

FINANCING FOR DEVELOPMENT AND WOMEN'S RIGHTS: A CRITICAL REVIEW

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Financing for development and women's rights: a critical review

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INTRODUCTION

In the last decade, the way in which development is conceptualized and implemented has changed significantly, and so have the political contexts in which this implementation takes place. As many authors note, international development issues are becoming increasingly global at the same time as inequalities are spreading across a number of dimensions, both nationally and internationally. New issues and actors are also emerging. In spite of established commitments, the sphere of influence of the aid from donor countries is reducing – even as its influence on economic issues such as foreign investments and trade is increasing. The commitment to increase Official Development Assistance (ODA)¹ is not being met.

According to Sanahuja (2003:1-2), after the terrorist attacks of September 11th 2001, priority in the international agenda was given to re-establishing security. This shift has modified the terms of the debate on the social effects of globalization. Issues like world poverty and the responses to this phenomenon, such as official development assistance, are now only considered relevant in direct relation to the new threats to national, hemispheric or global security, or when they contribute to the legitimization of the War on Terror. Aid policies have been influenced by this approach, especially in the following aspects:

- Increasing security as a means of justifying external aid.
- The “opportunity cost” of increasing military expenditure.
- Changes in geographic priorities.
- Increasing politicization of humanitarian aid.
- The new need for post-war reconstruction.
- The marginalization of the agenda for democratization, human rights and good governance.

Because of all these changes, it is necessary to remind ourselves that the discussions and proposals of the 90s, which coincided with the International Conferences of the United Nations², focused on the key issues of poverty reduction, environmental sustainability and gender equality, resulting in a number of major commitments and significant agreements. The world’s attention was focused on eliminating the most disturbing elements of human inequalities and poverty. They were privileged years for the search for alternative answers to increasing inequality and exclusion in the world.

1 Official Development Assistance refers to all the net credit and donation outlays, according to the criteria of the OECD -that is to say, in a favourable economic environment whose main objective is the social and economic development of the recipient country.

2 The Beijing Declaration and Platform for Action (1995) - the most important referent for international action relating to the gender agenda in development - the Vienna Declaration on Human Rights (1993), the Platform for Action of the Conference on Population and Development (1994) and the Millennium Declaration (2000) have all claimed that the equality between women and men is essential for every society and that gender equality is an objective and a means for development to eradicate poverty.

Furthermore, by supporting development cooperation activities, both governments and donors committed to translating these objectives into new regulations, action plans and institutional action to move towards real gender equality. The success of the 90s consisted in defining a performance framework in which social justice was considered a sufficiently strong motivation to progress on gender equality, and in which the wellbeing of women and girls was seen as an end in itself. This objective was not only justified by ethical considerations - working towards a more equal, fair and supportive gender order -, it was also seen as a strategy to improve the effectiveness of development activities and to achieve other priority objectives: poverty eradication and sustainable development (Eyben, 2008: 2).

Even though the drive towards a justice and equity-based equality has not been entirely discarded, the last few years have shown a big step backwards with regard to the arguments of the 90s. This tendency points towards a broader movement in development policies, which is far from the visions of global social justice articulated in the Conferences of the United Nations. This movement is closer to a neoliberal approach, in which economic growth based on a deregulated market is presented as both the engine which drives development and as a fundamental condition for the eradication of poverty. The vision of justice described earlier disappeared sometime at the beginning of this new century, giving way to a focus on growth, in which gender equality lost strength both in discussions and in policy implementation. There was a significant decrease in the international aid commitments to support women's rights, and grassroots organizations could barely find financial support. Prime examples of this situation are the women's organizations in Latin America, whose income has been drastically reduced and who have lost the support of a number of donor countries in the region. Because of these new trends, several specialists in gender issues who are working for the multilateral organisations, aid agencies, ministries of cooperation and big international NGOs have designed new strategies to persuade policy-makers that gender equality should continue to be a core issue in development policies. For many female authors, the ideas of gender equality and empowerment as social transformation have been "mixed up" during this process. This is the case in the World Bank's women's empowerment framework (World Bank, 2006:4). This framework, while promoting a market that works for women and supporting women's empowerment as a means of competing in the market, disregards the fundamental gender inequalities which result from the gendered distribution of labour. For other female authors, adopting these types of strategies meant maintaining gender equality in the development agenda and promoting improvements in their implementation. Both arguments are not unaware of the so-called "story" of gender equality in development within donor agencies, which originates as a product of a constant reshaping of ideas and which regularly results in a reassertion of the key axioms through different concepts, from the "reduction of poverty" to "empowerment", "rights", "cohesion" or "citizenship". In this process, some aspects of the gender agenda are prioritized over others. Project officers argue that depending on the framework, identical projects are presented from different perspectives - for example, projects for sexual and reproductive health are sometimes presented as mother-child health. Making the

most of the discursive power of certain terms, windows of opportunity can be opened in which to negotiate and gain a deeper understanding of the advances in gender issues; however, as the areas of discourse have their own limitations, for example by drawing on the construct of needs as opposed to rights, these processes of negotiation also have restrictions.

In the light of these advances and steps backward, it is important to point out that the 21st Century began with a flagrant mismatch between the commitments agreed by countries in the previous decades and the actual performance and involvement of those countries when implementing development. As a result, the United Nations has proposed to revisit many of these commitments. In 2000, following a broad agreement on international development goals, the Millennium Declaration was endorsed and the deadline for these goals was set at 2015. This Declaration narrows down the numerous development concerns of the community of nations to eight very specific objectives (the Millennium Goals), which focus on the eradication of poverty and hunger, universal education, gender equality, reducing child mortality, improving maternal health, combating HIV/AIDS, and ensuring environmental sustainability. It also establishes the absolute necessity of a move towards the implementation of universal human rights, and in particular the rights of women in order to achieve gender equality³. However, it does not include a financial agenda, or a series of recommendations which could reduce the burden that the external aid service⁴ is imposing on national budgets of low and medium income countries.⁵ Furthermore, in 1995 the World Trade Organisation was created. By stressing the liberalization of multilateral trade (e.g. reducing the tariffs for national exports which affect the availability of resources for poor countries) the WTO further intensified the budget difficulties of developing countries. From then on, these new emerging elements encouraged a consideration of the need for greater coordination and coherence between issues of financing for development, financial and monetary management and trade⁶.

3 *The Declaration specifies the need "to combat all forms of violence against women and to implement the Convention on the Elimination of All Forms of Discrimination against Women". Moreover, it acknowledges the importance of promoting gender equality and empowering women as a way of combating poverty, hunger and disease and stimulating a development that is truly sustainable.*

4 *Debt service is the amount which has to be paid in or outside the country in the national currency as principal, interest, commissions and other charges derived from the acquisition and use of credit from the Federal Public Sector.*

5 *The World Bank establishes the following criteria to determine whether a country has a low income, a middle income or a high income: countries with low income: < \$875 per capita; countries with middle income: > \$875 per capita and < \$10726 per capita; countries with high income: > \$10726 per capita.*

6 *Financing for Development consists of the external funding and internal resource mobilization for developing countries, and the provision of global or regional public goods and technical assistance. This international financial system for development is composed of the multilateral development banks (MDB), the bilateral cooperation agencies, the agencies of the United Nations and regional institutions, private foundations, the International Monetary Fund, and private investors who make direct foreign investments (DFI) in developing countries. Each of them has an area of action relating either to the financial system or to the development organizations, although that of the MDBs is broader as they have established relationship with all these institutions.*

To address these concerns, in the quest for a greater coherence between ODA effectiveness and the process of financing for development led by the United Nations since the 90s, an International Conference was convened in 2002 in Monterrey, Mexico. Its outcome was the "Monterrey Consensus". In order to achieve better development results, this Consensus integrated the issues of finance, money, and trade into a more consolidated framework. Moreover, it promoted an alliance between developing and industrialized countries, based on a mutual recognition of the benefits which could result from the implementation of effective development policies. For their part, developing countries committed to introduce sound economic and social policies which would contribute to the improvement of governance, to eliminating corruption, and to creating an internal normative framework to encourage the development of the private commercial sector. This agreement is based on the acceptance by member countries of their responsibility for their own development; nevertheless, the industrialized countries also committed to further action in order to provide the developing countries with the necessary financial resources which, when added to local funding, would enable the achievement of the proposed objectives. Monterrey's agenda was very broad and included issues related to financing for development such as debt, financial crises, ODA, trade and development. It also included other issues such as the governance of international financial institutions, and the representation and relative power of developing countries in such institutions -as a result of which, civil society and private organizations were also invited to participate. In terms of the accountability of institutions such as the World Bank, the International Monetary Fund and the World Trade Organisation, the current process is still very weak. Another objective of the Consensus of Monterrey was to mobilize more predictable resources to advance towards the achievement of agreed development goals, including the Millennium Development Goals (MDG).

