially useful for the monitoring and evaluation of the public budget, at the local or central level, in order to increase responsiveness of the budget and to improve future planning. In each of the methods for primary data collection listed above, the goal shall be to gain deeper insight into the effectiveness and ability of the programme to meet the real needs of its beneficiaries (i.e. beyond number of women and men served to answer the question, “*did this programme/ budget allocation meet its objective for women and men?*”).

For effective monitoring and evaluation of the public budget, budgetary inputs and outputs should be assessed against specific targets and indicators for impacts on women and men, in the given period of time.⁷³ If a result-based monitoring and evaluation system is not in place, then analysing feedback alongside the objective of the programme and the calculated value provided to women and men should still produce quality findings and conclusions. Conclusions from this analysis can be used during the evaluation of the programme and budget, which should be used to inform future planning in the next budget cycle.

If you choose to organise stakeholder participation through focus groups, individual interviews, consultation seminars, and survey or questionnaire-based study, you must always follow best practice of disaggregating data and feedback from participants by their gender – otherwise the findings will be ‘gender-blind’ and won’t contribute to a gender analysis.

- Logistically, this means that surveys and participant sheets shall include a space for participants to indicate their gender; notes taken during interviews and consultations shall indicate the gender of the individuals commenting; and records of public voting should indicate the number of women and men voting in agreement or rejection of a proposal.
- Other identity factors, such as age, disability, head of household, etc. may also be included to increase the quality and usefulness of the data.

73 Budlender, D., et al. (2002). Gender Budgets Make Cents: Understanding gender responsive budgets. Publication.

Furthermore, the design of the interviews and consultations must also be done in a gender-sensitive way:

- ✓ Ensure nearly equal participation of women and men overall, representing different groups.
- ✓ Hold meetings at locations and times convenient for both women and men, and design to overcome transportation and childcare barriers.
- ✓ Enable arrangements that allow for meaningful participation of both women and men (i.e. think of group dynamics and how to encourage quiet voices).
- ✓ Consider which questions are suitable for which types of groups (i.e. community sessions for certain questions, and small working groups for other questions – groups of women, young people, elderly people, single-parent households, etc.)
- ✓ Raise priorities that are relevant for women, ensure they are included in consultation agendas and give equal weight with respect to other issues.⁷⁴

The goal of these consultation methods shall be to create an environment conducive for receiving feedback from diverse groups of women and men, as beneficiaries of government spending. With effective use of this feedback in the monitoring and evaluation stage, you can encourage public spending and investment toward the most pressing needs in society to benefit the greatest number of people.⁷⁵

74 EIGE. (2018). Gender mainstreaming: gender stakeholder consultation. Publication.

75 The Chartered Institute of Public Finance and Accountancy. (2004). Gender and Participatory Budgeting. Publication.

9 | SCALING-UP AND COMPATIBILITY WITH A CENTRAL LEVEL APPROACH

A key factor is that most GRB methodologies are flexible and can be plugged into any stage and any level of the budget cycle. Therefore, the methodology described in [Chapter 6](#) and the application described in [Chapter 7](#) are able to be scaled up from the local level to the central level. Recall that this methodology is founded on a gender analysis of individual programmes, and since each governmental unit has its own list of programmes, this methodology is widely applicable. That is, though this guide has been designed for use at the local level, the presented methodology can be scaled up to central level institutions (i.e. agency and ministry levels) to assess whether government programmes, policy or services are prone to equity and equality or are prone to inequity and inequality. The flexibility of the gender-disaggregated public expenditure incidence analysis approach allows it to be easily integrated into the existing budget cycle and practice, making it compatible with current law and future reform.

Under Mongolian budget and gender laws, the highest budget authority has a mandate to implement a system for GRB. This mandate sets out a top-down approach; however, simultaneous bottom-up, micro-budgeting efforts from local level government organisations can be instrumental in supporting the success of a national initiative. By establishing a strong and flexible approach at the local level, public servants working in aimags, soums and baghs have the opportunity to demonstrate application of a methodology in Mongolia and develop successful cases to inform initiatives at the central level – and actors from central level organisations will be able to learn from, adopt and apply the approach used by local level governments. Furthermore, building capacity and securing buy-in at local level government organisations will support the mandate of the central budget authority as they work to coordinate a national initiative for gender-responsive budgeting.

International experiences feature a number of diverse practices and iterations of the approaches outlined in this guide. Any of these practices can inform future efforts in Mongolia to scale a local level initiative to the central level for application in the integrated budget. For example, in Korea the gender-responsive budgeting effort began as a top-down approach. GRB was included in the

National Public Finance Act in 2006 and the methodology was designed in 2008 to be implemented in 2010 with the first gender budget statement. Later, in 2013, the first local level gender budget statement was produced. The campaign at the national level involved a research task force to develop a legal framework for GRB. This was followed by the establishment of the Gender Budget Research Center who worked for three years to research and establish institutional infrastructure and a methodology for GRB in Korea that was introduced through a pilot phase. This methodology was also based on a gender impact analysis of the public budget and relied on the involvement of the Ministry of Gender Equality and Family in the national budget cycle.⁷⁶

In Canada, the GRB initiative also began at the national level and was introduced more recently in 2017. Canada began their approach by building a mechanism for gender equality and capacity for gender mainstreaming among all government staff. In 2015, the government appointed their first gender-balanced Cabinet and instated the first Minister for Status of Women (a department similar to Mongolia's National Committee on Gender Equality). Legislation for gender mainstreaming in Canada's public policies had already been in practice which paved the way for Canada's first gender budget statement in 2017. Following this, Canada established a Gender Results Framework and the Canadian Gender Budgeting Act. Their national legislation approach has been strengthened and supported by a rigorous campaign for capacity building of public servants at all levels of the government which has been accomplished through an online training platform, **Gender-Based Analysis Plus (GBA+)**, that is mandatory for all public servants.⁷⁷

Other examples from international experiences include Peru's national level approach of establishing a responsible committee in each organisation of the State. These committees were mandated within their units to conduct gender analyses of the programmes and budgets, to plan positive actions to rectify inequalities, and to evaluate the progress of the situation of women in their respective sectors. The examples from these three countries represent a small piece of the widespread work on gender-responsive budgeting being done across the world; a momentum that Mongolia is well positioned and ready to be a part of.

76 Gender Budget Research Center, Korean Women's Development Institute. (n.d.). Gender Budgeting in Korea: An Introduction. Presentation. Retrieved from <https://www.unescap.org>.

77 Government of Canada. (2019). Budget 2019: Advancing Gender Equality and Diversity. Website. Retrieved from <https://www.budget.gc.ca/2019>.

