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DISCUSSION PAPER

NORAD REPORT 8/2020



Gender responsiveness in public financial management in Norway

An assessment using the gender supplementary PEFA framework

PEFA: Public Expenditure and Financial Accountability

By Torun Reite



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PEFA: Public Expenditure and Financial Accountability

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November 2020

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ISBN:978-82-8369-015-6
ISSN: 1502-2528

Abbreviations and Acronyms

GBA	Gender Budget Analysis
GRPFM	Gender Responsive Public Financial Management
GRB	Gender Responsive Budgeting
IOS	Instructions for Official Studies
OECD	Organisation of Economic Co-operation and Development
PEFA	Public Expenditure and Financial Accountability
PFM	Public Financial Management
SDFI	State's Direct Financial Investments
SDG	Sustainable Development Goal
UNDP	United Nations Development Programme

Exchange Rate

Exchange rate effective as of May 2020

Currency unit = NOK

USD 1.00 = NOK 9.9

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NORWAY

PEFA Gender Responsive Public Financial Management Assessment 2020

The PEFA Secretariat confirms that this report meets the PEFA quality assurance requirements and is hereby awarded the "**PEFA CHECK**".

PEFA Secretariat

October 30, 2020

I. INTRODUCTION

I.1. Purpose

Norway is a partner in the Public Expenditure and Financial Accountability (PEFA) programme. The PEFA Secretariat has developed a new assessment framework for gender responsive public financial management (GRPFM). This framework is put forward as a tool to be applied on a voluntary basis. A test version of the framework has been piloted in Ukraine, Indonesia, Tonga and several Caribbean countries. Based on a request from the PEFA Secretariat, the framework has been tried out in Norway. In line with the framework's defined scope, this assessment will focus on the operations of the central government¹ but still has a limited institutional scope and targets some main public financial management (PFM) instruments. In this regard, it is important to reflect on the fact that many central instruments of Norway's "equality politics" are built into the Norwegian welfare system: more specifically, through the services provided to citizens at the municipal level, following national standards set by Parliament or the responsible sectorial ministry's annual reporting. This latter includes performance data related to the volume and quality of all types of services. Based on this, it is pertinent to question the extent to which a focus on central government—and thus a partial analysis of the gender responsiveness of PFM systems in one tier of government—provides a meaningful picture of gender responsiveness. A broader institutional scope, with the inclusion of a broader set of sectors and their instruments and the inclusion of all tiers of government, might have been more meaningful. Such a scope, however, is beyond the defined scope of the GRPFM framework.

From a Norwegian government perspective, the decision to apply the framework was taken with a view to critically exploring how the new PEFA assessment framework for GRPFM would play out in a country that ranks high on gender equality and where the tradition of ministerial rule² is strong and builds on a high degree of delegated authority to budget entities and lower tiers of government. The principles of ministerial rule entail that every minister stands responsible to Parliament for politics and actions in their sector.³ Two reflections are worth highlighting. First, there are distinct differences between highly developed modern welfare states (such as Norway's), with legally sanctioned equal opportunities for women and men, including ample security for every individual, and developing countries with legal and economic voids in relation to equality, including the dimension of gender equality. Secondly, the PEFA GRPFM framework presumes that blueprint diagnostic tools for exclusively measuring gender budget responsiveness are meaningful and beneficial.

As will be illustrated in this assessment, the Norwegian public sector governance system is built on ministerial rule and, unlike many other states' "government machineries", is built on a high level of trust between the government and the governed; moreover, in Norway, monitoring mechanisms are oriented toward the delivery of measurable results at all levels and in all sectors. These Norwegian public sector governance principles mean that control mechanisms rely on defined outcomes—e.g. how public funding is used—which are monitored through a highly developed national statistical system, periodic evaluations

¹ The inclusion of central government would entail an analysis that covers line ministries, all directorates and state agencies and the government-appointed County Governors (*Fylkesmenn*).