The MDGs have given rise to widespread debate within the women's movement. For some women, they represent a reduction of those goals and agendas which were proposed in the 90s; for others, they constitute a communication and policy strategy towards a dynamic execution of the Action Plans which were agreed in the International Conferences, thus opening a wonderful window of opportunity to discuss the implementation of multilateral cooperation⁷ by mobilizing development resources, in a world which grows daily more interdependent and globalised. However, some authors (Floro, Çagatay, Willoughby, Ertürk, 2003) agree that it is still very difficult to move forward on many of these objectives, such as the eradication of poverty, gender equality, environmental sustainability and human rights. Of the many problematic areas implicated in these difficulties, they mention the following:

7 Bilateral cooperation is that in which the donor governments channel their cooperation and development funds directly to the recipients, whether these are the governments of the recipient countries or other organizations. Multilateral cooperation is when the governments send their funds to multilateral organizations (UN, MDB, EC, etc.) to finance their own activities, so that it is the international public institutions and not the donor governments that manage them.

- (a) Assigning resources to achieve those objectives.
- (b) The political commitment of many governments to the objectives beyond mere statements.
- (c) The coherence between macroeconomic policies and other programs which deal with these development objectives.
- (d) What is euphemistically known as “encouraging an international environment”, where the governments can design coherent and integrated policies which place people at the centre of development processes.

A three-strand reform process started as part of the implementation of the Monterrey agenda: firstly, in terms of official development assistance, through the agreement and implementation of the Paris Declaration on Aid Effectiveness (2005)⁸; secondly, focusing on highly indebted countries, through the Debt Sustainability Framework⁹, which should synergize the different approaches to poverty reduction; and finally, to draw on the Doha Development Agenda (2002) to address different aspects of international trade and reduce its financial impact on development. Some female authors, such as Williams (2008: 3-4) argue that it is necessary to analyze these reforms in depth from the perspective of economic governance, as they have significant implications for human, economic and social development, and especially for gender equality and women’s empowerment. She claims that these reforms have a combined and focal impact on the budgets, resources, and financial management of developing countries, especially on those greatly dependent on official development aid, heavily indebted or with a limited range of exports. This means that macroeconomic policies have severe consequences for gender equality and women’s empowerment. Decreasing public revenues, for instance, may trigger cuts in social expenditure, which will affect family budgets and have a disproportionate impact on women. On the other hand, gender inequalities, such as women’s wage differences, and restricted access to and unequal participation in the labour market, hinder national development. ODA, trade and debt determine the capacity of the least-developed countries to fund their own development, including gender equality. Finally, Williams indicates that the suggested reforms are intended to address the different problems resulting from the implementation of neoliberal economic policies since the 1980s, which have not contributed to poverty reduction and social and economic development in developing countries.

8 *The Paris Declaration on Aid Effectiveness of 2005 aims to promote a more effective aid for development. It commits the Organisation for Economic Co-operation and Development/Development Assistance Committee (OECD-DAC), the donors, and the developing countries to work together starting from a series of agreed principles, goals and indicators, to establish new modalities of aid.*

9 *As part of the Consensus of Monterrey on the Millennium Development Objectives (MDO), the IMF and the WB provided a framework for countries with low income. It aims to serve as a guide for the countries and donors when mobilising financial capital for development needs and also to prevent – as much as possible - the accumulation of future debt.*

These arguments are part of a broader debate in which a number of development activists have expressed concerns about the extent and form of the impact which the resulting modalities and instruments of this process of reform may have on economic development and the shifting scene of economic and social governance. According to Bakker (2007:4) at the core of this debate is the paradox which the promotion of gender equality and women's empowerment currently faces: universal commitments versus the relatively limited progress that has been made over the past years in implementation at the national level, as well as the scarcity of resources available to facilitate that process.

In 2008 the improvements in the implementation of the Consensus of Monterrey (Doha, November 2008) and the Paris Declaration (Accra, September 2008) have been evaluated, generating significant debates and propositions from the various stakeholders. Women's organizations and networks across the world have instigated an important advocacy process in these spaces and, together with other actors from civil society, have developed several proposals. They start from the premise that in most official development circles, gender equality, as a development objective, is currently considered as a cross-cutting issue which lacks conceptual clarity and clear, measurable objectives. This situation further increases the persistent breach between official rhetoric and action. They also claim that many changes are needed in order to address the national, international and systemic challenges of gender equality. These challenges are located in an adverse context which has been worsened by the current international financial crisis, the food crisis and the environmental crisis, all of which arise from an unstable background marked by obscure competitive market processes. They also mention that there is a need to answer the various questions about gender prompted by the connection between these trends and instabilities. (Women's Working Group on Financing for Development, 2008: 1)

With this background in mind, this document aims to help to analyse the meaning of the new proposals for development aid and its effectiveness, and examine the reforms of financing for development from a gender perspective. The question is whether these new approaches, modalities and resources are contributing to a better implementation of the commitments for gender equality and women's rights promised by the governments in the 90s at an international level, and what the role of the women's networks and organisations should be within these processes. The first part of the article reviews the current debates about development, as well as the background for this new aid architecture. After that the international frameworks for financing for development and women rights, as well as the governments' commitments for resources will be analysed. Finally, the third part summarises and analyses all the contributions to the aid effectiveness agenda from a gender perspective. Finally, several conclusions are drawn, bringing together the key elements of this discussion.

1. BACKGROUND AND COMPONENTS OF THE “NEW AID ARCHITECTURE”

By the end of the 90s, one particular argument had lost weight and conviction: that sustainable development and the reduction of international poverty would be the “natural” outcome of the dynamics of globalization; and that, if sustainable development did not take place, then the cause could only be bad internal policies and a lack of integration in the global economy (Sanahuja, 2007:72). Figures show that there were few results in terms of poverty reduction and gender inequality in countries where those internal policies have been implemented. This added to the noticeable increase in international inequality. This is illustrated by Sanahuja when he points out:

“Figures released by the World Bank reveal that in the past 25 years there has been a significant decrease of extreme poverty or indigence, mostly due to China’s extraordinary performance; however, in terms of poverty and not of indigence, relative figures show a smaller decrease and the total number of poor people has remained relatively stable. At the same time, and also according to the same institution, international inequality, in terms of income distribution across countries, has undergone a significant increase. This is not only, nor even mainly, due to the deterioration of the situation in Sub-Saharan Africa. Other studies show an increase in internal inequality, both in industrialized and in developing countries, which is to a great extent the consequence of the open market policies promoted by the dynamics of globalization. Considering other indicators – life expectancy, infant mortality rate or literacy - the convergence between the poorest and the rich countries, easily observable during the past 40 years, is now slower in many countries and divergence is already the norm in some of the poorest” (Sanahuja, 2007:73).

As mentioned in the introduction, when this was confirmed and as result of the criticism of donor countries to aid effectiveness, a series of changes were proposed. These did not ignore the commitments of donors, their partner countries and international financial institutions to improve the world’s economic governance and strengthen the donor countries’ coordination mechanisms. This process led to the so-called “new architecture” of aid.

This new stage should provide answers to at least four needs or priority areas. Firstly, it must build a coherent framework which should put an end to the fragmentation of aid (which is currently divided amongst a great many projects), lack of coordination among donors, high transaction costs, conditionality¹⁰ which prevent locally-driven

¹⁰ *Conditions imposed by the donor country on the recipient country in order to be eligible for the donor’s aid. Conditionality has always been part, one way or another, of cooperation for development. However, the way in which its contents were understood has changed. One could say that these changes have re-defined the nature of cooperation.*

development processes, and limited accountability within these practices. Secondly, the “new architecture” should promote mechanisms or modalities aimed at achieving better monitoring and greater accountability for both donor and recipient countries (from now on referred to as “partner countries”). Thirdly, this new proposal should achieve poverty reduction. Finally, it must allow for mechanisms to develop and grow so that developing countries can fully absorb the promised new aid flows.