10

TEN STEPS TO IMPLEMENT GENDER-RESPONSIVE BUDGETING AT THE LOCAL LEVEL

The methodology presented in this guide can be effectively implemented at the local level of the Mongolian public service and leaves an opportunity to be scaled up to the central level in the future. For implementation in the local level, referring to the aimag, soum and bagh responsibilities in the budget cycles, the following ten steps are recommended and can be followed by a Chief of Staff, gender focal point or interested public official:

1. Meeting with the Governor of the local government

Firstly, in a meeting with the highest authority, you shall present the topic of gender-responsive budgeting that you aim to implement within the Mongolian budget framework – avoid dwelling on theory and focus on the practical application of the GRB methodology (gender-disaggregated public expenditure incidence analysis and development of positive actions). The goal of this meeting will be to gain the commitment of the Governor to bring other senior officials into the movement and the application of a pilot programme of gender-responsive budgeting.

2. Meeting with selected senior officials in the local governmental unit

You shall identify the senior officials to participate in a GRB pilot programme, i.e. the heads of 3-4 priority departments. At this meeting you shall remind the officials of the country's regulatory framework and explain the method of gender analysis that is consistent therein. The goal of this meeting is to gain the commitment of the selected senior officials to join the working group with 1 or more of their officers to implement a pilot phase of the GRB methodology for planning of the following year's budget.⁷⁸

3. Establishment of working group

Based on the commitment, initiative and cooperation of the Governor, and the support of senior officials, obtain an Order for the establishment of a GRB working group – with membership of senior officials and 1 or more officers from each of the selected departments. Upon its formation, the working

⁷⁸ This may include programme officers who have the technical capacity to conduct an analysis, monitoring and evaluation officers who can support the analysis, and other programme officers who have capacity for gender analysis.

group shall adopt an official mandate to implement a GRB pilot programme in 3-4 selected departments of the unit and shall agree on a set of deliverables and timeframe (i.e. 1 year).

4. Study of the methodology for the local budget cycle

Within the working group, officials shall study the proposed methodology for implementing gender-responsive budgeting and will agree to undertake a cycle of training on gender, gender analysis and positive actions. The working group shall determine whether the training cycle will be for members only or if it is to be open to other employees of the governmental unit.

5. Communication and cooperation with public servants of affected governmental unit

In order to mobilise the members of the team and to align the governmental unit, it is important to communicate the Governor's statement of commitment, the mandate of the working group and a description of the working group's deliverables with employees of the unit. If the training cycle pre-planned for the working group will be open for other employees of the unit, then it is appropriate to include a call for participation in this official communication.

6. Capacity building – Introduction

While many public servants have begun to talk about gender and gender mainstreaming, there still remains a significant gap between theory and practical application. Therefore, it is constructive to offer an introductory training to the working group and other officials, especially planners and budget users, to align knowledge on gender-responsive budgets, gender-blindness and masculine bias. In this training, participants shall learn how to break down public expenditure by gender (i.e. stage 1 of this GRB methodology).

7. Capacity building – Gender analysis and positive actions

There is a low capacity for gender analysis and positive actions among the public service. Therefore, it is constructive to offer a 2nd-level training workshop for the working group and other officials, especially planners and budget authorities, covering gender analysis through the Ishikawa diagram. The training shall also cover common positive actions, how to design and propose a positive action (i.e. micro-project), and the method of assigning its budget.

8. Working group conduct gender analysis on priority programmes

The trained working group shall now be able to conduct gender analyses on selected programmes. The suggestion for this GRB pilot programme is to select 3-4 programmes for study. Each department represented in the working group shall be obligated to select and analyse at least 1 programme, policy or service under their authority, ideally the one that consumes the most financial resources. They shall establish the first level of analysis and determine whether the programme is equitable or inequitable in nature. They shall then proceed to the second and third levels of analysis to determine the causes of the gaps, if any, and to suggest positive actions with a realistic budget.

9. Selection of positive actions and appropriate budget allocation

From the suggestions made during the pilot period, the working group shall select the appropriate positive actions (i.e. 1 action for each programme), based on the available budget. The working group shall propose the priority positive actions for adoption by the governmental unit to be presented during the budget evaluation stage for the previous year and/or defended in the budget planning stage for the following year.

10. Working group monitoring and evaluation of gender-responsive budgeting

After one year of implementation, there shall be an evaluation of the quality and results of the positive actions. This evaluation shall be carried out by the working group, with the senior officials present, and can be done by means of a participatory approach to a gender analysis (see [Chapter 8](#)). The evaluation shall be presented during a meeting with directors and managers from all departments of the governmental unit at the beginning of the next cycle of budget evaluation with a goal of establishing a strategy for expanding the GRB initiative in the following year.

Guidance on the implementation of the pilot programme may be obtained through partnership with external organisations and the National Committee of Gender Equality. If necessary, the Chair of the working group may establish terms of reference for a public bidding process for contract or consultant to support on any of these recommended steps.

11 | CONCLUSION

This guide provides public servants with the knowledge and tools necessary to introduce a gender approach to public budgeting. Given Mongolia's productive legal environment and commitments to advancing gender equality, there is a strong foundation on which to base an argument for the introduction of a gender-responsive budgeting approach in the local government budget. The methodology proposed in **Chapter 6** of this guide has been adapted for the Mongolian context, in consideration of national and local budget laws and practices, as well as national gender laws and policies. The methodology follows a three-step process which can be implemented at any stage of the budget cycle as a means for analysis and budget planning. The proposed methodology is supported by a complete and successful case study of application in Dornod, Mongolia (**Annex 4**), analysis templates for practical application (**Annex 6 and 7**) and a guide for comprehensive gender-responsive budgeting at the local government level outlined in **Chapter 7**. These measures can be strengthened by adopting a participatory approach to gender analysis and budget planning, as discussed in **Chapter 8**.

While the focus of this guide has been for use at local level governments, the potential to scale a gender-responsive budgeting initiative from the local level to the central level government is discussed in **Chapter 9**, with consideration of experiences from other countries. Since the GRB methodology proposed in this guide is based on gender analysis of individual programmes, it can be applied at any level and be included as an aspect for budget reform of any scale (i.e. pilot analysis of 2-4 programmes or a larger analysis of an entire department or government unit).

To facilitate practical implementation of this GRB methodology, **Chapter 10** presents ten steps which a public servant can follow to plan an intervention in their respective organisation or department. These steps were outlined in consideration of the local level government structure and local decision-making practices with an approach of gaining buy-in, building capacity and implementing reform through a manageable and measurable pilot programme.

The public sector has an essential responsibility to lead progress on gender equality in Mongolia. The Mongolian Government has already made a number of meaningful commitments for the achievement of gender equality and must now lead an effort to realise gender equality in the public budget. Gender-responsive budgeting in Mongolia is about more than allocating budget lines to activities for women; rather, gender-responsive budgets are a means to promote growth with equity, and reduce the trade-off between equality and efficiency which is inherent in traditional budgeting.