² The Constitution of Norway does not recognise the secretariats (the state civil service) as such and these cannot stand responsible to Parliament.

³ The framework suggests an analysis based on a purely technical and non-political perspective, and the report also reflects such a stance. This stated, the assessor shares the concerns of the peer reviewer that such an "a-political" stance does not sufficiently capture the important changes related to political shifts under different Government Councils and Parliaments.

and results reporting on outcomes or impacts. The PEFA GRPFM framework presumes that any central government governance is orientated toward detailed centralised decision-making, coordination and control mechanisms or (detailed) quantitative accounts of the state of play. Throughout the report, and for each indicator and dimension, the assessor has added comments on how the Norwegian public sector governance principles pan out in the assessment in relation to the GRPFM criteria.

This assessment of the National Government of Norway’s GRPFM has been compiled using the January 2020 version of the PEFA supplementary framework for assessing GRPFM, recently developed by the PEFA Secretariat. The PEFA GRPFM framework comprises nine indicators built on the PEFA framework, which are geared to collect information on the degree to which a country’s PFM system is gender responsive.

It is quite striking how the PEFA GRPFM results portray the current situation in Norway. The results are far from encouraging when using this methodology. This may come as a surprise, since Norway performs well according to international indicators measuring gender equality, and has a legacy as a society where many dimensions of equality are promoted and are part of its basic constitutional values and social fabric. The results point to the need to reflect on the assumptions within which the GRPFM framework has been grounded: i) the focus on central institutions of government; ii) a blueprint approach, with the shortcomings such approaches represent; iii) the “moment” analysis, focusing on one specific year without any analysis of the political-historical dynamics or the particularities of that specific moment or year (see Box 1); and iv) the assumption of a clear linkage between budget expenditures and (gender) equality measures and outputs, outcomes and impact. No one would suggest that Norway has not achieved a high level of gender equality, despite not having used a tool like this framework. The results, taken together, point toward the need for revisiting the framework to open up for a broader, more flexible and context-sensitive analysis of equality (see also the Comments from the Norwegian Government in Annex 3).

Box 1: GRPFM—A moment analysis versus an empirical account of the gender equality and welfare policies

It is virtually impossible to understand Norwegian experiences without taking into account the factual and empirical results of Norwegian gender equality and welfare policies/family policies over the years:

- i) All sectors have a duty to produce gender equality within their welfare schemes. This obligation goes beyond: “including a gender perspective” or doing gender mainstreaming.
- ii) All state entities (70 line Agencies and Directorates) must report annually—given the line of “command and delegations” from the Ministries, answering the annual Letters of Delegation, Tasks and Budgets, the Equality Act, and all the (more than 100) sectorial laws based on service performance standards set by Government and Parliament. One can find explicit gender assessments in many of the annual reports. These are, however, not presented in the Executive’s Annual Budget Proposals. The municipalities must undertake annual reporting on service deliveries, through KOSTRA (the municipal-to-state reporting system). Gathering this information would require obtaining access to and analysing the 70 annual letters of delegation and the 70 annual reports, or a sample of these.

The assessment based on the PEFA framework gives an a-historic, non-contextual presentation of the Norwegian system and measured results and does not capture the political dynamics in a representative, parliamentary democracy.

In addition to these initial reflections and comments on the underlying assumptions of the GRPFM framework, the assessor provides specific comments on each indicator. The comments reflect a dual focus.

The first focus has been to explore how the PEFA GRPFM process can inspire the adoption of additional measures in Norway with a view to **strategically using the PFM instruments, processes and systems to strengthen the transparency and accountability of equality responsiveness and gender responsiveness**. Some recommendations are put forward and are based on the work undertaken as part of this assessment.

Secondly, the focus has been placed on **assessing the foundational assumptions of the framework and the potential bias of the GRPFM framework itself** (see points i–iv above).

The findings and results from this experience in Norway point to the framework having been developed based on a set of assumptions that are not valid in the Norwegian context and may not be valid in other countries and contexts.