This new approach gave rise to many political and academic debates on the difficult relationship between ODA and development. These discussions developed into reflections, analysis and discussions on aid effectiveness and the links between aid, economic growth and poverty. According to De la Cruz (2008b:4) some regard this “new aid architecture” - defined by the partnership between donor and recipient countries - as proof of a radical transformation in the field. However, others point out that not everything in this process is clear and that, in any case, there is still much to be done in order to trigger a significant change in aid. According to them, “development” will not be adequately financed as long as it is not the core goal of macroeconomic policy, public expenditure and international cooperation - that is to say, not until the agenda for aid effectiveness is included in a broader agenda for development effectiveness and its outcomes. These tensions are pointed out in the report presented by the UN Secretary General in the recent Development Cooperation Forum (2008:6-20). He argues that the progress of the global partnership for development has been mixed: private capital flows, debt relief and trade have grown in scale, but this growth has resulted in little commensurate improvement or an equitable distribution of benefits. He adds that progress has been insufficient to ensure that development cooperation will be in a position to produce rapid progress towards the realization of the internationally agreed development goals, including the Millennium Development Goals. He also argues that the Paris Declaration did not deal with several issues of key concern to the government programmes of the most afflicted nations, as well as issues emphasized by other stakeholders such as parliamentarians and civil society (e.g. accountability and transparency). Finally, he points out that this process has been more concerned with monitoring aid delivery than with demonstrating any real ability to change donor behaviour or to link the aid effectiveness agenda to sustainable development results.

The conceptual basis for this emerging process can be traced back to a series of documents, frameworks and programs from the late 90s. These include the 1996 document by the Organisation for Economic Co-operation and Development (OECD) *“Shaping the 21st Century: the Contribution of Development Cooperation”*; the Comprehensive Development Framework (CDF) and the Poverty Reduction Strategy Papers (PRSP) and tools from the World Bank; the Heavily Indebted Poor Countries (HIPC) Initiative and the Millennium Declaration.

The CDF was the conceptual framework which defined the progress milestones for political dialogue among stakeholders. It also provided the foundations for the Paris Declaration. The Poverty Reduction Strategy Papers (PRSP) became the model to be

used for all new multilateral aid flows. In 2000, the Millennium Summit set out the 8 Millennium Goals. In 2001, the attacks of September 11th added other elements to the framework and security became another variable in financing for development, in contrast to the broader approach to human security used by the United Nations in the 90s. Building on this, the High Level Forum on Aid (Rome, 2003) defined what is now called the “new aid architecture”. Subsequently, the Marrakech Roundtable on Managing for Development Results elaborated on it (2004). In 2005, after agreeing on all these principles and strategies for action, they were reaffirmed and organized in one single document, The Paris Declaration on Aid Effectiveness. This umbrella document groups together a number of elements which were set in motion back in the late 90s.

According to Tang (2005:14), three main pillars form the conceptual foundations for the new architecture: poverty reduction, where priority is given to achieving the Millennium Goals; country ownership or leadership of their own development priorities, so these are not externally-driven or -conditioned; and the strategies and participation of stakeholders in the design of national development policies and plans. Both the Paris Declaration and the Millennium Development Goals are focused on poverty reduction within the framework of new principles and modalities of aid, resulting in a distinct relationship between them. In this sense, achieving the MDGs is a core issue in the Declaration, where they are presented as an “*international development plan in current political economy*” (Williams, 2007:1). The Declaration marks an unprecedented level of consensus and determination to reform aid and increase its effectiveness, with the objective of combating poverty and inequality, increasing growth, building capacity and accelerating the achievement of the MDGs.

In the context of the United Nations and the OECD, progressing on these issues also contributes to reaching a consensus on the necessity of incrementing not only aid quality but also its quantity. To achieve this, two questions should be dealt with: on the one hand, financing for development and increasing ODA; and on the other hand, aid quality and coherence, following the steps taken at the heart of the international cooperation system. Increasing the quantity and quality of ODA is, after all, the only way to make the Millennium Declaration the common referent of international development policy. However, no commitments on aid percentages were set, despite the fact that the goal of achieving 0.7% of donor countries’ GNI was set in the 1970s and the ODA increase agreed to in the Monterrey Summit. This is still a fundamental issue because of the massive lack of resources available to fight against poverty, illiteracy, hunger, mother and child mortality, unemployment, gender inequalities and so on (CONGD, 2006: 30-33) compared to the huge amount of resources available to bail out financial institutions in the current global crisis.

What does the Paris Declaration propose?

The Paris Declaration is a short-term operative framework which obliges the Organization for Economic Co-Operation and Development, the Development Assistance Committee (OECD-DAC), donor countries, and developing countries to work together on new aid modalities. It sets a number of commitments and specific targets, and defines numerous mechanisms and instruments aimed at improving aid effectiveness. In addition, through the implementation of five main pillars, it also seeks an improved “harmonization and alignment” of donors and aid, as well as promoting developing countries’ “ownership” of the development policies.

The “ownership” principle reflects the need for countries to focus on their agreed national priorities in order to achieve the MDGs and reduce poverty. With this in mind, they should exercise their leadership and take effective decisions on their development policies and strategies and coordinate them with the international community. A country’s “ownership” of its own social and economic development is a response to the critiques of structural adjustment policies dating from the 1980s. According to these policies, money flows and conditionality imposed the priorities of donor countries and International Financial Institutions - such as the World Bank or the International Monetary Fund- and failed to consider those defined by the recipient countries. Using conditionality to promote the participation of all local actors in order to set these priorities was intended to have two outcomes: firstly, to review the issue of democratic deficit when managing aid flows; and secondly, to start a process allowing donors to safeguard their interests, created in the formulation and implementation of a wide range of internal policies. In terms of opportunities, however, this would allow the generation of multi-stakeholder participative processes - including women’s organizations - to develop new capacities and to influence local policies and development plans.

To implement the “alignment” principle, donors base their overall support on partner countries’ national development strategies, institutions and procedures. They also link financing to a single conditionality framework and/or one series of indicators derived from the national development strategy (i.e. poverty reduction strategies or national or local development plans). Alignment is based on coordinating donor countries’ policies and procedures with country systems and priorities, including budgets, program cycles, public spending and financial management systems. This means that it should take place in a context of demand-driven technical assistance and sound macroeconomic management. From the gender point of view, a better negotiation of the priorities and resources is possible if there are institutionalized gender policies and strategies in the countries.

The “harmonization” principle requires more work from donor countries, who commit to coordinate and harmonize their programs and policies by making them more transparent and collectively effective, and reducing their fragmentation. Donor countries must also simplify and harmonize their requirements, reports, and assessment frameworks, and streamline the conditions they impose. With time, there should also be a

harmonization of donors and partner countries in public financial management, fiscal discipline and effective resource allocation to priority sectors and procedures. By asking for the fulfilment of the internationally agreed commitments, the harmonization principle can place gender equality and women's empowerment at the centre of policy dialogue and implementation, and also promote donor specialization.

The principle of "managing for results" is related to resource and budget management, improving decision-making processes by focusing on results rather than actions, and outcome- and impact-based program implementation through national systems. These results could not be achieved without addressing gender equality and women's empowerment, which generates opportunities to integrate these two aspects.

"Mutual accountability" places the emphasis on donors and recipient's partnership and accountability. It also promotes local governments' accountability towards citizens, by stressing the importance of the governments' own accountability channels, such as parliaments or councils; or the use of and support to existing instruments such as gender audits or gender-sensitive budgets.

