



EUROPEAN WOMEN'S
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WIDE
Globalising
Gender Equality
and Social Justice

European NGO confederation
for relief and development



Confédération européenne des ONG
d'urgence et de développement

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European Women's Lobby, WIDE and CONCORD Statement¹ Towards a gender responsive, accountable and participatory post-2013 EU Multi-Annual Financial Framework and EU financing instruments

The European Women's Lobby (EWL), WIDE Network, and the Gender Working Group of CONCORD – the European confederation of Relief and Development NGOs, call on European and national policy-makers to integrate a women's rights and gender equality perspective in the forthcoming decisions about the scope, priorities, and financing of the post-2013 EU multi-annual financial framework (MFF). A gender-responsive MFF that takes into account the differential impact of budgetary decisions on women and men, allocates sufficient funding for women-specific actions, and encourages gender mainstreaming in all EU financing instruments will make the limited EU budget more effective. It can also help the EU to reach the targets of the Europe 2020 Strategy, to enhance economic growth, and to answer demographic challenges. However, these outcomes require political will to prioritise gender equality in budgetary decisions: EU funding for gender equality is decreasing and predictable and independent budgets for gender equality amount only to 0.37% of EU spending within the 2007-2013 MFF², and studies show serious gaps in gender mainstreaming in the EU's financing instruments.

Key proposals for a gender sensitive, accountable and participatory post-2013 MFF

1. Make the values and principles expressed in the Treaty of Lisbon, including democracy, fundamental rights, equality between women and men, anti-discrimination, and social justice part of framework of reference for the next MFF;
2. Make in the post-2013 MFF policy priorities of a) sustaining the European Social Model, and b) promoting fundamental rights including women's rights; make these two priorities visible in budget headings and support them with strong financial instruments and programmes;
3. Provide adequate and predictable funding for women's rights and gender equality through specific programmes/budget lines under fundamental rights and citizenship (including actions targeting violence against women), employment and social policy, and EU's external policies and through ensuring that all the EU financing programmes have gender equality targets in their founding regulations and that they allocate specific funding for reaching these targets.
4. Assess the gender impact of the proposed spending priorities, sources of revenue, and governance tools before the MFF is adopted to ensure that the post-2013 MFF is gender sensitive;
5. Include in the MFF a commitment to gender-responsive budgeting to ensure that from 2014 onward gender mainstreaming is part of the EU budgetary process from planning to monitoring and evaluation;
6. Make gender mainstreaming a requirement in the founding regulations of all the EU financing programmes and ensure operationalization in the corresponding strategic documents;
7. Make EU funding more accessible to civil society organisations at national and European levels and in neighbouring and developing countries, both as promoters of EU-funded projects and as recipients of operating grants.

¹ Section 3.3 on EU external and development policies has been drafted by WIDE and the CONCORD Gender Working Group. The rest of the text has been drafted by the EWL.

² See annex 1 for a detailed table on earmarked EU spending for women's rights and gender equality



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1. EU values, social challenges, civil society participation as transversal priorities of the post-2013 MFF

The EWL, WIDE, and the CONCORD Gender Working Group believe that the values and principles expressed in the Treaty of Lisbon, including democracy, fundamental rights, equality between women and men, anti-discrimination, and social justice must be part of framework of reference for the next MFF. The EU's long-standing commitment to gender mainstreaming and the new transversal clauses of the Lisbon Treaty oblige it to promote equality between women and men, social inclusion, and non-discrimination in all its policies.³ Furthermore, the Charter of Fundamental Rights constitutes a catalogue of civil, political, economic and social rights, which are legally binding for the Union and its institutions. These commitments should be reflected in EU spending under all the budget headings of the next MFF, and in all the steps of the budgetary process.

The next financial framework must provide the EU with the means to respond to the social challenges that have been accelerated by the economic crisis and the ensuing austerity measures.⁴ More than 100 million women and men in Europe live below the poverty line, and inequalities based on sex, race, age, sexual orientation and disability are still widespread in Europe and worldwide. This calls for strong EU measures aiming at promoting fundamental rights including women's rights, social inclusion and social justice in both internal and external policies. The demographic challenges of an ageing population and low birth rates will put extra pressure on the European social and economic model, and require EU level action to meet increasing care needs and to promote intergenerational solidarity and active ageing.