Elaborating further on the four overarching assumptions mentioned above, the GRPFM presumes that PFM systems, with the budget cycles and management processes underpinning them, are central to the design and implementation of gender responsiveness within public sector governance. Moreover, the PEFA GRPFM, like the Public Expenditure and Financial Accountability Assessment Framework, was designed with an emphasis on centralised processes of coordination and decision-making at a detailed level and with a quantitative bias. As this report shows, management principles that rely on ministerial rule, delegated authorities and less-detailed control mechanisms will find the assessment tool challenging—in terms of access to data, disclosure of information and the time-consuming task of document review and analysis. Taken together, it is challenging to meet the assessment criteria and comply with the methodological approach(es). Indeed, for several indicators, a GRPFM-compliant full-fledged analysis would entail the collection of data from each individual government entity (see Box I for more information). For several of the information requirements, no central data collection and coordination mechanisms are in place.

All in all, and in view of the experience gained through this process, it is important to critically scrutinise assessment frameworks as part of an on-going process of learning and institutional development. This critical reflexivity has proven to be important in the context of the PEFA GRPFM framework, which will like be adopted on a voluntary, but still negotiated, basis in developing countries. Open, transparent and active engagement through a dialogue on the biases in design of any assessment tool is therefore paramount to avoid impositions of structures or mechanisms unfit for the purpose in those countries subject to assessments. This report aspires to create a space for reflexivity as part of the PEFA GRPFM assessments and to provide a basis for discussing how plurality in the design of equality measures can be (even) better reflected in the GRPFM and other related processes.

The main interlocutors responsible for relevant policy areas in the National Government of Norway are the Ministry of Finance and the Ministry of Culture, both of which have agencies responsible for managing and promoting compliance with the legal and regulatory instruments (e.g. the Equality and Ant-Discrimination Act), coordinating the national reporting on gender equality and managing the Norwegian Instructions for Official Studies central to the preparations of new initiatives included in the budget elaboration process. I would like to thank all the stakeholders who shared their views and provided the information necessary to carry out this assessment. A special thanks goes to the peer reviewer Arni Hole (independent consultant and former Permanent Secretary in relevant quality policy areas) and to Håkon Mundal in the Norwegian Agency of Development Cooperation.

1.2. Background

Norway is among the highest ranked countries in different indexes for measurement of gender equality (e.g. UNDP—Gender Inequality Index; World Economic Forum—Global Gender Gap). However, while gender equality policies have been successfully integrated into many areas, some areas lag behind.

Norway is one of five OECD countries that have introduced at least some degree of gender budgeting and where the principles of equality are enshrined within the constitution (OECD, 2017). Norway does not, however, bring these same principles forward into Appropriation Regulations or the Organic Budget Law or similar instruments defining these as principles for the budget cycle.

In the Norwegian governance system, line ministries play a dominant role relative to the central institutions, such as the Prime Minister’s Office or the Ministry of Finance, in the implementation of what can broadly be considered a kind of “gender budgeting”. Norway’s key strategy in the government’s gender equality approach is to incorporate the gender perspective into all policymaking, whether at the central, regional or local level, in what can be described as gender mainstreaming. Recognising that gender represents only one of several often overlapping and reinforcing dimensions of inequalities, the legal and regulatory framework underpinning the Norwegian governance system addresses gender equality, disability, ethnicity and sexual orientation, gender identity and gender issues. Gender mainstreaming is thus an equality mainstreaming across these dimensions. The Norwegian welfare system targets the individual entitled to services and benefits regulated by law and produced mainly at the municipal level. This has implications: for example, broad multidimensional mainstreaming combined with wide delegations can lead to erasure and less visibility of the actual gender mainstreaming interventions, or how the service providers use gender-disaggregated data to correct and change directions to meet special needs, vulnerable individuals and groups. This report will provide some examples of this.