Furthermore, as a result of the problems identified in the 90s, the donor countries and institutions who met in Paris also resolved to adopt several specific and effective measures to put an end to these problems. Accordingly, the five principles include around 56 action points aimed at improving aid quality and strengthening partner countries' national development strategies and their operational frameworks. Moreover, the Declaration affirms that it is necessary to increase the effectiveness of all forms of aid. One of the key points in this process is the definition of the most appropriate and complementary modalities which should be aligned to national strategies and priorities. These efforts must be complemented by others which serve to rationalize the fragmentation of donor activities at country and sector level. Additionally, the partners agreed 12 quantitative progress indicators set in the Declaration with targets for 2010, and an agenda to deal with the implementation and dissemination of the commitments. This agenda also monitors the progress to date.

"The New Modalities"

The operational framework for this new "architecture of aid" is translated into approaches and mechanisms designed to improve its effectiveness. These combine traditional approaches - for example project-based approaches which have promoted aid fragmentation and which are expected to disappear – with a set of program and budget support centred tools (i.e. sector programmes and country strategy related funding, precursors of the so-called "new modalities"). These new aid modalities

provide a number of frameworks and instruments with which to negotiate policies and mechanisms at a country level. These include, for instance, direct budget support, which implies incorporating financial assistance as a contribution to the overall budget; or, sector support, which entails donor support to the development of an entire sector in a recipient country, such as the health, education or agricultural sectors, instead of supporting specific projects. In some cases, these sectors are being financed by multiple donors through basket funds. This is a joint financing modality led by several donors to support one program, sector or budget and is closely related to programme-based aid. Most of these modalities have already been used by several bilateral and multilateral agencies.

Because many countries are still in the preliminary phases of the implementation of the Declaration, it might still be too soon to evaluate the impact of the modalities¹¹. However, it is important to note that, since the 90s, there have been a number of documents assessing their impact on poverty reduction and the encouragement of sustainable development. This is the case with the Poverty Reduction Strategies. These analyses also mention that direct budget support creates significant problems for monitoring and accountability processes. Moreover, up to now there has been a lack of gender-sensitive budgets. This tool could be combined with general or sector budget support in order to promote the participation of women's organizations so that donor funds are monitored (De la Cruz, 2007a:12).

Some female authors maintain that, for these modalities to be truly effective in the context of increasing privatization, it is necessary to analyze their capacity to provide good quality public services (such as health, education, water, energy, etc.) which have a clear impact on gender issues and on women's social and economic empowerment. They also wonder in what ways the financing for gender specific interventions could benefit from these new modalities (Williams, 2007: 11-12).

The indicators

The way in which the 12 progress indicators of the Paris Declaration are set out clearly shows that, from the beginning, operational considerations have been privileged. Considerations related to economic, administrative and fiscal management have been prioritised against more substantive ones such as social equity and gender equality. The recent Accra Agenda for Action which resulted from the High Level

11 The 2006 Monitoring Survey from the OECD-DAC and the World Bank revealed that there has been limited progress on the implementation of the principles of the Paris Declaration both by partner and donor countries. The national development strategies are still very weak at addressing cross-cutting issues and there are still no systems in place to guarantee that aid is correctly allocated. On the other hand, partner countries have not implemented the required systems, including decentralization. These incentives are necessary for the successful implementation of the principles.

Forum (Ghana, 2008) for monitoring progress on aid effectiveness fails to include new indicators, with the exception of one: "By 2010 donors will aim to channel 50% or more of government to government assistance through country fiduciary systems"¹². This is one of the very few donor commitments which has a time target. Serious doubts have already been expressed in this respect, questioning whether the indicators should be so strictly based on the data, criteria and analysis of the World Bank, leaving in their hands the decision about which strategies and national systems are adequate. Some women's networks, such as WIDE or AWID, and agencies from the UN such as the United Nations Development Fund for Women (UNIFEM) and the OECD-DAC Gender Network have raised the issue of creating more reliable and trustworthy indicators and monitoring systems. Such systems can ensure data consistency among donors and across countries. These considerations are based on contributions to the debate around the monitoring of the Development Goal. They have proved that it is possible to create procedure-complementary and results-based indicators that also include gender equality concerns. (De la Cruz, 2007a: 13)

12 This consists of reaching an agreement according to which donors provide resources to a fiduciary entity - in general a regional bank or an international financial entity - pursuing a specific goal and benefitting another government, which can then use the funds. This process may or may not imply a change of the property rights to the money.

2. INTERNATIONAL FRAMEWORKS AND COMMITMENTS ON FINANCING FOR DEVELOPMENT AND WOMEN'S RIGHTS

At the international level, governments have based their financial commitments to gender equality and women's empowerment on a number of obligations set out in the 1940s. The *Report of the Expert Group Meeting on Financing for Gender Equality and the Empowerment of Women* (2007, 5-7), reminds us that international cooperation is a duty under the articles 56 and 57 of the UN Charter. According to Article 3, Paragraph 3 of the Declaration on the Right to Development, "*States have the duty to co-operate with each other in ensuring development and eliminating obstacles to development. States should realize their rights and fulfil their duties in such a manner as to promote a new international economic order based on sovereign equality, interdependence, mutual interest and co-operation among all States, as well as to encourage the observance and realization of human rights.*"

The Vienna Conference in 1993 also endorsed these principles. The Vienna Declaration and Programme of Action acknowledges that Democracy, development and respect for human rights and fundamental freedoms are interdependent and mutually reinforcing. By consensus, the World Conference reaffirmed the right to development as a universal and inalienable right and an integral part of fundamental human rights. In addition, it stated that, while development facilitates the enjoyment of all human rights, the lack of development may not be invoked to justify the abridgement of internationally recognized human rights.

Moreover, Article 6 of the Declaration on the Right to Development calls for states to take steps to "*eliminate obstacles to development resulting from failure to observe civil and political rights, as well as economic social and cultural rights.*" It is also necessary to highlight that Article 4 categorically asserts that states have a duty to take steps, individually and collectively, to formulate international development policies with a view to facilitating the full realization of the Right to Development. It also acknowledges that sustained action is required to promote more rapid development of developing countries, and then states that "*as a complement to the efforts of developing countries, effective international co-operation is essential in providing these countries with appropriate means and facilities to foster their comprehensive development*". The implications of this clause become clearer when it is taken together with Article 2, which asserts that states do not only have a duty to formulate appropriate national development policies, but also the right to do so. Other actors from the international community have a duty to facilitate this process. Finally, the aforementioned report mentions that, in an increasingly globalized and interdependent world, nation states cannot devise and implement this process by themselves. Cooperation from other states and international agencies is required.

Governments have committed in several fora to fund gender equality and female empowerment. These include the Fourth World Conference on Women (1995), the 23rd Extraordinary Session of the General Assembly (2000), the Millennium Summit (2000) and the International Conference on Financing for Development in Monterrey, Mexico (2002).

The Beijing Platform for Action stresses the need to mobilise funds from all sources and sectors. Furthermore, it indicates that governments - which bear most of the responsibility in the implementation of the Platform's strategic objectives - must take steps to methodically review the way women benefit from public expenditure, adjust budgets to achieve equal access to this expenditure and achieve the gender commitments undertaken in other UN summits and conferences. The Platform for Action also specifies that enough resources should be allocated to national mechanisms to promote the advancement of women, as well as all suitable institutions with the potential to contribute to the implementation and monitoring of the Platform. In addition to the general calls for resources for gender equality and women's empowerment, included in a specific chapter on financial regulation, the Platform for Action expresses the need to obtain resources to achieve the strategic objectives within the areas of special concern. Subsequently, both the Commission on the Status of Women and several resolutions from other intergovernmental bodies, including the General Assembly, have also called for the allocation of resources to specific areas. It is also added in the Platform for Action that it is essential to strive to fulfil the agreed target of 0.7 per cent of the gross national income of developed countries for overall official development assistance as soon as possible and increase the share of funding for activities aimed at implementing the proposals of the Platform for Action, in order to strengthen the developing countries' capacity to implement these proposals (Report of the Fourth Conference, 1995: Chapter I, Resolution I, Annex II).

The General Assembly of the UN reiterated this position in its 23rd Extraordinary Session in 2000, and urged governments to explore innovative funding schemes, so that gender mainstreaming is integrated into all policies, programmes and projects. It also exhorted governments to incorporate a gender perspective into the design, development, adoption and execution of all budgetary processes, as appropriate, in order to promote equitable, effective and appropriate resource and budgetary allocation to support gender equality and development programmes (Resolution S-23/3 adopted by the General Assembly, Annex, Paragraphs 73 b-76c).