The next MFF must also answer to the democratic challenges the EU faces and create a sense of European belonging and ensure that the voices of citizens and their representatives are heard in decision-making. This requires that the EU strengthens the voices of civil society organizations (CSOs) by making EU funding more accessible for them and building their capacities to input into policy-making within and outside the EU.

2. Provide sufficient financing for programmes/budget lines for equality between women and men

In a time of financial and economic crisis, there is a danger that equality between women and men be sidelined when decisions about the spending of public money are made. This is a mistake because the elimination of gender inequalities and the contribution of women are necessary for sustainable economic and social recovery. Targeted EU budgets that make a difference for women's rights and that help women live up to their full potential as agents of economic growth are currently very small-scale. Over the 2007-2013 financial period only 0.37% (3.56 billion) of the 975 billion Euros of the EU budget is allocated through budget lines earmarked for promoting women's rights and gender equality.⁵ These budgets must be secured and increased in the post-2013 MFF.

The EWL, WIDE and the CONCORD Gender Working Group recommend establishing specific programmes/budget lines for promoting women's rights and gender equality in all areas of EU competencies to guarantee adequate and predictable levels of funding for equality between women and men over the whole period covered by the next MFF.

³ According to article 8 TFEU the EU shall promote equality between women and men in all its policies; article 9 TFEU, the so-called social clause, requires the EU to ensure in defining and implementing its policies and activities promote high levels of employment, guarantee high level of social protection and fight against social exclusion; article 10 of TFEU obliges the EU to combat discrimination based on, racial or ethnic origin, religion or belief, disability, age or sexual orientation.

⁴ This dimension is almost absent from the European Commission's proposals made in The EU Budget Review although eradication of poverty is one of the seven headline targets of the Europe 2020 Strategy,

⁵ See annex 1 for details.

Funding for programmes and activities that promote women's rights and gender equality is key to ensuring that the EU budget reflects the EU's Treaty commitments to equality between women and men and that it is in line with the commitments made in the EU Strategy for Equality between Women and Men 2010-2015 and in European Pact for gender equality 2011-2020. Such funding is also vital to attaining the headline targets of the Europe 2020 Strategy that are the policy priorities of the next MFF (women are key to reaching the 75% employment target and women are the majority of those facing poverty), to tackling demographic challenges (gender equality and family support correlate positively with birth rates),⁶ and to increasing economic growth and competitiveness (gender equality is a proven growth factor).⁷

EU funding for activities to increase women's employment rate and promote quality employment, to improve reconciliation policies for both women and men, to strengthen national care infrastructures, to tackle vertical and horizontal gender segregation in education and in the labour market, and to combat the gender pay gap and the increasing feminisation of poverty is indispensable for reaching the objectives of the Europe 2020 Strategy and to counter the demographic challenges.

However, delivering on the EU's Treaty commitment to equality of women and men as a fundamental right goes beyond the Europe 2020 framework and the internal policies of the EU. This requires EU funding for combating violence against women,⁸ for promoting parity democracy, for improving women's health, for empowering women's rights organisations, and for strengthening capacity for gender mainstreaming and gender budgeting in Europe but also in developing and neighbouring countries.

3. Policy priorities for the post-2013 MFF: social justice, fundamental rights, and development

3.1. 'Inclusive growth' and Social Europe

There is a broad consensus that the Europe 2020 Strategy for smart, sustainable and inclusive growth should be the general political framework for the next MFF and provide the basis for its structure.⁹ The EWL, WIDE, and the CONCORD Gender Working Group stress that an inclusive growth that truly benefits all women and men living in Europe requires a broad approach to strengthening the European Social Model that moves beyond the traditional short-sighted concept of economic growth. To reduce poverty and social exclusion across Europe with specific emphasis on addressing feminisation of poverty, to create quality jobs for women and men, and to tackle discrimination and inequalities that prevent Europe from attaining high levels of well-being and exiting the economic crisis, the post-2013 MFF must enable the EU to develop an adequately-funded social strategy to complement its activities in the field of employment.