The PEFA GRPFM framework is intended to complement the collection of information, anchored by UN Women, on gender responsive budgeting as part of Sustainable Development Goal (SDG) Indicator 5.c.1; it focuses in particular on the interlinkages between the institutional framework for equality, including gender equality and the institutional framework for public finance and budgeting. In other words, it gives a snapshot of the management systems put in place to provide transparency and accountability in relation to the policy measures and their implementation. To this end, it follows all stages: the ex-ante assessments of policy measures; the formulation of policy objectives; the relation between policy objectives and resource allocation; the relation between expenditure, revenue and performance targets; and the monitoring and measurement of results in terms of output, outcome and impacts of these policy measures. It also eventually assesses the management systems put in place to enforce compliance, achieve results and identify the oversight mechanisms that exist.

In Norway, the public authorities have a specific statutory responsibility for ensuring that legislation and policy instruments facilitate equality. One of the foundational legal instruments is the Norwegian Equality and Anti-Discrimination Act, which came into force as the Gender Equality Act in 1979 and has subsequently been amended several times, most recently in 2019. The Ministry of Culture has general political, administrative and coordinative responsibility for the Government’s policy on gender equality and anti-discrimination and is responsible for managing the legislation, coordinating the government’s policy and promoting knowledge development through research. The Norwegian Directorate for Children, Youth and Family Affairs is central to the monitoring/overseeing of public policies regarding gender equality, disability, ethnicity and sexual orientation, gender identity and gender issues. However, other directorates bear responsibility for the majority of welfare measures, targeting all citizens as individuals. The Equality and Anti-Discrimination Ombud works with information and training civil

servants, businesses and civil society in “equality management” and the Ant-Discrimination Tribunal handles individual complaints according to the law. However, the Norwegian tradition of ministerial governance leads to a sectoral anchoring of the relevant responsibilities of welfare and equality policy measures. The Ministry of Finance has a prominent role in relation to ensuring that the fiscal policies, and the main PFM instruments, facilitate equality.

1.3. Sources of information

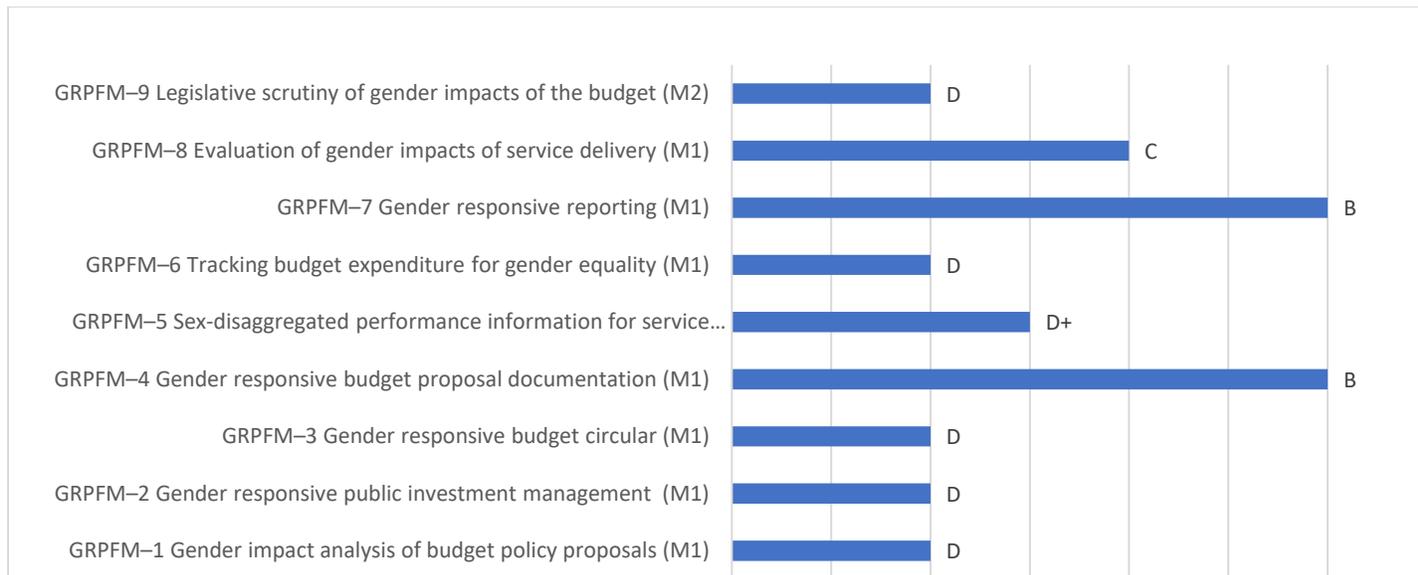
The PEFA GRPFM assessment was carried out from the end of January to the end of March by one external independent assessor who met representatives of the Ministry of Finance and the Budget Department, had email exchanges with the Economic Policy Department, the Ministry of Culture and the Department for Equality, Non-discrimination and International Affairs, and had correspondence with the Ministry of Local Government and Modernisation, responsible for coordinating the domestic activities toward the Sustainable Development Goal Agenda 2030. The report was subject to peer review. Moreover, Government representatives provided comments on the report, which are presented in a separate annex (3); a list of persons met and an overview of the documents reviewed are presented in the annexes of this report (Annex 2).