The Millennium Declaration voices concerns about the obstacles developing countries face in mobilizing the resources needed to finance their sustained development and calls on industrialized countries to grant more generous development assistance, especially to countries that are genuinely making an effort to apply their resources to poverty reduction (Resolution 55/2 General Assembly, Paragraphs 14 & 15). However, as we mentioned before, it did not set either percentages or time targets.

The Monterrey Consensus, adopted at the International Conference on Financing for

Development, highlighted the need to use a holistic approach to the interconnected national, international and systemic challenges of financing for development: a sustainable, gender-sensitive, people-centred development. It also asserted the contribution of gender equality to good governance and sound economic policies, as well as the need to empower women in the path towards appropriate policy and regulatory frameworks at a national level. In addition, the Consensus called for gender-sensitive investments in basic economic and social infrastructure, granting micro-credit to women, and urged businesses to take into account the gender implications of their undertakings (Report of the International Conference, 2002, Chapter 1, Resolution 1, Annex).

Fulfilling international commitments

The Beijing Platform for Action (1995) has emphasised the importance of securing funds for gender equality and the empowerment of women from all sources and for all sectors; however, most of the consulted literature shows that, despite the commitments agreed by governments and the efforts made by several actors, neither gender equality and women's empowerment initiatives, nor the institutions and organizations involved, have been adequately funded. Bakker (2007: 5) points out that the financing gap for implementing MDG3 specific goals and gender mainstreaming activities in low-income countries ranges from \$8.6 billion (2006) to \$23.8 billion (2015). To realize this objective by 2015 would require an annual disbursement in the range of \$25-28 billion annually in the low-income countries.

Even if it is difficult to identify the amount of resources spent pursuing "gender mainstreaming"¹³, the OECD-DAC gender marker is being increasingly used by member countries, allowing them to work out how much of their disbursed aid is actually targeting gender equality¹⁴. On average, between 1999 and 2003, only 0.1% of these funds have clearly contributed to specific women-focused activities, indicated as "Women

¹³ *Mainstreaming means a cross-cutting integration of the gender perspective in all policies, strategies, programmes, management and economic activities -including the institutional culture- with the aim of truly contributing to a sustainable and equitable human development. It also means looking at gender not as a complementary matter, but as an intrinsic issue to the different sectors and questions. This means considering it as an issue within each of the development areas, taking into account the existing structures and the need for institutional and organizational change. This strategy is linked to women's empowerment, which is a two-sided issue: on the one hand, it means realizing the individual and collective power of women. In this regard, it is related to the restoration of each woman's dignity and self-esteem as a person. On the other hand, it has a political side as it is trying to put women where policy-making is done. (Concepts extracted from the Beijing Platform).*

¹⁴ *The Development Assistance Committee of the Organization for Economic Co-Operation and Development (OECD), created a marker for gender equality policies, measuring the amount of aid allocated to support gender equality and the empowerment of women. This is achieved by labeling those activities which have in gender quality, their main or one of the most important targets.*

in Development". In addition, \$3.6bn was spent on aid programmes which have gender equality as their main (or most significant) objective. Half of the aid was concentrated on social sectors, particularly on health and education. In the period 2004-2005 this figure rose to \$7.5bn (Eurostep-Social Watch, 2005:23). This figure results not only from the impact of exchange rate fluctuations (i.e. numbers do not reflect a real increase), but also from having a larger number of donors reporting on the gender marker to the OECD-DAC. Data shows a significant improvement on gender aid monitoring, but the process requires the further engagement of donors in aid planning and budgeting, as well as their central and country offices (De la Cruz, 2008: 13-14).

In 2008, the Report of the 52nd Session on Financing for Development of the UN Commission on the Status of Women draws attention to the need for setting out the costs of continuing gender inequality clearly, and for taking steps to address the problem. The report argues that countries could see their per capita growth rates decreasing between 0.1% and 0.3% if MDG3 is not fulfilled. According to their estimations, the Asia and Pacific region loses between \$42 billion and \$47 billion a year because of restrictions on women's access to employment, and between \$16 billion and \$30 billion because of gender gaps in education.

How many resources are allocated to women's organizations to promote gender equality? The reports commissioned by the International Women Association AWID, *Where is the Money for Women's Rights?* (2006) and the *Second FundHer Report: Financial Sustainability for Women's Movements Worldwide* (2007) which based on a sample of over 1,000 women organizations, reveal that:

- Most women's organizations are small: fully two-thirds of the survey sample have annual budgets of less than US\$ 50,000.
- In 2005, 729 women's rights organisations worldwide had a collective income of only US\$79 million.
- More than half of the survey respondents were receiving less funding since 2000. This explains why 67% of the survey respondents expressed that they find it more difficult to raise funds than five years ago (only 16% find it easier) with over half of the organizations having to use more staff and resources for fundraising efforts.
- Much of the "growth" we see in organizational funding is at a very small scale.
- On average, in 2006, organizations say they would need twice their budget to do all they wanted to do that year. Funders and organizations are often stuck in a vicious cycle where small women's groups are seen as not having the absorption capacity to grow. Consequently, funding is not increased, yet with increased funding organizational capacities would expand.
- The majority of organizations have been getting their biggest funding since 1995 from bilateral/multilateral agencies, large private foundations, international NGOs, individuals and local governments.

- In financial terms, the most important overall donors globally for the survey respondents in 1995, 2000 and 2005 were individual donors, the Dutch Government, the Ford Foundation, and Oxfam International member agencies (Kerr, 2007:3)

The survey also mentions that organizations in the Middle East and North Africa, Latin America and the Caribbean and Eastern Europe/CEE were likely to have more difficulty in raising funds in the past five years. Groups in Africa, Asia and the Pacific and North America and Western Europe have been more likely to improve their funding situation than the other regions. Women's organizations in Latin America, as well as other NGOs in the region, received less funding between 2000 and 2004: 74% saw budget cuts, 11% received the same and only 14% were given more funds. In 2005, 69% of the organizations expressed that they found it more difficult to raise funds, and only those receiving less than US\$ 50,000 - 100,000 had been able to grow. It also indicates that donors have different priorities and some of the activities they push for divert the attention of women groups in the region away from their political agenda. In 2005, 23% of their funding came from bilateral and multilateral donors, down from 26% in 1995. The growing weight of private funding and women's funds is noticeable, as is the contribution made by the church which was the sixth largest donor in 2005. There is a sense that funds are concentrated in relatively few organizations which are perceived as being urban-based, legally registered, with well established networks and collective subsidiaries of organizations in the Global North, with a strong communications team and more advanced evaluation systems.

Despite the repeated commitments agreed to by governments and the international community, these examples show that both women's organizations and the mechanisms for gender equality are facing severe financing problems to implement their policies, strategies and measures. The next section will analyse how the uneven distribution of resources reinforces existing inequalities and jeopardises the introduction of the required changes.

3. THE IMPLICATIONS OF THE AID EFFECTIVENESS AGENDA FOR GENDER EQUALITY AND WOMEN'S RIGHTS

The research and analyses carried out in the last decade on gender relations, financing for development and macroeconomics allow us to observe that financing for development policies and strategies always have a social aspect, which is revealed through resource control. The impact of these policies triggers a shift in the power structure of the economic linkages between the groups and sectors benefiting from these practices, to which the funds are allocated. Therefore, should this process fail to pay attention to substantive policies (such as gender policies) and the quality or nature of the desired results from a human rights perspective, it may maintain and reinforce the gender asymmetries and biases which exist in all societies. This reinforces the view that gender equality and human rights are not part of a debate which is separate from development assistance policies, but are key elements of the goals of development.

The framework of the Paris Declaration could be broadened by including a gender analysis framework and by implementing development practices based on gender policies and plans. This would allow a deeper understanding of its principles and expected outcomes, thus contributing to situate aid effectiveness within a wider framework, which should be accountable for the development outcomes. This is the reason why all stakeholders should measure aid effectiveness by its contribution to poverty eradication, to inequality, to the legitimacy of human rights and development's sustainability. In this context, the aid effectiveness agenda would be a means to an end, and not just an agenda by itself.