Gender-responsive budgeting has long been a theoretical and often intimidating conversation in Mongolia with little practical application. It is our hope that this guide will meaningfully contribute to the ongoing efforts and help to convince decision makers and budget users of the applicability and potential of GRB as a tool for achieving gender equality in Mongolia. We hope the proposed methodology will be adopted as a practical tool for use at the local level, that it will evolve through practice and discourse, and that it will empower civil servants from all levels to lead change in their organisation and in the public service.

ANNEXES

ANNEX 1

INTEGRATED BUDGET SCHEDULE OF MONGOLIA: STATE BUDGET, LOCAL BUDGETS, SOCIAL INSURANCE FUND BUDGET AND HEALTH INSURANCE FUND BUDGET

PLANNING

1. **Government Debt-Management Medium-term Strategic Document (GDMMTS), Medium-term Fiscal Framework Statement (MTFFS) and General Guidelines for Socio-economic Development**
 - Ministry of Finance (MoF) shall develop the GDMMTS and the draft MTFFS and present them to the Cabinet by April 15.
 - The Cabinet shall discuss and submit drafts of the GDMMTS and MTFFS to the State Great Khural (SGK) by May 1 for approval in their spring session.
 - The Cabinet shall present the State General Guidelines of Socio-Economic Development and the draft Annual Integrated Budget, informed by the Government Action Plan and the MTFFS, to the SGK to be discussed and approved in compliance with the MTFFS.
 - The SGK shall approve the GDMMTS and draft MTFFS by June 1 and publish within seven working days.
2. **Annual budget ceilings of General Budget Governors, based on approved MTFFS**
 - General Budget Governors shall submit annual budget ceiling proposals, based on the MTFFS, to MoF by June 10.
 - MoF shall consolidate and prepare the draft annual budget ceilings for General Budget Governors and submit to the Cabinet by June 20.
 - The Cabinet shall discuss and approve the draft annual budget ceilings by July 1, and MoF shall submit approved annual budget ceilings with the budget circular to the General Budget Governors by July 5.
3. **State, Social Insurance Fund and Health Insurance Fund budgets**
 - Direct Budget Governors who are subordinate to Central Budget Governors shall submit their annual budget draft to their respective Central Budget Governors by July 25.
 - Central Budget Governors and Direct Budget Governors who are not subordinate to Central Budget Governors shall submit their annual budget draft to their respective General Budget Governor by August 1.
 - General Budget Governors shall submit their annual budget draft to MoF by August 15.
4. **Public Investment Programme (infrastructure and development investment projects for long-term economic growth >30.000.000)**
 - Every 4 years, the NDA shall develop a Public Investment Programme (PIP). The Cabinet shall approve the programme once every 4 years and review annually;
 - General Budget Governors shall develop their PIP proposals to be discussed at the relevant Ministerial or Governor's council meetings. Meeting minutes, a performance report of the PIP in the previous year and a detailed presentation shall be delivered to the NDA by February 15.
 - The NDA shall submit updates of the PIP to the Cabinet by May 15.



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PLANNING

APPROVAL

1. Consolidated budget proposal

- MoF shall consolidate annual budget proposals and submit to the Cabinet by September 15;
- The Cabinet shall submit proposal to the State Great Khural by October 1 and publish within three working days; and
- State Central Audit Body shall present its opinion on the budget proposal to the State Great Khural by October 15.

2. Approval of the State, Social Insurance Fund and Health Insurance Fund budgets

- The State Great Khural shall discuss and approve the annual budget proposals for the State, Social Insurance Fund and Human Development Fund budgets by November 15;
- Approval shall be in compliance with the requirements of the Fiscal Stability Law;
- The following items shall be included and approved in the budget
 - Revenues to be collected by each general budget governor and revenues of subordinate budget entities;
 - Maximum level of aggregate expenditures and maximum level of recurrent and capital expenditures for each general budget governor, including the amount of special purpose transfer;
 - Sources for financing budget deficits, maximum levels for new debt to be incurred and guarantees to be issued by the Government, and limitations on cash flows;
 - Revenue transfers and financial support to be allocated to budgets at other levels;
 - Programmes to be implemented by each general budget governor, including qualitative and quantitative indicators related to expected outcomes (presented in annex);
 - List of investment projects as set in the annex (name, location, capacity, timeframe, budgeted cost, financing sources and total amount of financing for the fiscal year);
 - List of projects and activities to be implemented through concession contracts and requirements, with their terms and conditions (presented in annex).
 - The total amount of financing for projects and activities to be implemented from the budget on a recoverable basis within the given year.
 - List of state-owned concession items specified in Article 4.1.2 of the Law on Concessions (name, location, capacity, timeframe, special requirements and conditions)

PLANNING

APPROVAL

EXECUTION

- 1. Budget allotment schedule proposals and approval**
 - Central budget governors and direct budget governors (who do not report to a central budget governor) shall submit their budget allotment schedule proposals to their respective general budget governor by December 15.
 - General budget governors shall submit their budget allotment schedule proposals to MoF by December 25.
 - The Minister of Finance shall approve the budget allotment schedules for the State budget, Social Insurance Fund budget and Health Insurance Fund budget by January 1.
- 2. Management of the State, Social Insurance Fund and Health Insurance Fund budgets**
 - All financial assets are managed through the Treasury Single Account, established in the National Bank of Mongolia.
 - Budget revenues and revenues collected by any budgetary entity are deposited into the Single Treasury Account without any delay.
 - All disbursements are processed through the Single Treasury Account, unless a separate bank account has been authorised by MoF.
 - The Treasury System is comprised of the Central State Treasury, the Treasuries of aimags and the capital city, the Treasuries of soums and districts and the Treasury Unit under general budget governors and budget accountants; this system enables a central monitoring of decentralised treasury activities.
 - Review of detailed schedule for executing the approved annual budget, detailed budget allocation, budget spending and collection shall be implemented in accordance with the approved monthly and quarterly budget schedules.