2. OVERVIEW OF ASSESSMENT FINDINGS

While the OECD report from 2017 presents Norway as 1 of 12 countries with some sort of “gender budgeting” in place, the results of the GRPFM assessment in Norway show that gender impact analyses—as defined by the PEFA GRPFM—are not mainstreamed in the relevant PFM institutions, processes or systems. Despite the regular gender responsive reporting underpinned by sex-disaggregated statistical data across sectors, which partially meets the requirements for the mainstreaming of gender impacts, most areas within this GRPFM in Norway fall short of what would be expected based on the Norwegian legacy of gender equality. As previously stated, these results will be discussed in Chapter 3 of this report; Chapter 3 will also address the need to adopt the assessment framework with critical reflection and space for dialogue and point out how the transparency of Norwegian gender responsiveness can be further strengthened. In line with the template of the PEFA GRPFM assessment framework, this section has a quantitative bias and the presentation of the more qualitative assessment, added by the assessor, is not included in the overview but can be found in the more detailed discussion (Chapter 3).

A stringent adoption of the GRPFM framework shows that, in two out of nine areas (GRPFM indicators 1 and 2), quantitative information or evidence on actual compliance in line with the assessment requirements is not available at a central level—neither in the Ministry of Finance nor the Ministry of Culture, and, in some cases, not even in the line ministries responsible for a specific sector. Gathering information would necessitate contacting each budget entity and would far exceed the intention of the GRPFM design. This also raises questions concerning the extent to which the GRPFM is flexible enough to inform the compliance with international standards, or whether the standards, by design, are biased. A stringent assessment according to the criteria shows that, in four out of the remaining seven areas (GRPFM indicators 3, 5, 6 and 9), gender considerations are not included in what the GRPFM framework points to as the relevant PFM institutions, processes or systems. In two areas (GRPFM indicators 4 and 8), initial efforts have taken place to mainstream gender impact analysis in the relevant PFM institution, process or system. One indicator (GRPFM–7) shows that gender is partially mainstreamed. Gender impacts are not fully mainstreamed in any of the nine areas, according to the criteria. The overview of the findings of the assessment of gender responsiveness of institutions, processes and systems is presented in Figure I below.

Figure 1: Overview of assessment findings



Legend

SCORE	LEVEL OF GRPFM PRACTICE
A	Gender impact analysis is mainstreamed in the relevant PFM institution, processes or system.
B	Gender impact analysis is partially mainstreamed in the relevant PFM institution, processes or system.
C	Initial efforts have taken place to mainstream gender impact analysis in the relevant PFM institution, process or system.
D	Gender considerations are not included in the relevant PFM institution, processes or system, or performance is less than required for a C score.
D*	The information requirements that would enable a scoring are not met.