A literature review of the research on aid effectiveness and its gender implications carried out in the last three years (UNIFEM, OECD-DAC Gender Network, CSW) reveals the existence of five main areas of concern. These areas have been subject to questions and a number of recommendations have emerged in order to prove the significance of gender equality and women's rights in this debate.

The first area of concern is the need for both donor and recipient governments to observe the international agreements and regulations on gender equality, and to implement the strategies agreed in the 1990s' International Conferences as evaluation frameworks for progress and outcomes. This is the case of "gender mainstreaming" and the empowerment of women, which allow, for instance, the definition of gender outcomes by sector. As a result, the need to improve coherence between the objectives defined in the agendas of those conferences and the aspects of macro-economic policies which have a significant impact on the poor would become manifest. These commitments should go hand in hand with adequate financial resources and

with the effective involvement of national machineries for gender equality in development planning and implementation.

The second is the need to push real “ownership” and democratic leadership processes in recipient countries, including the government and other stakeholders. Women’s exclusion from political spaces is well-known and results in a systemic lack of representation. For this reason, some actors suggest that it is necessary to promote a political space for open debate, in order to attain a democratic process of ownership. This space should be open, accessible and equitable; everyone should be able to contribute to the definition of policy priorities, such as national development plans, and have a say in its design, implementation and evaluation. Gender equality mechanisms and women’s organizations and networks might face some obstacles in terms of capacity, information, participation and inclusion, which may pose new challenges to this process. In this regard, autonomous and responsive support to civil society development actors is an important requirement of inclusive new aid mechanisms. This reflection leads not only to the question of whether aid works or not, but also the question of what conditions are required so that aid can provide support to people who have been discriminated against, despised and stripped of their basic rights and help them fulfil their rights.

The third area of concern is the lack of any reference to gender equality in the monitoring and assessment mechanisms of the implementation of the Paris Declaration. Including gender equality would allow for an evaluation of the development outcomes and not only of the proposed technical procedures. Gender equality could be included by using the available gender instruments, such as gender responsive budgets and gender audits, disaggregated statistics by sex to monitor gender gaps, and local facilities to collect, analyze and strategically disseminate the data. This dimension is related to the implementation of accountability systems by donor countries and governments with the aim of overseeing and improving their contribution to gender equality. In order to guarantee the transparency and accountability of the commitments to gender equality and women’s rights, it would be important to know to what extent donors have supported the role of the parliament and the participation of civil society and other stakeholders. It would also be necessary to secure the implementation of multiple monitoring mechanisms in order to guarantee the detection of changes or lack of commitment. However, this is only possible in those places where there is a strong and independent civil society and women’s organizations with substantial means.

The fourth area of concern is linked to social leadership processes, and the need to promote the introduction of guides and tools to analyse the contribution of new aid modalities resulting from the aid effectiveness agenda to national responsibilities on gender equality – as expressed in laws, policies or plans. It is also necessary to promote a thorough analysis of women’s poverty in direct relationship to the national macroeconomic policies. According to Kane (2008: 3-4) the demand is based on the need to deal with the gendered nature of poverty in order to reconcile the statements

made in the Paris Declaration with its implementation and effectiveness in delivering poverty reduction. She also questions the approach to poverty reduction influences aid relationships between governments. On many occasions the government leading the process validates its role on the basis of a greater experience in technical issues, instead of political will or its knowledge of the impact of policy on gender relationships. The goal of gender equality is a goal of justice, which necessarily requires changes in power relationships. The theory and practice of a gender approach to development have become an acknowledged part of the development discourse; however, this approach has also been increasingly used and transformed by neo-liberal development institutions. The more the gender rhetoric is used, the more instrumental and less radical it becomes, losing its potential to bring about reform. The validity of gender as an approach aimed at challenging and changing the power relations between women and men is ignored and all kinds of techniques and methods are applied. Such relationships should not be dealt with by giving women an instrumental role in development. This is the case of anti-poverty programmes, which have been proposed to alleviate the impact of neo-liberal reforms. The programmes have shown a tendency to reinforce conservative views of the role of women in the family, giving rise to a language of vulnerability and exclusion connected to the notion of gender and survival strategies. They argue that development needs women and that it is crucial to invest in them, and therefore they exploit the potential of women as caregivers. This is the argument used to promote the transformation of many women's organizations into "apolitical" service providers (i.e.: micro-credit, training, economic entrepreneurship), dependant on contracts with the government or funding from development institutions, which results in the de-legitimization of their own processes. This approach still holds sway in the debate on poverty reduction. However, it should not be based on the fact of women being better caregivers – and thus able to perpetuate an unequal system. It should rather be grounded on women's rights and historical social inequality, which reflects systems and practices resulting in different forms of social inequality and discrimination. The transformation of the social and economic relations required to achieve gender equality demands major changes in other power relations, such as wealth creation and distribution, political representation, and an understanding of the importance of gender equality by all members of society. Accordingly, current dominant development policies focus on the combination of economic growth, poverty reduction and gender, which is reminiscent of the past and could lead us all down a path to nowhere. This prompts a warning on two different matters: firstly, that what is needed to make change happen is political will rather than technical arguments. Consequently, as long as the agenda for change is disregarded, the set of instruments will fail to achieve anything for women. Secondly, there is uncertainty about the relationship between the historical struggles for women's emancipation and the current discourse and practice of aid effectiveness and gender equality at a local level, and more precisely about whether the instruments proposed in these new proposals reflect the true nature of women's demands.

Finally, some authors (Wallace, 2007; Stubbs, 2005; Tan, 2005; Oppenheim-Mason,

2006) articulate concerns about current tendencies dominating and influencing the aid effectiveness debate, who has access to aid and who uses it. The first concern is about the increase in aid budgets and how the money is being increasingly channelled to multilateral agencies, such as the World Bank, the United Nations and the European Commission. According to Wallace (2007: 1), none of these agencies has a good track record in addressing issues of women's rights and the poverty in which so many women live. The second concern is about the problems in the implementation of the new modalities, such as direct budget support. This raises problems of monitoring and accountability as money is directly incorporated into national budgets without previously adjusting methodologies from an outcome budget approach. Most of the time, this can be solved by giving women a say and supporting women's organizations to hold governments to account for the use of donor money. This is a crucial aspect which generates, in many contexts, tensions around the representation of groups and the consensus needed to delineate strategic priorities. Conversely, it is argued that programme-based approaches have shown a tendency to transform finance ministers into powerful actors when it comes to devising development activities. Frequently, these ministers are far from making any type of commitment to gender equality. The third concern is about how aid is disbursed. Current financing mechanisms are cultivating a tendency to respond to donor demands from a technical, rather than a political, perspective. Looking at these responses, it is difficult to recognize any trace of the commitments to tackle the power relationships which are actively disempowering women (De la Cruz, 2007b: 121-122).

In this regard, it is essential to note that the Paris Declaration focuses mainly on aid mechanisms, recognises their political dimensions and acknowledges the need for a more coherent approach to aid policies (Paragraph 37-42). Nonetheless, the section on harmonization highlights the need to work more coherently on the agenda of the governance of fragile states (states in conflict, countries emerging from conflicts or post-conflict states) as well as the need to promote a harmonised approach to environmental assessments. Similarly, paragraph 42 mentions that "efforts are also needed on other cross-cutting issues, such as gender equality". This is the only reference to gender in the Declaration. This does not just look like an omission, but the result of allegedly apolitical, lineal and technocratic theories of change, which in the name of effectiveness are trying to prioritize technical issues and procedures. The approaches, tools, frameworks and mechanisms are instruments taking the place of profound change in terms of outcomes and impact. Any correlation between the world they describe and current relations between women and men is, at best, partial. None of the paragraphs in the Paris Declaration address the gendered nature of poverty. This is hardly encouraging for those who want to see the emergence of resources to tackle the problem and to continue applying current solutions. However, new agreements and promising proposals have arisen among donor and partner countries in the lead up to the 3rd Accra¹⁵ High Level Forum and the Forum itself. One of the agreements is on

15 3rd High Level Forum on Aid Effectiveness. Evaluation of the Implementation of the Paris Declaration. Ghana, 2008.