**APPROVAL****EXECUTION**

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1. **Monthly budget execution reports for the State, Social Insurance Fund and Health Insurance Fund budgets**
 - Direct Budget Governors shall submit monthly execution reports to their respective Central Budget Governors by the 2nd of each month.
 - Central Budget Governors shall submit monthly reports on special funds and budget execution to their respective General Budget Governors by the 4th of each month.
 - General Budget Governors shall submit monthly budget execution reports to MoF by the 6th of each month.
 - MoF shall approve a monthly execution report of the Integrated Budget by the 8th of each month.
2. **Quarterly, semi-annual and annual execution reports for the State, Social Insurance Fund and Health Insurance Fund budgets**
 - Direct Budget Governors shall submit a quarterly report with financial statements by the 15th day of the first month of the new quarter to their respective higher-level budget governor, and an annual budget execution report to the State Central Audit Body by January 25th of the following year. Audited financial statements shall be submitted to the respective higher-level budget governor by February 25th.
 - Central Budget Governors shall submit a semi-annual report with consolidated financial statements to their respective General Budget Governor by July 25th; an annual report with consolidated financial statements to the State Central Audit Body by March 5th of the following year; and an audited annual report to their respective General Budget Governor by March 25th.
 - General Budget Governor shall submit a semi-annual report with consolidated financial statements to MoF by August 15th; an annual report with consolidated financial statements to the State Central Audit Body by April 5th; and audited annual statements to MoF by April 25th.
 - The Minister of Finance shall prepare a consolidated semi-annual report by August 25th and submit a consolidated annual report to the State Audit Central Body by April 15th of the following year, who will conduct audit and provide an opinion by May 5th.
3. **Integrated Budget execution report and Government consolidated financial statements**
 - The consolidated financial statements of the Government shall include the financial statements of the state and local budgets, the consolidated financial statements of the General Budget Governors, and the financial statements of state- and locally-owned entities and entities with state and local interests.
 - General Budget Governors' consolidated financial statements shall include: (i) financial statements of budgetary entities under his/her mandate; (ii) financial statements of projects and programmes implemented through government aid and grants; and (iii) financial statements of state- and locally-owned entities and entities with state and local interests.
 - MoF shall submit the Integrated Budget Execution Report and the Government's consolidated financial statements to the State Central Audit Body by May 10th of the following year, who will conduct audits within a month and provide an opinion on the Integrated Budget Execution Report, Government Debt Report and the Government's consolidated financial statements to the Cabinet and the SGK.
 - The Cabinet shall submit the Integrated Budget Execution Report, the Government's consolidated financial statements and the audit opinions to the SGK within 7 working days of its issuance, to be discussed and approved in their spring session.

EXECUTION

M&E

ANNEX 2 | HOW TO PROCEED IF SEX-DISAGGREGATED DATA IS NOT AVAILABLE

Note that in order to proceed with this gender analysis, you need to know the approximate number of women and men who benefit from the service provided. In practice, a gender-specific count of the beneficiaries is usually performed. However, if you do not have access to sex-disaggregated information, then you may apply a sampling method to estimate the relative number of women and men benefitting from the programme under analysis.

For example, the number of women and men benefiting from or employed by the programme could be determined by a small amount of observations collected in a sample. A sample size reduces the accuracy of the estimation and increases the margin of error, but it's better than the absence of any data or a decision based on an unconfirmed assumption. Therefore, instead of waiting for a fully improved monitoring system which could compile the complete data disaggregated by gender, it's possible to move forward with a sampling method, for the purposes of making a timely decision.⁷⁹

To ensure meaningful results, statistical sampling can be employed. For statistical sampling you must first determine the population size, appropriate margin of error and confidence level, and the population proportion in order to determine an appropriate sample size. For a first approximation, a 10 percent margin of error and a 95 percent of level of confidence are appropriate. It's possible to identify your statistical sample size by using an online calculator⁸⁰ or from the following table:⁸¹

79 Creating a simple, excel-based participant/beneficiary database can serve many purposes in the long-run – not only for sampling. A database can be used in several cases, i.e. to improve evidence-based reporting and to inform decision making processes. Creating a database can save a lot of time and energy in the future and diversify analytical horizons.

80 Online calculators can be useful as they allow you to customise your parameters: i.e. <https://www.calculator.net/sample-size-calculator.html>; <https://powerandsamplesize.com>.

81 International Program for Development Evaluation Training (IPDET) 2019 Core Course. Handbook.

POPULATION	SAMPLE
10	10
25	24
50	44
100	81
150	110
200	134
300	172
400	201
500	222
1'000	286
2'000	333
5'000	370
10'000	385
100'000	398
-	400

Table 4: Statistical sampling based on population size

You may also employ the following statistical sampling method by manually performing the calculations. In this case, the sample size is determined based on the required confidence level and margin of error, as well as on the expected deviation among individual results. To determine a sample size that will provide the most meaningful results, a statistician first determines the preferred margin of error (ME), or the maximum amount they want the results to deviate from the statistical mean. This is usually expressed as a percentage, as in plus or minus 5 percent. You also need to determine a confidence level before beginning the study. This number corresponds to a Z-score, which can be obtained from online tables. Common confidence levels are 90 percent, 95 percent and 99 percent, corresponding to Z-scores of 1.645, 1.96 and 2.576, respectively. For a first approximation, a 10 percent margin of error and a 95 percent confidence level are appropriate.

Having determined the margin of error, Z-score and standard of deviation⁸², the statistician can calculate the ideal sample size by using the following formula:

$$(Z\text{-score})^2 \times SD \times (1-SD)/ME^2 = \text{Sample Size}$$

⁸² In the formula, the sample size is directly proportional to Z-score and inversely proportional to the margin of error. Consequently, reducing the sample size reduces the confidence level of the study, which is related to the Z-score. Decreasing the sample size also increases the margin of error.

In short, when statisticians are constrained to a small sample size for economic or logistical reasons, they may have to settle for less conclusive results. Whether or not this is an important issue depends ultimately on the size of the effect they are studying.

Recommendation:

In any situation, 33 random observations will offer a good approximation of the reality.

- ✓ For example, if you want to know how many women have applied for a business loan through your aimag's SME loan programme, you can access the files (physical or digital) and select a random sample to represent the entire population (the total number of applicants). You may determine a sample size of 33 applications out of the total 500 applications and count how many women and men are present in the sample.
- ✓ You may also determine a larger sample size from Table 4 (above), equation or online calculator.
- ✓ In any case, ensure your selection is random.
- ✓ With this sex-disaggregated data, you may proceed with the gender analysis presented in **Chapter 6**.

ANNEX 3 | DISCUSSION ON MEN'S HEALTH IN MONGOLIA

A large concern for gender equality efforts in Mongolia has been the issue of men's health and low life expectancy. This concern has been well documented in discussions of gender equality and appears as a priority for most aimag gender sub-programmes, as well in the 2020 action plan of the National Committee on Gender Equality. In Mongolia, there is a significant discrepancy between the life expectancy of men and women, with an average difference of 9.67 years in 2018 (men: 66.11 years; women: 75.78 years). This statistic differs greatly between regions with a maximum difference in average life expectancy of 11.74 years and a minimum difference of 3.69 years.⁸³

While there is a noticeable difference in the average life expectancies of these two genders, evidence from two separate studies conducted by the NCGE in 2019 and 2020 direct us to conclude that this is not necessarily a *gender inequality issue*, but rather a *health issue*. That is, the shorter life expectancy among men is not attributed to the oppression of men in society; rather, it is attributed to a lower use of health services and a lack of access to mental health services, as well as lifestyle and professional decisions.⁸⁴

NCGE's 2019 study attributes men's lower life expectancy to earlier death caused by unhealthy life habits (i.e. nearly 50% of all men are users of alcohol and 45% are smokers)⁸⁵, improper diets, risky behaviour and vulnerability to injury and accident.⁸⁶ This is supported by the 2020 study which found the leading causes of death among men aged 15-44 are alcohol poisoning, suicide, and motorcycle and traffic accidents. NCGE also mentions that men are less likely to visit health institutions than women (i.e. the number of men visiting health institution is 2.3 times lower than women)⁸⁷ which is an interesting finding that points to the

83 National Committee on Gender Equality. (2019). Mongolia Gender Situational Analysis: Advances, Challenges and Lessons Learnt since 2005. Publication, pp. 51.; National Committee on Gender Equality. (2020) Baseline Study Report 2020: Life expectancy gap between men and women in Mongolia and the factors influencing it. Publication.