This priority must have a visible place in the structure of the new MFF and be supported by strong multi-annual programmes – such as a successor to the current PROGRESS programme – that aim at providing quality employment and tackling social exclusion and gender and other inequalities that are its root causes. Financing instruments of the Cohesion Policy, in particular the European Social Fund (ESF), must increase funding for quality employment and social inclusion and social justice in all EU Member States and continue investing directly in the

⁶ See for example Demography Report 2010.

⁷ Lofstrom 2010, Smith 2009

⁸ To give a single example, the annual cost of domestic violence in the 27 EU countries is estimated to be as high as 16 billion Euros, amounting to 1 million Euros every half hour. The annual budgets of EU countries for prevention programmes are 1000 times less. (Psytel, 2006 Daphne Project on the cost of domestic violence in Europe)

⁹ The EU Budget Review SEC(2010) 7000 final; European Parliament draft report on "Investing in the future: a new Multiannual Financial Framework (MFF) for a competitive, sustainable and inclusive Europe"

well-being of European women and men.¹⁰ These programmes must be accessible to civil society organisations who are the EUs key partners in attaining the inclusive and social objectives of the Europe 2020 Strategy.¹¹

Equality between women and men is one of the key aspects of inclusive growth. All the EU's financing programmes in this field must take the dual approach of providing funding targeted at women and implementing gender mainstreaming. The successor of the PROGRESS programme must continue to fund gender equality-related projects and research in the field of employment and social inclusion in order to keep equality between women and men at the core of EU policies in this field.¹²

The role of Cohesion Policy in financing activities promoting women's employment and social inclusion must be acknowledged in the new regulations and strengthened. EU financial support for specific activities related to gender equality is decreasing,¹³ being at the moment less than 0.8% of the Cohesion Policy budget and 3% of the ESF budget. Evaluations show serious gaps in existing gender mainstreaming practices within Structural Funds: a gender perspective is present during the early stages of planning but far less in later phases of implementation and evaluation, and policy makers rarely include a gender equality dimension into those issues that are not traditionally seen as related to women such as transport infrastructure and services other than child care.¹⁴ This is concerning because adaptation of the dual approach has been identified as one reason for decreasing financing for specific actions.¹⁵

Promoting equality between women and men must be made one of the horizontal priorities of the post-2013 Cohesion Policy common strategic framework¹⁶ to ensure that in addition to the European Social Fund (ESF), also the European Regional Development Fund (ERDF), the European Fisheries Fund, and the European Agriculture Fund will finance activities that promote women's economic independence and improve reconciliation of work and family life. The common strategic framework as well as the founding regulations of specific funds must also include a strong gender mainstreaming obligation. Experiences from the current programming period must be used to improve the gender mainstreaming capacity of both the Commission and the national and regional managing authorities in order to ensure that gender mainstreaming is applied at all stages of the process and in all member states in a coherent manner. The impact, target groups and final beneficiaries of large-scale projects related to environment, entrepreneurship, innovation, transport, and energy must also be assessed from gender equality perspective.

Earmarking systems and sanctions should be used to ensure that all Member States and regions use part of the EU financing to promote equality between women and men and that they implement gender mainstreaming. Currently the share of the total ESF finances that Member States use for activities promoting women's employment ranges from nothing in Sweden and Denmark and 0.2% in Hungary to 18% in Netherlands.¹⁷ However, the gender pay gap, inequalities in the labour market, and the feminisation of poverty are universal structural problems; therefore, the post-2013 Cohesion Policy framework must ensure that women in all EU Member States can benefit from EU funding, for example by allowing the Commission to reject Operational

¹⁰ It has been proposed that the ESF should be used to accelerate structural reform in EU Member States, for example, to implement active labour market policies, and reform Public Employment Services.

¹¹ As foreseen in the European Platform against Poverty (COM (2010) 758 final), the EU must increase global grants that do not require co-financing to make EU funding more accessible to small CSOs and to allow the CSOs to fully participate in delivering the objectives of the EU.

¹² As of 1 January broader aspects of gender equality are no more in the mandate of DG Employment.