cross-cutting issues, which include gender. According to this agreement, these issues are not only components of development practices, but universal aspects at the core of humankind. It has been remarked that, from this point of view, it is necessary to stop referring to them as “cross-cutting issues” and start calling them by their names: gender, rights and environmental sustainability. This will place them among the development goals, and not as technical aspects. Other proposals can be found in the Accra Agenda for Action (AAA). This document was recently approved in the 3rd High Level Forum on the implementation and monitoring of the Paris Declaration. The proposals are not definitive, but the language is much clearer and more coherent, for instance when it states that “*gender equality, respect for human rights, and environmental sustainability are cornerstones for making an enduring impact on the lives and potential of poor women, men, and children. It is vital that all our policies address these issues in a more systematic and coherent way*” (paragraph 3). It also mentions that both donor and partner countries promise to “*ensure that their respective development policies and programmes are designed and implemented in ways consistent with their agreed international commitments on gender equality, human rights, disability and environmental sustainability*” (paragraph 13). In addition, the AAA acknowledges the need to strengthen the quality of policy design, implementation and assessment by improving information systems, including, when appropriate, disaggregating data by sex, region and socioeconomic status. Pondering all the advances, only three out of the thirty two paragraphs in the AAA involve commitments potentially contributing to gender equality and the empowerment of women. Beyond any doubt, the results are strictly limited.

According to Craviotto (2008: 4), the advances observed in the AAA are undermined by the lack of new goals or follow-up commitments (e.g. new indicators) geared to gender equality and women’s empowerment. Nor are commitments identified on the question of the resources required to fulfil the achieved agreements. This points once again to donor countries, developing countries and multilateral agencies lacking the political will to make gender equality and women’s empowerment a priority in the process of aid reform. On the recognition of civil society members as independent development actors in their own right (Paragraph 20), there is neither a clear mention of the implementation of a financing mechanism to support the involvement of civil society, nor a explicit commitment to ensure their involvement in each of the stages of national development processes (such as aid planning, programming, management, monitoring and assessment). Finally, it should be remarked that the AAA only goes half way down the path, as it fails to suggest any mechanisms to monitor how aid flows respond to national priorities and people’s needs, and whether they have any impact on gender equality, human rights and sustainable development. As argued before in the context of the Paris Declaration, the commitments made in the regional and international agreements in development, gender and human rights should define the regulative and organizational framework for accountability in the aid system. The language in the AAA is once again vague when it comes to these questions.

Taking all the successes and failures into account, the aforementioned advances are the outcomes of the effective and relentless advocacy carried out by women’s organ-

izations. This also opens a window of opportunity to move these issues from the fringes of politics to the heart of development¹⁶.

The debates and proposals of the women's movement

In the last few years, women's organizations and human rights activists have been highly committed to advocating at the institutions which decide on aid quantity and quality and concerning themselves with the mechanisms used to channel aid flows into recipient countries. Their involvement in the debates and processes within the Aid Effectiveness Agenda and Financing for Development has allowed these women's organizations to create participative spaces which they could not access before, shape the language and content of the agendas, and make recommendations to governments. These recommendations were put forward in a number of international and regional consultations - a process which on some occasions has also helped to reach some lowest common denominator agreements in a context characterized by a lack of political will. The women's movement organized within these debates¹⁷ has also developed a vast number of documents dealing with what they consider to be the crucial aspects of this process.

They start from the premise that there is a need to contextualise the fight against poverty and inequality as a network of relations and political processes, where structural inequalities and inclusion and exclusion choices of different groups are tackled. They suggest that further efforts are required in order to deal with the international and national systemic challenges of financing for development. These comprise increasingly common unregulated trade policies and financial liberalization. Both processes frequently lead to negative outcomes in productivity, growth, employment, poverty eradication and income distribution goals. They also consider that the current financial, food and climate change crises are stark realities in a volatile environment marked by runaway competition processes. As mentioned above, these organizations believe that a gender analysis raises further questions on the connection of these trends and volatilities, such as: (a) women's wages, employment and unpaid labour, (b) state of social reproductive and social protection capacities, resources and services, and (c) intra-country and intra-household sharing of financial risks and shocks.¹⁸

¹⁶ Dublin workshop on "Applying the Paris Declaration to Advance Gender Equality, Environmental Sustainability and Human Rights", organised by DAC's networks on Environment and Development, Governance and Gender Equality and the Aid Effectiveness Working Group, April 2007. In the opening speech, Mary Robinson (Ireland's ex-president) mentioned that poor women and men are not worried about what aid modalities are being used, but about what impact development efforts have on their lives.

¹⁷ Women's networks such as AWID, WIDE, IGTN, FEMNET and DAWN have actively contributed to this process at an international level.

¹⁸ Statement of the Women's Working Group on Financing for Development. Presented by Gigi Francisco in the hearing with civil society organizations during the UN's preparatory meeting for the Doha Summit on Financing for Development, June 2008.

The papers also warn of a number of risks: the risk of donors backing away from any responsibility in gender equality issues as a consequence of the “ownership” criterion and the resulting responsibilities for partner countries in defining their own priorities; the risk for women’s organization of a reduction in the spaces available to obtain and negotiate global, substantial and multi-year funding. This situation would underscore the asymmetric power relations in the framework of financing for development, drawing attention to the lack of aid accountability mechanisms in most countries. They also point out the risk of women’s demands and proposals going unnoticed as a result of the priorities of the association of governments and the long list of actors required in national consensus. They further emphasize the need to respect the diversity of organised groups, and to question the approaches of looking at NGOs exclusively as service providers. In this regard, the papers underscore the key role and contributions of women’s organizations to democratic ownership and democratic and sustainable development. They also suggest defining participative and democratic ownership as a guiding principle of the Paris Declaration, without establishing new forms of conditionality. That includes, among other things, the commitment of governments to support the necessary conditions for women’s rights organisations and other civil society organizations to carry out their roles in development processes -in planning, implementing, monitoring and evaluating (Craviotto, 2008:2).

Another of the concerns revealed is the need to define a global and multilateral ODA system to negotiate aid reform agreements in a more transparent and democratic way. Such negotiation should go beyond the technical aspects of the commitments and processes in order to be carried out outside the umbrella of the Organization for Economic Co-Operation and Development, and its Development Assistance Committee – where mainly one group of donors is represented. The negotiation should take place in more democratic and inclusive spaces with a clear focus on development, such as the Development Cooperation Forum, promoted by the United Nation within the Economic and Social Council.

European networks, such as WIDE (Women in Development Europe), maintain that, despite the efforts made so far, given its significance as the world’s largest donor, the European Union (EU) must still fulfil its international and regional commitments on gender and development. Accordingly, it must initiate an attempt to harmonize and consolidate a political dialogue on gender equality and women’s empowerment with its partner countries in the South. It must also support the implementation of national commitments on the subject with dedicated financial resources, thus making coherence between policies and practice the distinctive trademark of European development cooperation. The dialogue should take place against a background of democratic ownership, be complemented with accountability mechanisms on the achieved outcomes, and be monitored by a strong civil society, especially by organizations for women’s rights¹⁹.

19 *WIDE. Challenges and opportunities for advancing the gender equality agenda in the aid architecture: the role of the EU. Document presented during the consultation: Gender Equality and Women’s Empowerment: Challenges and opportunities ahead in the new European aid environment, Brussels, May 2008.*

Reaching specific commitments on resources has been one of the most emphasised aspects. In this regard, the reports affirm that donor governments must fulfil their historical commitment to increase ODA to 0.7% of their GNI²⁰. These funds should be in addition to debt relief and be provided in the form of grants instead of loans. Furthermore, they maintain that governments should provide transparent information on ODA allocations, how they relate to people's needs and make public national budgets. Based on the recommendations of the UN expert group on Financing for Gender Equality, the papers also suggest that governments should scale up the share of ODA for gender equality and women's empowerment to reach 10% of all ODA by 2010 and 20% by 2015. This should be achieved by formulating strategies to achieve the goal, monitoring performance and assessing the impact, as essential elements of the action plans used by donors, recipient countries and the DAC²¹.