84 Ibid., pp. 52.

85 (2014) Survey conducted by the Men's Association, in partnership with the National Public Health Institute. Retrieved from <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3942512/>. Cited by NCGE's Gender Situational Analysis, pp. 52;

86 National Committee on Gender Equality. (2019). Mongolia Gender Situational Analysis: Advances, Challenges and Lessons Learnt since 2005. Publication, pp. 52.

87 Ibid.

importance of understanding the connection between gender roles and health. For example, men's lower use of health services may be related to the finding that while there are more women with registered diseases in Mongolia, more men die from disease-related deaths.

NCGE also points out that most of the contributing factors to men's shorter life expectancy are related to mental health issues, noting that 18.5% of Mongolians suffer from anxiety, 17.1% from insomnia, 16.2% from chronic exhaustion, and 6.6% from depression, and that 86% of people who commit suicide are men.⁸⁸ Thus, NCGE suggests that men, and women, will benefit greatly from targeted programmes to provide mental health services and sexual health services.

Thus, we can see the primary reasons behind the difference in life expectancy are based on behaviour, attitudes and gender roles and do not seem to be directly linked to inequality or oppression. This is not to say that it is an unimportant issue, but that the issue is best dealt with through progressive health service policies, interventions to promote men's attitudes towards safety and health, and interventions to promote mental health throughout the population. Both studies also point to the idea that lower life expectancy may be correlated to lower educational attainment among men; however, the 2020 study states that further research will need to be conducted in order to reach a conclusion.

88 Ibid.

ANNEX 4 | CASE STUDY: GENDER-RESPONSIVE BUDGETING IN DORNOD, MONGOLIA

Under the Mongolian Government's "Mongolian Livestock" national programme, aimags have been implementing a camel sub-programme at the local level, one of which is Dornod Aimag. The Citizens' Representative Khural of Dornod approved the sub-programme under Resolution #9 in 2014, with 2 phases of implementation (Phase I 2014-2016 and Phase II 2017-2021), and has established an oversight sub-committee. According to statistics, the number of camels in the aimag has been rapidly declining over the past years, from 17.9 thousand in 1979 to only 4.6 thousand in 2014 (a 3.8x decrease). The number of herder households decreased from 58%, or 10.1 thousand, by the end of the 1990s to 25%, or 5.6 thousand, in 2012. In addition, as the number and types of vehicles increase, so does the use of camels for loading, riding, and transportation purposes. As a result, coupled with an evident decrease in the number of herder households with camels in the aimag and an increase in the production of camel meat, the number of camels in the province has dropped dramatically. Thus, this sub-programme was developed with the goal to increase the number of camel herds in the aimag. The programme is accomplished through a number of activities:

- Organise the "Camel Festival" every 2 years;
- Create a "Best Camel Herder of Aimag" award;
- Provide a "Newborn Camel Calf Incentive" to camel herders;
- Purchase and distribute camels to camel herders who meet criteria; and
- Provide support to initiatives aimed at increasing the value of camel meat beyond its market price, intensifying the punishments for camel theft, and increasing camel farming and breeding.

In August 2019, during MERIT Technical Adviser Michel Filion's 5-day training in Dornod, a team consisting Chiefs of Staff of 5 soum governments conducted a gender analysis on the 'newborn camel calf incentive' component of the sub-programme by employing the methodology and tools proposed in [Chapter 6](#) of this guide. The team followed the three stages described in the methodology for local budget users:

STAGE 1: IDENTIFICATION OF PROGRAMME RESULTS AND GAPS IN EQUITY

1) First, the team used the below table to describe the project, using the sub-programme's general guideline document:

PROGRAMME DESCRIPTION	
Name of service unit	Name of organisation
Department of Food and Agriculture, Dornod Aimag	Dornod aimag Governor's Office
Name of programme	
Camel Sub-programme: 'Newborn camel calf incentive' component	
Programme objective	
The purpose of the sub-programme is to maintain the traditional herd structure of the livestock (comprising an appropriate mix of 5 animals); to highlight camels' importance in the global arena; to increase the number of camel herds; to increase camel herds' profitability and quality; and to breed camels for riding and transportation purposes.	
Programme description	
Under the sub-programme, a number of activities have been proposed to be undertaken annually, including disbursement of 20,000 tugrug cash incentives to camel farmers upon the birth of each new calf, with an aim to promote breeding and to increase the population.	
Budget at the beginning of the year	Budget executed – end of the year
19.5 million MNT	19.5 million MNT

Table 5: Description of the programme or policy, completed

2) Next, the team gathered data on the programme's budget and beneficiaries and performed a gender-disaggregated incidence analysis of the programme's expenditure.

GENDER-DISAGGREGATION OF PROGRAMME EXPENDITURE					
Name of the programme: 'Newborn camel calf incentive' component of the Dornod Camel Sub-programme					
Initial budget for the period under study	Budget executed for the period under study	Number of beneficiaries			Value of the programme, by gender, according to the budget executed
1	2		Number	Percentage	
19 500 000 MNT	19 500 000 MNT	Men	360	97.3%	18 973 500 MNT
		Women	10	4 2.7%	526 500 MNT 6
		Total	3 370	5 100%	19 500 000 MNT 7

Table 6: Allocation of the total budget of the programme or policy, by gender, completed

Table 6 illustrates the gender-specific analysis of a given budget in terms of its beneficiaries. According to the programme description, the initial allocated budget was 19.5 million tugrugs (1), all of which was spent for its designated purpose (2) during the period studied. A total of 370 farmers benefited from this public expenditure (3), of which 97.3% were men (4) and 2.7% were women (5). From this, the team found that men received 18,973,500 tugrugs (6) and women received 526,500 tugrugs (7) from the programme.