¹³ In 2007-2013 financial period 2.67 billion of the total Cohesion Policy budget of 347 billion euro will be invested in promoting women's labour market participation and reconciliation. In 2000-2006 the European Social Fund alone distributed 4.5 billion euro of EU funding for gender equality related measures (women specific actions, reconciliation, and gender mainstreaming).

¹⁴ Gender mainstreaming in the use of structural funding. European Parliament 2007. The European Social Fund, women, gender mainstreaming, and reconciliation of work and private life. European Union 2010.

¹⁵ Evaluation of the European Social Fund's support to Gender Equality. Synthesis Report. European Commission 2011.

¹⁶ The Commission is expected to release the proposal shortly after the proposal of the post-2013 MFF due on 29 June.

¹⁷ The European Social Fund, women, gender mainstreaming, and reconciliation of work and private life. European Union 2010.

Programmes that do not demonstrate a sufficient gender dimension and through earmarking a certain % of EU funding for gender equality related actions.

Child care and elderly care services and innovative approaches to care must be made a Cohesion Policy priority in all Member States and regions to help the EU to move towards a care economy.¹⁸ Care is crucial in the context of the demographic changes that all EU Member States are encountering, and in reaching the Europe 2020 employment target both in terms of facilitating women's labour market access and of creating quality jobs both for women and men. All Cohesion Policy instruments must participate. EU funding for good quality and affordable care services for children (565 million Euros through ERDF, 0.16% of the Cohesion Policy budget) and other dependents across the EU must increase, in particular in countries that invest only a small part of their GDP in care services. ESF funding should be used for innovative measures to support unpaid home carers, provide training for care workers and improve the quality of their work, and tackle gender segregation in paid and unpaid care.

3.2. Citizenship and fundamental rights

The Europe 2020 Strategy does not sufficiently reflect all commitments made by the EU and Member States in the EU Treaty, international conventions and national legislation, such as promoting fundamental rights, equality between women and men, non-discrimination, and meaningful civil dialogue. Structuring the MFF along the priorities of the Europe 2020 Strategy must allow sufficient funding and visibility for these objectives both within and outside the EU.

The EWL, WIDE, and the CONCORD Gender Working Group suggest that the MFF include a separate budget heading for citizenship and fundamental rights, and require under this budget heading a new funding programme that promotes fundamental rights, equality between women and men, and anti-discrimination in Europe. This programme should provide the core funding required for EU and national level work on women's rights and gender equality on a broad array of issues, promote a fundamental rights approach to gender equality, and support European-wide gender equality and anti-discrimination networks with predictable funding volumes.

Also, the DAPHNE programme to fight violence against women that falls under this budget section must be continued and strengthened so as to embody the recent EU commitments pertaining to this issue: European Parliament resolution of 6 April 2011 calls for EU strategy on violence against women; violence against women is one of the priorities of the EU Strategy for Equality between Women and Men 2010-2015, and one of the three priorities of the European Pact for Gender Equality 2011-2020 adopted by EPSCO Council 7 March 2011.

3.3 EU external policies and development¹⁹

The Lisbon Treaty reinforces the EU's external action and implies that the EU has new responsibilities and decision-making capacities to promote European values and principles including equality, equality between women and men, and human rights in all its external policies. The EU Strategy for Equality between Women and Men 2010-2015 acknowledges that "through all relevant policies under its external action, the EU can exercise significant influence in fostering gender equality and women's empowerment worldwide"²⁰. In its Council Conclusions 11080/10 of 15 June 2010, the EU has reiterated its "strong commitment to gender equality as a human right, a question of social value and a core value of the EU development policy." The promotion of gender equality and women's rights is also instrumental in achieving all the Millennium Development Goals and the

¹⁸ Convergence objective of Cohesion policy covers 84 regions in 18 Member States with a total population of 154 million, and per capita GDP at less than 75 % of the Community average. Spain is an exception, it was negotiated that Spain can use ERDF funding for childcare.

¹⁹ This section has been drafted by WIDE and CONCORD.