In relation to GRPFM indicators 1 and 2, the government of Norway has a clearly pronounced policy of equality and anti-discrimination underpinned by a legal and regulatory framework. Further, they provide instructions for establishing mandatory requirements for the analysis of the equality impacts—or what is described as equal opportunity and non-discrimination—across several dimensions, including gender. However, quantitative evidence on actual compliance is not easily available. A broader qualitative assessment of compliance based on sampling methodology and review of secondary documentation, such as internal and external performance audits and specific evaluations commissioned by line ministries, shows a nuanced picture. The qualitative assessment indicates that documentation of compliance is scarce, that actual compliance is only partial and that there is a need for further enforcement. The active use of broader policy analysis in the form of green papers is a particular instrument in the Norwegian context that underpins policy formulation. There is no evidence of the inclusion of gender impacts as part of the assessment of large investment projects under the Quality System (QS) scheme.

In relation to GRPFM-3, the budget circular’s mainstreaming of gender equality falls short of the requirements in the assessment framework. It only includes information about government-employed staff according to gender. The Executive’s budget proposal holds clear policies promoting equality and includes contextual descriptions based on systematically collected sex-disaggregated statistical data displaying trends in equality across a set of highly relevant indicators. However, the linkages between these indicators and the government’s performance budgeting, or rather performance management framework, is not clearly established. The lack of ex-ante performance targets and weak linkages between the specific indicators and the policy measures narrow the scope for transparency and accountability. An explanation for this lies in the broad multidimensional equality policies embedded in the Norwegian welfare structure.

This clearly reduces the explicit expressions and visibility of gender equality dimensions in the management systems and documents.

Beyond the PFM instruments, processes and systems, there is a vast array of policy instruments, strategies and action plans for gender equality and anti-discrimination in a range of relevant areas and for specific sectors (see the list of documents reviewed, Annex 2). While these instruments are not clearly linked to the processes subject to this GRPFM assessment, they have nevertheless been reviewed as part of the assignment, to the extent possible.

The Norwegian public authorities have a specific statutory duty to ensure gender equality in legislation and policy and are obliged to report on their activities. In January 2020, the provisions relating to active equality efforts in the Equality and Anti-Discrimination Act were clarified and strengthened. This newly amended Norwegian Equality and Anti-Discrimination Act may provide a sound basis for strengthening the linkages to the PFM instruments, processes and systems with a view to enhancing transparency and accountability. Some options for strengthening gender mainstreaming activities are presented in the following section.

2.1. Options for strengthening gender mainstreaming in the budget process

There is significant potential for the Government to further make visible the gender focus utilising the PFM system. The following options are put forward for further discussion and consideration; these options are presented by the assessor and but not discussed or agreed with the stakeholders engaged in this process. Nonetheless, the Government of Norway presents some preliminary comments concerning the options put forward for discussion: “The PEFA report’s recommendations (e.g. Chapter 2.1) on changes in the budget system and financial management, to support gender equality, should (therefore) be explored and elaborated further, taking into account Norway’s more overarching principles and traditions for public administration and implementation of government policies” (for specific comments, see Annex 3, page 33).

- 1) Carry out regular evaluations of Ministries’ and agencies’ compliance with the Instructions for Official Studies (and Guidance note) and in particular the compliance with these regulations in relation to equality responsiveness, including gender responsiveness. This recommendation refers to the IOS and the Guidance Note (pages 35 and 36), where 13 Ministries are named, by whom any measure with major administrative or organisational effects for their sectors must be scrutinised. This also holds for legal preparations. One of the 13 Ministries listed is the current Ministry of Culture (prior to 2019, the Ministry of Children and Equality), regarding “major effects in terms of equal opportunities”.

In addition to this, it is mandatory to identify and present major budgetary implications of any planned measure to the Ministry of Finance. See also the annual Main Budget Document from the Ministry of Finance, and the Guidance Notes on Central Government Budget Preparation for a new fiscal budget. Compliance with these instructions could also be subject to periodic evaluations.