In addition to the previous demand, they also call on donors to measure the outcomes of the Paris Declaration by implementing the reporting and monitoring systems currently being used to assess compliance with human rights, such as the Gini Index²² of income inequality or the mechanisms used to monitor the CEDAW, MDGs of the UN Security Council Resolution 1325 on Women, Peace and Security. If new indicators are devised, they should be designed through inclusive processes which involve beneficiary populations and any other local actors.

Finally, they request to pay special attention to the restoration of rights to women victims in vulnerable countries or situations and in communities subject to localized conflicts or under xenophobic attack. This can be achieved by including women in peace-building processes, and channelling development aid to women's organizations with the aim of dealing with the needs and concerns of the surviving women. Specific activities include capacity development, access to sexual and reproductive health information and services, and action to stop violence against women.

Looking at the number of demands left out of the process, the outlook is bleak; however, since the adoption of the Paris Declaration a number of analyses, meetings

20 The target of 0.7% of the GNI is only at the 0.2%-0.25% level in OECD countries. Only 4 countries Denmark, Luxembourg, the Netherlands and Sweden - have reached the target.

21 Expert Group on Financing for Gender Equality and the Empowerment of Women - UN Commission on the Status of Women, Oslo, September 2007.

22 The Gini index: measures income (or consumption) distribution among the citizens of a country against a perfectly equal distribution. The Gini index measures income concentration. It can have a value between 0 and 1. The closer the Gini index value to 1, the higher the wealth concentration; the closer to 0, the more equal the income distribution in the country. A value of 0 represents perfect equality and 1 represents total inequality.

and initiatives²³ have been set in motion, opening new windows of opportunity. Some agencies are already reviewing their strategies and assessing the need to work and develop broader and better links with women's movements and organizations. In addition, new private actors have arisen in the last few years in the form of foundations, which are joining the ranks of financing organizations with large global funds. It would thus be necessary to devise new advocacy strategies targeting these actors.

23 The reflection spaces promoted by the OECD-DAC Gender Network, UNIFEM, the initiative of the Nordic governments, Nordic-Plus, or the Call for Action to progress on the MDG 3 promoted by the Danish government, etc.

4. CONCLUSIONS

As discussed in these pages, the last fifteen years have seen major changes to the discourse, allocation and distribution of development aid flows. Poverty reduction and growth strategies have been replaced by programme- and sector-based approaches. These were in the Paris Declaration on Aid Effectiveness, which symbolizes the highest degree of consensus and determination to reform aid and make it more effective with the aim of fighting poverty and inequality, increasing growth, capacity building and accelerating progress on the MDGs.

These changes have been both the source and the outcome of a renewed focus on the international development goals, among which gender equality has been one of the most prominent. The newly-introduced principles, mechanisms and tools also pose new challenges to the work on gender equality and women's empowerment.

The proposed changes are wide-ranging and affect both traditional development aid and more inclusive and participative country-owned financing processes. These changes are based on the acknowledgement of the lack of coherence and the existing gap between macroeconomic and social policies, and the need to combine both aspects in order to achieve genuine human development. In spite of this, a number of the quoted authors claim that the reform of the ODA effectiveness does not question the global economic system. Neither does it address the national, international and systemic challenges of financing for development spawned by an environment of intensified and unregulated trade, and financial liberalization processes that often bear unpredictable negative consequences for productivity, growth, employment, poverty eradication and income distribution goals.

Development aid is a political tool and a type of discourse which has frequently reduced the capacity of many countries to set their own development path. Whether in the form of grants or loans provided by the international donor community, aid modalities continue to be highly unpredictable and loaded with too many social, political and economic conditions, preventing the achievement of the MDGs by 2015. This is the reason why the conceptual proposals shaping the new reforms and their operational instruments still remain in the hands of Northern countries, which play the role of "donors" and funders of development programmes. International actors and financial institutions set out the development agenda, which governs to a great extent the supply of basic services for women and their communities, the funding of women's organizations around the world and financial support of many mechanisms for gender equality.

In the light of these factors, it looks like a legitimate solution to these problems - and this is also the view of women's organizations involved in this debate - would be to amend the inequalities existing in the global economic and financial system. One of the most relevant elements in this regard is the issue of debt and unequal trade terms.

Therefore, mobilising resources for development would imply both demands for an increase in ODA as part of a policy of income redistribution at an international level; and changes to the global economic system to allow developing countries to gather their own resources, to define their own development goals and to decrease their aid dependency. Therefore, a true global partnership would replace the current development framework, which is defined by international financial institutions.

In addition, it is noticeable that so far there has only been very limited progress on the allocation and distribution of resources to put the agreed commitments on gender equality and the empowerment of women into practice. Some people argue that too much emphasis has been placed on the cross-cutting nature of gender issues, which in turn has resulted in a significant decrease in the amount of funds going to women and eradicating discrimination on grounds of sex. Gender is represented by tools, frameworks and mechanisms which diminished the political will to deal with the issue, and saw gender disappear from the theories for change within the aid effectiveness debate. One of the things which these pages have tried to demonstrate is the gender nature and impact of these policies and modalities.

The reform of the Paris Declaration has mainly focused on improving the effectiveness and efficiency of the administrative and financial regulations needed to distribute aid flows, by means of new modalities which confer operative content to the conceptual foundations of this new architecture. In this regard, the text proves that there is a growing awareness of the importance of including an adequate analysis of the role and needs of gender equality and women's empowerment in the changes to be made. This is essential in order to make real progress on aid effectiveness. Should these substantive issues not be implemented, there is a risk of not putting any of the opportunities created by the Paris Declaration into practice, or not achieving the desired outcomes with the proposed reforms.

Women's organizations and networks have noticed these opportunities and flagged the areas of concern and risks of the process in several meetings. They have also restated that both gender equality and women's empowerment are cornerstones in achieving development outcomes; and that it is possible to make progress in the implementation of these two issues by backing the implementation of the Paris Declaration's principles with funds and resources. In line with these issues, the outcomes of these processes show the large gap existing between the feminists' ambitions for social change and the limited, though still significant, achievements. Gender equality may look difficult to unravel in the context of development policy and practice. The combination of gender and development policies has turned into a technical debate, and resistance in the bureaucracies in charge of development cooperation is more resilient than expected. It may also look like the current "ceiling" is "including gender" in the ways in which development practice operates and is organised; and not through discursive and organizational change, where politics could be understood as a dynamic entity involving institutional changes, opposing discourses and a wide range of actors with different interests.

Looking at the analyses quoted in these pages and drawing from the recommendations of women's organizations, one can recognise a dual track signalling the path to follow in the immediate future. On the one hand, it is necessary to expand on the existing demand for gender equality and fulfil the agreed international commitments on aid reform. On the other hand, it is important to review the feminist agenda and its link to development from a wider angle. This angle should include the new global scenarios and their economic relationships within a volatile environment, defined by a confused process of market speculation. As mentioned previously, these organizations believe that a gender analysis of the situation will spawn new questions on the linkages among these tendencies and instabilities, in order to uncover the contradictions of development actions. This reinforces the importance of critical reflection as an essential contribution of feminist involvement in development. If the limits of the frameworks and actions are outlined, it is then possible to underscore some key aspects which are otherwise undetectable, as well as to question some accepted assumptions. At this point, it is important to recall that despite including several issues which are still central to women around the world; thirty years have elapsed since the feminist analysis shaped gender approaches to development in the 1970s. Nowadays, there are new concepts and tools available and new approaches are now possible as a result of the new areas that have appeared within the fields of feminism and gender studies. Simultaneously, we have already mentioned that many ideas have been taken on by development institutions, stripping them of political content in this process, and allowing us to see the highly political way in which development actors and institutions deal with women. In this time of change, this process of review would not only require reflection and repositioning, but also to assess what is needed to make change happen. In order to challenge and transform power relations from a feminist point of view, it is necessary to go back and reaffirm the liberating dimensions of key concepts connected with collective modes of action which bring about possibilities for social transformation.

In order to conclude in line with the previous argument and the recommendations of women's organization, some of the possible key aspects to make progress in the debate should be highlighted: the re-politicization of the feminist project and its responsibility towards development, providing answers in a currently intricate international arena; the re-vitalization of the rights discourse and practice based on the ethics of economic justice, and not on an instrumental reading where women are regarded as useful to development policies; and the encouragement of a true gender architecture within the global development system.

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