²⁰ Strategy for Equality between women and men 2010-2015, Communication, COM (2010) 491 final. Brussels 21.9.2010, page 9.

respective objectives of the Beijing Platform for Action, the Cairo Programme of Action and the Convention on the Elimination of All Forms of Discrimination against Women²¹. To fulfil these commitments the post-2013 MFF should ensure that all EU spending on external policies and development, including trade and neighbourhood policies and the new EU External Action Service adheres to the core values of the Treaty, building on a rights based approach and the promotion of gender equality and women's rights.

The post-2013 Financial Framework must show an increase of Official Development Assistance (ODA) in real terms and the reform of EU's external action should not be financed at the expense of the EU's development commitments. EU spending for development and external aid must include visible and predictable budget allocations for gender equality to implement the Plan of Action for Gender Equality and Women's Empowerment in Development (2010-2015) and the above mentioned political commitments.

According to the European Commission, for the period 2007-2013 gender equality and women empowerment in the field of the EU external co-operation is financed through geographical instruments (*European Development Fund, Development Cooperation Instrument and European Neighbourhood Policy Instrument*) and the thematic instruments *Investing in People* and the *Instrument for Democracy and Human Rights*. However, only the thematic programme *Investing in People* has a specific funding allocation for gender equality, and the allocation of EUR 66 million represents only 5% of the total funding under the programme. The mid-term review of the programme acknowledges that this funding is extremely limited and mostly targeted at ENPI countries, and shows no concrete action to mainstream gender equality as a cross cutting issue²². Some activities and expected results in the field of gender equality and women's empowerment are foreseen under the objectives of the *Instrument for Democracy and Human Rights* (2007-2013); however, the strategic documents rely on gender mainstreaming and fail to define clear financial allocations for reaching the gender equality targets. There is no information available to which extent the geographical instruments and other thematic instruments contribute to gender equality and women's empowerment.

The EWL, WIDE, and CONCORD Gender Working Group recommend that the post-2013 MFF and the regulations and strategies of all the post-2013 thematic and geographic instruments in the field of the EU's external policies should set concrete gender equality targets and make specific financial allocations for gender equality and women's empowerment. Existing gender mainstreaming commitments must be strengthened and translated to specific targets and financial allocations.

Specific budget allocations for gender equality would improve transparency in the allocation of funds and improve monitoring. To date no agreed system-wide tracking mechanism exists to assess the amount of aid allocated to gender equality and women's empowerment through all the thematic and geographical instruments. The use of gender-segregated data is still far from sufficient and the new aid modalities are providing new and even more complex challenges when it comes to tracking the funds for gender equality and women's empowerment and account for the results. Specific budget lines would give all the actors involved a clear picture of where the EU as a global player stands when it comes to women's rights, gender equality and women's human rights and allow them to hold EU accountable.

The advancement of the EU's goal to promote gender equality in development is still hindered by the absence of Policy Coherence with other EU policies such as trade policies and other macroeconomic measures in the area of external relations as well as with EU's international women's rights commitments (Beijing Platform for Action, CEDAW). The post-2013 Financial Framework should foresee funds for gender impact assessments of EU internal and external policies to ensure that the principle of policy coherence is implemented.

²¹ EC Communication on Gender equality and women's empowerment in Development cooperation (2007)

²² *Investing in People – Mid term review of strategy paper for thematic Programme (2007-2013)*, p.17

The value and importance of civil society organisations, especially women's organisations' contribution to the advancement of gender equality and women's rights, must be recognised and supported by the EU. Women's organisations in developing countries are facing today a critical situation: cuts in aid budgets and in funds for promotion of gender equality as well as new aid modalities prioritizing direct government support have had a reverse effect on the support for civil society in many developing countries. Also the political space for the CSO participation both in the EU donor countries and in partner states has been shrinking. In its external policy, the EU should strengthen the voices of civil society through enhanced CSO participation in decision-making processes, earmarked and increased funds for CSOs and simplified access to EU funds. As key actors in the promotion of gender equality and women's empowerment worldwide women's and women's rights organisations should receive substantial, predictable and multi-year core funding.