- 2) Strengthen the actual practices for assessing distributional effects of large investments—potentially as part of a new guidance note on IOS implementation, including multidimensional equality mainstreaming.

- 3) There is an annual statement from the Minister of Equality on the “state of equality”, which offers an opportunity to establish a clearer linkage between the Minister’s state of equality statement to Parliament and the content of the budget documentation. Such an adjustment would enhance transparency and provide a basis for strengthened accountability.

On a more detailed and technical level, the Government could consider amending the main budget circular and incorporating more specific information requirements for how line ministries should present gender responsive budget proposals:

- i) Confirm that ex-ante gender impact assessments have been conducted for new proposals.
 - ii) Require spending units to include sex-disaggregated data on the planned outputs and outcomes of the relevant service delivery programmes.
- 4) The GRPFM framework does not capture the processes nor instruments of the national reporting toward the SDGs. A stronger linkage between the GRPFM framework and the national reporting toward the SDG would strengthen the relevance of the framework and provide a broader picture of gender equality, gender perspectives on strategic resource allocation and its societal impacts.
 - 5) Consider amending the current instructions for performance management and internal control in the Instructions for Financial Management (*Økonomireglementet*) to establish budget entities’ responsibilities in line with the Equality and Anti-Discrimination Act. This is particularly relevant for the establishment of a clear result chain to ensure the “evaluability” or “measurability” of programmes/grant measures/policies—in other words to develop clearer linkages between input, activities, output and outcome. It should be mentioned that a draft guidance note on gender equality considerations under the Instructions for Official Studies has been developed and will be finalised in the near future.
 - 6) Develop and disseminate guidance material to underpin compliance with the Instructions for Official Studies and establish a linkage between these and the Instructions for Financial Management (*Økonomireglementet og bestemmelser*), specifically in relation to internal control, performance management and evaluations.

3. DETAILED ASSESSMENT OF GENDER RESPONSIVE PUBLIC FINANCIAL MANAGEMENT

The detailed presentation of the findings of this draft PEFA GRPFM assessment is based on the January 2020 version of the PEFA supplementary framework for assessing gender responsive budgeting and covers nine indicators. The scoring of gender responsive practices within PFM systems is based on a four-point ordinal scale from D to A, similar to the PEFA 2016 framework. The following calibration is adopted to capture the level of gender responsiveness practices and the extent to which gender is mainstreamed in selected PFM institutions, processes and systems.

GRPFM–I GENDER IMPACT ANALYSIS OF BUDGET POLICY PROPOSALS

This indicator assesses the extent to which the government prepares an assessment of the gender impacts of proposed changes in government expenditure and revenue policy. It contains two dimensions and uses the MI (weakest link) method for aggregating dimension scores. The indicator recognises that changes in budget policies can have different impacts on the delivery of services to men and women and to subgroups

of those categories; and that new policies proposals should therefore undergo an ex-ante assessment of social impacts.

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	2019 SCORE
GRPFM-I Gender impact analysis of budget policy proposals (MI)		D
GRPFM-I.1 Gender impact analysis of expenditure policy proposals	An ex-ante assessment of the social impact of expenditure policy proposals is not coordinated in central institutions (neither in the Ministries of Finance or Culture, nor in the line ministry). Analysis of a sample of proposals in relevant sectors included in the Executive's budget proposal show that gender analysis is carried out for some budget policy proposals; however, the share of proposals subject to a gender analysis is far less than 25% of the proposals assessed and these represent an unknown share of expenditure. Consequently, a D* score is provided for this dimension.	D*
GRPFM-I.2 Gender impact analysis of revenue policy proposals	An ex-ante assessment of the social impact of revenue policy proposals is not coordinated in central institutions (neither in the Ministries of Finance or Culture, nor in the line ministry). Quantitative information is thus not available. A qualitative assessment provides sufficient evidence to justify a D score for this dimension.	D

Coverage: Budgetary central government.

Time period: Last fiscal year (2019).