The team expressed that the Sub-council for Implementation of the Sub-programme and the Department of Food and Agriculture, who created the guiding document applicable to all soums implementing the sub-programme, had assumed that 50% of the programme beneficiaries of all soums would be women (implicitly setting a desired goal of 50%); however, through the incidence analysis the team discovered that only 2.7% of the programme beneficiaries were women. **Thus, the team concluded that the programme was prone to inequity, since women contribute equally to camel herding and yet were not benefitting equally from the government programme.**

3) Finally, the team analysed the share of wages between women and men employees responsible for the programme:

GENDER-DISAGGREGATION OF PROGRAMME WAGES							
Name of the programme: 'Newborn camel calf incentive' component of the Dornod Camel Sub-programme							
Initial budget: initial salary mass of the period studied	Budget executed: wage mass executed in the period studied	Relative weight in terms of number of public servants			Relative weight in terms of salary mass		
		Number	Women	Men	Total	Women	Men
1 993 506 MNT	1 993 506 MNT	15	7	9	100%	46.6%	53.4%
1	2	3	4	5		6	7

Table 7: Salaries and wages of public servants, by gender, completed

Table 7 illustrates a gender-specific analysis of payroll of public servants who are responsible for or taking part in the delivery of the incentive component of the sub-programme. By counting the public servants and members of the sub-committee, the team calculated that the initial budget payroll budget was 1,993,506 tugrugs (1), with an executed budget of 1,993,506 tugrugs for studied period (2), considering that less than 10% of an employee's salary is tied to their work on this individual programme.⁸⁹ The team identified a total of 15 public servants (3), of which 7 (4) were women and 8 (5) were men, working on the programme.

A gender-disaggregated incidence analysis of the relative wages paid to women and men found that women received 46.6% of the salary mass (6) and men received 53.4% (7). From here, the team concluded that the programme's wage distribution relatively maintains gender equality. This is mainly due to the Mongolian Government's standard for determining civil servant salaries, based on 'salary bands', which are equally applicable to women and men and tied to work experience and professional credentials. However, within this system there are opportunities for gender inequalities to appear (i.e. if it is found that women occupy the lowest paid positions, even if in a large number, so that a 50% proportion of women employees only receive 20% of the salary mass).

STAGE 2: ANALYSIS OF THE CAUSES OF GAPS IN EQUITY

Once the team concluded that the programme was prone to inequity, (i.e. gap: only 2.7% of beneficiaries were women), they performed a causal analysis to better understand the problem, using the Ishikawa diagram. With this exercise, the team identified the following underlying causes linked to the problem in their programme:

⁸⁹ This includes 15 employees (approximately 1 from each of the implementing soums and 1 officer from the Food and Agriculture Department) who have different levels of time commitment. "Less than 10%" approximates the time dedication of each staff member; however, each staff may dedicate a different amount of time to the programme as they are responsible for the implementation of multiple programmes.

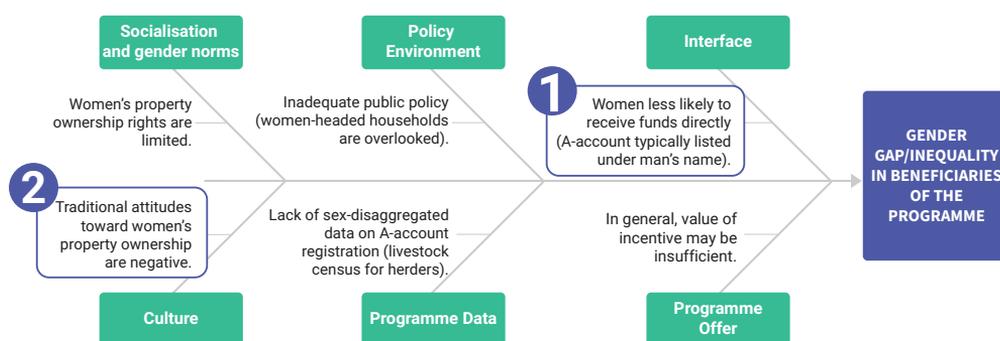


Diagram 10: Ishikawa diagram applied to the Dornod Camel Sub-programme

This causal analysis is validated by referencing statistics from the National Committee of Gender Equality's 2019 Gender Impact Assessment. For example, the report states that 60% of men and only 33% of women own their homes; 55% of men and only 27% of women have officially registered their ownership rights; and in rural areas, 1.5 times more men than women have home ownership certificates while in urban areas the ratio is 3 times more men than women.

Considering these possible causes, the team decided to plan an intervention at two points related to 1) the programme interface, by proposing a change to A-account registration, and 2) cultural barriers, by changing attitudes towards women's property ownership and recognizing the contributions of women camel herders. These positive actions were designed in the form of a micro-project.

STAGE 3: DESIGN OF RESPONSE TO GAPS IN EQUITY

Considering their causal analysis and their understanding of the cultural context and bureaucratic process related to the programme, the team designed a positive action proposal which could be accomplished within the present budget implementation period and would not require additional funding. The goal of the positive action was to correct the inequity in the programme so that more women would benefit from the public expenditure.

The team prepared a micro-project proposal template to design a practical and effective intervention that could be proposed to and accepted by the relevant higher authorities. The goal of the team's positive action, in the form of a micro-project, was to improve the effectiveness of the programme to reach men and women and enable equitable benefits for both groups of camel herders. Thus, the team developed the following proposal:

MICRO-PROJECT PROPOSAL (Proposed solution/Positive action)				
Programme Name	"Newborn camel calf incentive" Component of the Dornod Camel Sub-programme"			
Authorisations	Name	Function	Date	Signature
Author	Micro-project team and soum: D.Alimaa (Khulunbuir), B.Ariuntuya (Matad), B.Mungunchimeg (Bulgan), G.Jargalsaikhan (Sergelen), G.Tsetsegsuren (Gurvanzagal) ⁹⁰	Micro-project team members	August 2, 2019	B.Mungunchimeg Micro-project Manager
Approved	Aimag's Citizen's Representatives Khural (CRK)	Programme financier: Local CRK budget, international donor organisations and projects		
Micro-project Context & Background	The livestock census for herders, called A-account, is registered under the name of the 'head of the household', typically identified as the man in a two-headed household. While financial decisions may be made by both heads, the man and the woman, it is the man who typically has the upper hand to control the incentives since his name is alone on the account. This means that women are benefitting less from the newborn camel calf incentive of the Dornod Camel Sub-programme of, despite the fact that women share work with their husband. Thus, the programme must decrease the inequity caused by the A-account regulation of the livestock census for herder families; promote gender equity and equal access to benefits of the programme; and increase allocated amount of newborn camel calf incentives, if possible.			
Expected Benefits (long-term)	Bring equal benefits or access to benefits for women and men herders to ensure gender equity and recognise women's contribution.			
Start Date	December 2, 2019	End Date	June 10, 2020	
Micro-project Objectives	Ensure equality among members of herder families and promote the equitable distribution of the camel calf incentive.			
	Outreach activities and information dissemination.			

⁹⁰ These are the names of 5 Chiefs of Staff from different soums in Dornod aimag who formed a group together during MERIT's Gender-Responsive Budgeting Training in August, 2019. The initiative was proposed and implemented by Mungunchimeg, Chief of Staff of Bulgun soum, in December 2019, after the training session.