4. Introduce elements of gender-responsive budgeting to ensure that the EU budget has a real impact

EU public money must be spent in a transparent and accountable manner and the EU budget must deliver results that increase the well-being of all women and men living in Europe. However, the result-driven approach proposed by the Commission should not lead to a narrow focus on activities that immediately contribute to economic growth and that are measurable in quantitative terms. An example of such narrow approach would be to focus on the quantity of new jobs created through projects financed by the EU, without assessing their quality or whether both women and men benefit from them.

The EWL, WIDE, and the CONCORD Gender Working Group believe that results and impacts of the EU budget must be assessed from a broad perspective that takes into account their social and gender impact. Therefore, the EU must in the post-2013 MFF commit to gender responsive budgeting²³ as a part of the proposed result-orientated financial management. The Council of Europe defines gender budgeting as “application of gender mainstreaming in the budgetary processes. It means a gender-based assessment of budgets, incorporating a gender perspective at all levels of the budgetary process and restructuring revenues and expenditure in order to promote gender equality.”

Mainstreaming a gender equality perspective through the EU budget and taking into account gender inequalities and the different situations of women and men can make the limited EU budget more efficient and allow it to have a real impact. Without proper gender equality objectives, targets, indicators, and gender-segregated data, it is not possible to know whether EU financed projects and activities in fields such as energy, environment, development, and transport are successful in their specific aims and whether they contribute to greater gender equality or perpetuate gender inequalities. Introducing elements of gender-responsive budgeting into EU budgetary processes will take the EU's Treaty commitment to gender mainstreaming one step further and fill the well-documented gaps in the existing gender mainstreaming practices within EU financing programmes.

Implementing gender-responsive budgeting has already a legal basis in EU law and that the EU budget is easily amenable to gender budgeting. Understood as the application of gender mainstreaming in budgetary processes, gender-responsive budgeting is rooted in the articles 2 and 3 of TEU and the horizontal clause 8 of the TFEU.²⁴ National experience shows that it is straightforward to implement gender mainstreaming in budgets that are, like the EU budget, activity-based and result orientated. The recent feasibility study on gender-responsive budgeting at EU-level confirms that despite its unique features, the EU budget is suitable for gender budgeting.²⁵ Gender-

²³ Council of Europe (2005), Gender Budgeting Report, Strasbourg

²⁴ Experiences from Sweden and Denmark show that no new legislation in addition to existing gender equality and gender mainstreaming provisions is required to introduce gender budgeting methods.

²⁵ Study to assess the feasibility and options for the introduction of elements of gender budgeting into EU budgetary process. European Commission DG Budget Specific contract ABAC 132007, under framework Contract BUDG 06/PO/01/Lot 002?ABAC-101922.

responsive budgeting would require however the involvement of experts, training and some investment in specific resources.

The adoption of the post 2013 multi-annual financial framework is an excellent opportunity to make an EU-level commitment to gender-responsive budgeting. The feasibility study on EU-level gender budgeting concludes that considerations of a gender dimension in the EU budgetary process ought to take place in the planning phase for the MFF. Because the MFF will be agreed on by the Council and the European Parliament, the ownership of and commitment to gender budgeting of all the European Institutions will be ensured.

The EWL, WIDE and the CONCORD Gender Working Group recommend that the EU introduces gender-responsive budgeting in the post-2013 MFF through three simultaneous processes:

- The post-2013 MFF itself must be gender-sensitive in terms of sources of revenue, expenditure categories, and governance tools. Therefore, the MFF has to be subjected to gender impact assessment before it is adopted by the Council and the European Parliament;
- The proposal for the next MFF must make a commitment to gender responsive budgeting and introduce structures needed to ensure that the gender mainstreaming of budgetary processes will be properly supported and monitored in all the Directorate Generals (DGs). These structures could include a strong coordinating structure within DG Budget or within the Secretariat General, the creation of a gender budgeting focal point in every DG and the creation of an inter-service gender budgeting working group consisting of officials from different DGs, and to the allocation of the appropriate financial and human resources;
- The commitment to gender-responsive budgeting in the MFF must go side-by-side with a similar commitment in the founding regulations of the post-2013 financial instruments and programmes and the operationalization of these commitments must be ensured in corresponding strategic documents.

