

Opening remarks by Ms Carolyn Hannan, Director

five-year review of implementation of the Platform for Action in 2000. Commitments to gender-responsive budgeting were also made in the Monterrey Consensus in 2002.

There has been limited assessment of the fulfillment of these commitments and the extent of resource gaps. Some research does point to serious failings and challenges, indicating that resources remain insufficient to adequately support policies and programmes that promote gender equality and the empowerment of women. Although the issue of resources has been raised in all themes considered by the Commission since 1995, this is the first time the Commission has specifically focused on financing for gender equality and empowerment of women.

The World Bank's new gender equality strategy is based on the principle that gender equality is "smart economics". There is also a growing body of evidence demonstrating that gender inequality is bad economics. According to the 2007 Economic and Social Survey of Asia and the Pacific, for example, gender inequality costs the region 80 billion USD a year. The region loses up to 47 billion USD a year because of restrictions on women's access to employment, and up to 30 billion USD because of gender gaps in education.

Despite this evidence, and the many calls for gender mainstreaming in macro-economics and in budget processes, only limited efforts have been made to clearly link the policy commitments on gender equality and empowerment of women with the resources needed to implement these commitments.

The promotion of gender equality and the empowerment of women does involve significant costs, particularly because of the nature and scope of existing inequalities in all parts of the world. The costing of required national level interventions should be based on locally-identified needs, within the framework of broader global goals and targets. The costs for areas where progress has been slow should be specifically assessed, such as violence against women, women, peace and security, and women's participation in decision-making.

While the costs of addressing gender inequality are significant, the means to meet these costs are available. While ODA commitments to invest in women are critical, it is essential that gender equality be funded, at least in part, through the mobilization of domestic resources, to promote ownership and sustainability.

Public finance management has not systematically addressed gender equality concerns. A range of initiatives have been undertaken in many countries to integrate gender perspectives into national budgets in order to better align policy commitments on gender equality with resource allocations. Little is known, however, of the practical impact of these efforts. Many have remained at the level of analysis and have not moved to influencing budget formulation from a gender perspective.

A recent study by OECD-DAC indicated that only \$8 billion of a total \$26 billion in bilateral aid allocated to specific sectors between 2001 and 2005 focused on activities

that have focused on gender equality as a prin