Key Outputs/ Deliverables	<p>A change to the A-account regulation in the soum and aimag: a measure to ensure the programme incentive, which is given to the head of the household is shared and received equally by women; and to encourage women's participation in camel herding.</p> <p>In other words, by creating a shared account for the entire family, instead of one account assigned to a single head of the household, the goal is to increase the number of beneficiaries from 370 (heads of household) to 740 (women and men of household).</p>
Micro-project Scope	740 herder beneficiaries (50% women, 50% men)
Includes	740 herders with camels.
Excludes	Herders without camels.
Success Criteria	<p>Women's equal rights promoted through outreach activities.</p> <p>Women have more control over resources and increased satisfaction.</p> <p>Women's work in camel herding is recognised and rewarded.</p>
Methodology/ Approach	Propose an amendment to clause 4.3-V in the "Camel Sub-programme" guiding document, which currently states that, "...herders will receive an incentive of 20,000 tugrugs for every newborn camel calf", to replace the term "herders" with the qualification "through the shared account of every family member".
Micro-project Resources	<p>HR: 5 project team members; Materials: PC and other equipment; Financial: existing budget*</p> <p>* No additional budget required for positive action</p>
Sub-committee	G.Jargalsaikhan, D.Alimaa, B.Mungunchimeg, B.Ariuntuya, G.Tsetsegsuren
Financier	Aimag CRK (from aimag budget), donor assistance and grants
Micro-project Manager	B.Mungunchimeg
Micro-project Team Members	Micro-project sub-committee
High-level Estimate of Micro-project Costs	<p>0 MNT*</p> <p>* No additional budget required for positive action</p>
Man/Days	264
Administrative Costs (excluding incentive costs)	<p>Payroll for employees: 9,967,530 MNT, Stationary: 3,000,000, Gasoline: 7,000,000 Total: 19,967,530*</p> <p>* No additional budget required for positive action</p>

Issues & Risk	Natural disaster, livestock theft, high workload and misunderstanding among family members.	
Assumptions	Doubling the number of beneficiaries [from 370 to 740 (50% women, 50% men)] will enhance the meaningful impact of the programme and lead to an increased number of camels and equal distribution of the benefits of camel herding.	
Constraints & Dependencies	<p>The decision-making power lies in the hands of the aimag's Citizen's Representative Khural. Therefore, the micro-project (amendment to the programme regulation) will rely on their support and understanding of the issue.</p> <p>We believe that by conducting a research-informed gender analysis we will be able to present our positive action and convince decision makers to implement this practical positive action.</p>	
Reporting	Frequency	Who
Meetings:		
Sub-committee Meetings	4	Sub-committee + Micro-project Manager
Micro-project Team Meetings	8	Micro-project Team + Micro-project Manager
Reports:		
Progress Reports	4	Financier + Micro-project Sub-committee
Closure Reports	1	Financier + Micro-project Sub-committee

CASE STUDY DISCUSSION

This case demonstrates that positive actions and gender-responsive budgeting are practical and feasible, and that they do not necessarily require large human or financial resources. This method of gender-responsive budgeting is based on an understanding of gaps and root causes through a gender analysis. From an analysis, you can select the best point to intervene (i.e. the point at which you will have the greatest impact). In this case, the Dornod team proposed an amendment to an existing programme guiding document to change the traditional method of assigning a family's A-account (i.e. the norm is to assign it to the head of the household, typically identified as a man, which leaves the woman out of the formal process) and to encourage and recognise women's participation in camel herding.

This positive action was proposed immediately after MERIT's training event, during the programme's implementation stage. In this case, the positive action required no additional funding and would use already approved budget resources; thus, the action did not have to be delayed for a future planning and proposal period. The team's efforts highlight the fact that decision-makers are able to improve gender equity in any type of programme which is delivered to beneficiaries. It also highlights that every public servant has a role to play in delivering inclusive and equitable public services, and ensuring that public spending will benefit both women and men.

IMMEDIATE RESULTS IN DORNOD

Following the training in August of 2019, Ms. B.Mungunchimeg returned to her post in Bulgan soum and wrote a letter to her soum's Citizen's Representative Khural proposing the positive action. As a result of the gender-disaggregated public expenditure incidence analysis, Mungunchimeg proposed a measure to increase the flexibility of the 'A-account' registration which would allow it to become a shared account listed under the name of the man and/or woman head of the household. She explained that the goal of this action would be to ensure equal access to the programme's financial incentive.

The Citizen's Representative Khural of Bulgan soum approved Mungunchimeg's proposal during their plenary session in December 2019. This approval, and the support from the Chairman of the Citizen's Representative Khural of Dornod aimag, motivated Mungunchimeg to push the intervention to a higher level to reach the rest of the aimag. She later petitioned the Chairman of the Citizen's Representative Khural of Bulgan soum, Mr. Ch.Enkhbayar, to formally deliver the proposal to the Chairman of the Citizen's Representative Khural of Dornod aimag, Mr. L.Khishigtogtokh. It is her department's vision that the camel sub-programme will promote equality by reaching both women and men beneficiaries across the aimag.

ANNEX 5 | POSITIVE ACTIONS IN MONGOLIA: LEADERSHIP OF WOMEN IN GOVERNMENT

The number of women candidates nominated to run for office in the State Great Khural has been rising since 2005; however, though the number of women parliament members had increased from 3 to 13 in the 2016 election, Mongolia was unable to accomplish the 2015 Millennium Development Goal to bring the total percentage of women in politics to 30 percent. 2016 witnessed Mongolia's highest percentage of women elected to the State Great Khural at 17.1%. However, this accomplishment is still lower than the global average (23.7% in 2017) and also the average in the East Asia-Pacific region (19.7% in 2017). In terms of political empowerment, Mongolia ranked 107th out of 144 countries, according to the 2017 World Gender Report of the World Economic Forum.

In recent decades, the National Committee on Gender Equality, non-governmental organisations and international agencies have been implementing positive actions to raise awareness and to change stereotypical notions regarding women's participation in politics (i.e. through positive actions, including quotas for 25% representation of both genders in central and local bodies of a political party). These positive actions have resulted in a change within political parties and coalitions have largely succeeded in reaching the minimum quota (20%) for women eligible for nomination within a party. There is no denying that this kind of persistency emboldened women to seize opportunities and to make their voices heard. Consequently, the share of women being nominated to the State Great Khural increased during the 2016 elections and may increase again in the coming 2020 elections.⁹¹

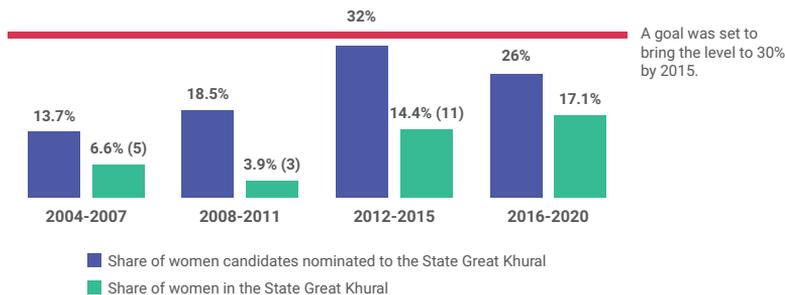


Diagram 11: Women nominated and elected to Mongolian parliament, by election year

91 National Committee on Gender Equality. (2019). Mongolia Gender Situational Analysis: Advances, Challenges and Lessons Learnt since 2005. Publication, pp. 55, Figure 22: Share of women nominated and elected to the State Great Khural, according to election years.