5. Size, financing, flexibility, and conditionality of the EU budget

The EWL, WIDE and the CONCORD Gender Working Group are concerned about the position of some Member States to reduce or freeze the size of the EU budget. The EU's 'new' policy priorities of climate change, energy security and external policies and the EU's strengthened commitment to fundamental rights within and outside the EU must receive adequate funding. This is also the case for the 'old' responsibilities such as equality between women and men, and Cohesion Policy.

To ensure the sustainability of the EU budget, the European Commission has proposed several options for new sources of revenue that could replace part of the Gross National Income based national contributions, including taxation of the financial sector, an EU Value Added Tax or an EU energy tax. Potential new sources of revenue must be subjected to a gender and social impact assessment. Introducing indirect 'blind' taxes such as VAT can aggravate social and gender inequalities because of women's lower income (the average gender pay gap in the EU is 17.5%) and because of women's different consumption patterns: women tend to carry most of household expenditure on basic goods. Financial sector taxation on the other hand would be fair in terms of gender equality because the impact would fall on individuals with higher income and on corporations, and because it is levied on activities that are difficult to tax at national level and that benefit from favourable tax treatments.²⁶ The EWL, WIDE, and the CONCORD Gender Working Group fully support the introduction of financial transaction tax to finance part of the EU budget.

There is consensus that the internal flexibility within different budget headings of the Financial Framework must increase to accommodate unforeseen challenges and it has been proposed that to maximise flexibility, the number of budget headings in the next MFF should be reduced. The danger is that policy priorities that are small-

²⁶ Commonwealth Secretariat 2004. Gender impacts of government revenue collection: the case of taxation.

scale in terms of spending such as equality between women and men and anti-discrimination may get lost if the MFF's budget headings are not detailed enough and if the policy priorities within these headings are not clearly spelled out. Increased flexibility requires introduction of mechanisms to protect small but vital budget lines that require predictability to have an impact. On the other hand, gender-responsive budgeting requires that restructuring expenditure must be possible in order to correct the unintended negative consequences of EU expenditure and to promote gender equality.

It has been proposed that as part of the result-based approach, EU funding through Cohesion Policy should be made conditional to structural reforms made by the EU Member States, or tied to the Growth and Stability Pact. These proposals are not acceptable. The will or ability of governments to implement the labour market reforms required by the Commission or to keep budget deficits under control should not mean cutting EU financing for activities that can have a positive impact on the lives of women and men living in Europe, for example through projects aiming to tackle gender segregation of the labour market. However, the EWL, WIDE, and the CONCORD Gender Working Group support conditionality and incentives that oblige and encourage Member States and other co-managers of the EU budget to use EU money in a manner that contributes to greater equality between women and men, social justice, non-discrimination and to responsible and participatory governance processes.²⁷

²⁷ For example Cohesion Policy Operational Programmes could be rejected by the Commission if the level of funding for actions targeted at women is not sufficient, or if the impacts of the proposed on actions on women and men are not assessed. Also positive incentives could be used: the co-financing required could depend on whether the OPs/projects contribute to equality between women and men. In France ESF projects that promote gender equality receive a special bonus.

Annex 1: Overview of earmarked EU financing for women's rights and gender equality within the 2007-2013 MFF

Earmarked EU financing for women's rights and gender equality covers only 0.37% of the EU budget within the 2007-2013 MFF.²⁸ There are only four earmarked budget lines in the EU budget that provide multi-annual and predictable funding for specific actions targeted at women and for promoting equality between women and men: in internal action these are the gender equality strand of the PROGRESS programme, the European Institute for Gender Equality, and the DAPHNE programme for combating violence against women, and in external action the gender equality component of the Development Cooperation Instrument programme 'Investing in People.' In internal action also the European Social Fund (ESF) and the European Regional Development Fund (ERDF) have expenditure categories for activities that can be seen to promote to equality between women and men.

Although also other financing instruments fund projects related to women's rights and gender equality, for example in the field of research and innovation, due to lack of earmarked allocations it is not possible to estimate this spending in advance and hold the EU accountable for it. Furthermore, piecemeal projects cannot compensate for the predictability and visibility that independent multi-annual budget lines and expenditure categories provide.

Financial Instrument	Allocations 2007-2013
<i>Internal action</i>	
Equality between women and men in the PROGRESS programme	88.00 million Euros
European Institute for Gender Equality	52.50 million Euros
DAPHNE Programme for combating violence against children, young people and women	116.85 million Euros
European Social Fund - priority 69 "to improve access to employment and increase sustainable participation and progress of women in employment to reduce gender-based segregation in the labour market, and to reconcile work and private life, such as facilitating access to childcare and care for dependent persons"	2373.30 million Euros/ 3% of total ESF ²⁹
European Regional Development Fund –activities to support ESF priority 69	298.50 million Euros
European Regional Development Fund – priority 77 "childcare infrastructure"	564.70 million Euros / 0.3% of total ERDF
<i>External action</i>	
Gender equality under Development Cooperation Instrument Programme "Investing in People"	66.00 million Euros
Total	3559.85 million Euros
% of earmarked gender equality spending of the total budget of the EU	0.37%

²⁸ The lack of specific budget lines for gender equality, of gender specific data, and of gender specific information in the founding regulations and financial statements of EU financial instruments make it difficult to estimate the overall percentage of EU budget used to advance women's rights and gender equality. This calculation includes only independent multi-annual budget lines and expenditure categories that have a direct link to gender equality.

²⁹ Data for the ESF and the ERDF is an estimate from the EC Structural Funds database from December 2007.

The overall EU financing for women's rights and gender equality has been decreasing in the last years. This is the case in particular with the European Social Fund. Over the 2000-2006 financial period the European Social Fund distributed 4.5 billion Euros of EU funding for gender equality-related activities (woman specific activities, reconciliation, and gender mainstreaming)³⁰. Over the 2007-2013 period only 2.4 billion Euros of EU funding is programmed for the most important category of expenditure for gender equality. Even if gender equality related activities will be financed also through other expenditure categories (for example supporting entrepreneurship), it is estimated that the decrease will be at least 1 billion Euros.³¹

³⁰ The European Social Fund, women, gender mainstreaming, and reconciliation of work and private life. European Commission 2010,

³¹ Evaluation of the European Social Fund's support to Gender Equality. Synthesis Report. European Commission 2011.

About the organisations

The European Women's Lobby (EWL) is the largest umbrella organisation of women's associations in the European Union (EU), with members in all the EU member states and candidate countries, as well as European-wide bodies., representing a total of more than 2500 organisations. With a focus on European level policy-making, the EWL works towards equal rights and opportunities for all women and men to gain equal access to social, cultural and economic resources to strengthen their personal integrity and choice. On the basis of the input of member organisations across Europe, the EWL is active in lobbying, monitoring and awareness-raising across different areas such as women's economic and social position, women in decision-making, violence against women, sexual and reproductive health and rights, integration policies and migrant women. The EWL also monitors and promotes the use of gender mainstreaming, which implies incorporating a women's rights perspective into all European policies. Find more about the EWL on www.womenlobby.org

WIDE Network is a European feminist network of women's organisations, development NGOs, gender specialists and women's rights activists. WIDE is the only network in Europe working specifically on the advancement of gender equality, women's rights and social justice in EU and EU member states development, trade and macroeconomic policies and practices. WIDE's capacities and expertise – built along more than 25 years of experience - place the network as a key player for the advancement of gender equality and women's rights worldwide through the European external actions. We are committed to a holistic human rights perspective as a reference framework for our analysis and action. WIDE's work is grounded on gender justice and women's rights, focusing on women's economic, social, cultural and political rights as the basis for the development of a more just and democratic Europe and world. WIDE brings together 12 national and regional platforms from Europe, CEE and CIS countries and more than 60 members organisations from around the world. Find more about WIDE Network on www.wide-network.org

CONCORD is the European confederation of Relief and Development NGOs. Its 25 national associations and 18 international networks represent over 1600 NGOs which are supported by millions of citizens across Europe. CONCORD leads reflection and political actions and regularly engages in dialogue with the European institutions and other civil society organisations. Find out more about CONCORD on www.concordeurope.org