ANNEX 6 | GENDER-DISAGGREGATED PUBLIC EXPENDITURE INCIDENCE ANALYSIS TEMPLATES

Templates used in gender-responsive budgeting methodology, [Chapter 7](#).

Table 1: Allocation of the total budget of the programme or policy, by gender, template:

PROGRAMME, POLICY OR SERVICE DESCRIPTION	
Name of service unit	
Name of programme, policy or service	
Programme, policy or service objective	
Programme, policy or service description	
Budget at the beginning of the year	Budget executed-end of the year

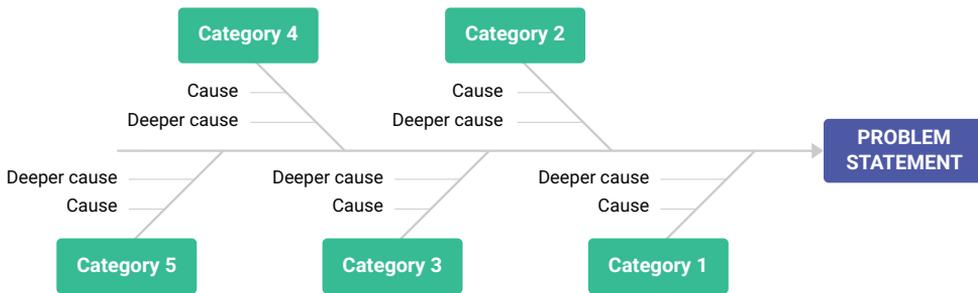
Table 2: Allocation of the total budget of the programme or policy, by gender, template:

GENDER-DISAGGREGATION OF PROGRAMME EXPENDITURE					
Name of the programme, policy or service					
Initial budget for the period under study	Budget executed for the period under study	Number of beneficiaries			Value of the programme, by gender, according to the budget executed
			Number	Percentage	
		Men			
		Women			
		Total			

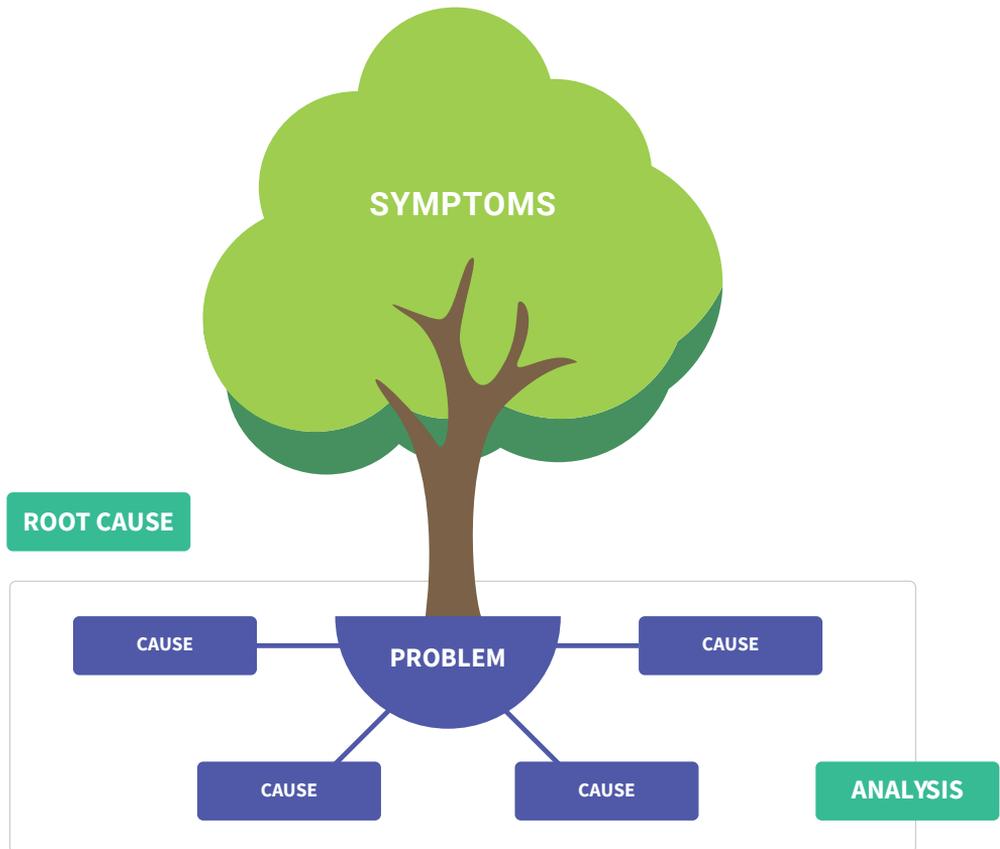
Table 3: Employment and salary mass, by gender, template:

GENDER-DISAGGREGATION OF PROGRAMME WAGES							
Name of the programme, policy or service							
Initial budget: initial salary mass of the period studied	Budget executed: wage mass executed in the period studied	Relative weight in terms of number of public servants			Relative weight in terms of salary mass		
		Number	Women (%)	Men (%)	Amount	Women (%)	Men (%)
		W	M			W	M

Ishikawa cause-effect diagram, template



Problem tree diagram, template



ANNEX 7 | MICRO-PROJECT PLANNING TEMPLATE

MICRO-PROJECT PROPOSAL (Proposed solution/Positive action)				
Programme Name				
Authorisations	Name	Function	Date	Signature
Author				
Approved				
Micro-project Context & Background				
Expected Benefits (long-term)				
Start Date		End Date		
Micro-project Objectives				
Key Outputs/Deliverables				
Micro-project Scope				
Includes				
Excludes				
Success Criteria				
Methodology/Approach				
Micro-project Resources				
Sub-committee				
Financier				
Micro-project Manager				
Micro-project Team Members				
High-level Estimate of Micro-project Costs				
Man/Days				
Administrative Costs				
Issues & Risks				
Assumptions				
Constraints & Dependencies				
Reporting	Frequency		Participants	
Meetings:				
Sub-committee Meetings				
Micro-project Team Meetings				
Reports:				
Progress Reports				
Closure Reports				