The indicator measures the extent to which the government prepares an assessment of the gender impacts of proposed changes in government expenditure and revenue policy. It contains two dimensions (sub-indicators) and uses the MI (weakest link) method for aggregating dimension scores.

The first dimension measures the extent to which gender impact analysis of expenditure policy proposals are carried out.

In terms of the legal and regulatory framework, up until 2016 the Norwegian Instructions for Official Studies (IOS) established mandatory requirements for analysis of the gender implications of plans, programmes and large investments. Some of these measures were reintroduced in 2018 (see Box 2 below). Since 2018, gender is not mentioned as such in the IOS, nor in the 64-page guidance note on the IOS or in the Financial Management Regulations. However, the Financial Management Regulations state that all agencies (including ministries) must ensure compliance with applicable laws and regulations (Section 4 Basic management principles, letter b; and Section 14 Internal control, letter f). The Guidance Notes on the IOS (Section 3.2.1) state that if measures being prepared will entail major effects in terms of equal opportunities, cf. Section 1 of the Equality and Anti-Discrimination Act, the matter should be presented to the Ministry of Children and Equality (now: Ministry of Culture).

In the context of Norwegian policy, gender equality is identified as one of several equality dimensions regulated by the same legal framework. Such equality impacts are required for all new policy measures (legal and economic/budgetary), including those measures that have budgetary implications and thus are put forward in the process of preparing the Executive's budget proposal. With reference to the PEFA GRPFM framework and the reference to Canada, one could say that Norway uses the Gender-Based Analysis Plus (GBA+) to conduct ex-ante gender impact assessments. GBA+ is an analytical process used to assess how diverse men and women may experience policies, programmes and initiatives. The "plus" acknowledges that GBA+ also considers other dimensions of equality than just gender, such as ethnicity,

religion, age, sexual orientation, sexual identity, non-binary people and people with mental or physical disability.

Box 2: More information on the duty to evaluate ex ante the gender implications of policy proposals

Until 2016, the IOS was responsible for evaluating ex ante the gender implications of plans, programmes and large investments. This responsibility was removed in 2016, sparking many protests both from within and outside of the central government. Thus, in 2018, the Guidance Notes on the IOS define the issue of “fundamental questions” number 3 as possibly relating: “...to personal data protection and personal integrity, due process, questions of conscience/faith, questions of equal opportunities/discrimination, or measures affecting, in particular, indigenous populations or minorities”. Gender is not mentioned as such, in the 64-page Guidance Note.

The Ministry of Finance is the regulator of the Norwegian IOS and has delegated the responsibility for managing the Norwegian IOS to the Norwegian Agency for Public and Financial Management. This agency provides guidance material, training and advice on the implementation of analysis of equality impacts.

As part of the Norwegian principle of ministerial governance, where each Minister has the overall responsibility within their own sector, each line ministry is responsible for ensuring that all budget entities under their responsibility comply with the IOS in the preparation of new policy measures or proposals in general. There is, however, no coordination mechanism in place, nor a central institution that can provide the overview of ex-ante policy analyses carried out. Further, there is no common quantitative reporting reflecting the percentage of the budget expenditure this represents. The sectorial approach is based on delegated budget authority, which entails that the individual agencies or budget entities are responsible for ensuring and documenting compliance. The control of actual compliance is subject to periodic controls through performance audits or evaluations carried out by the responsible ministry or oversight institutions. In the ministerial governance system, the actual line ministry is responsible for internal control mechanisms toward this end. The quantitative data required as evidence is not available unless each budget entity is asked to provide the information as part of the GRPFM assessment.

Due to the lack of one central institution that could assist in providing the full picture and overview of the Gender Impact Analysis of Budget Policy Proposals, an alternative approach, based on assessing a sample of sectors/programmes, has been adopted.

To enable an assessment of this first dimension, the Ministry of Finance was approached to assist in the identification of a relevant sample of policy proposals under some sector ministries. The budget proposals of these sectors were scrutinised to identify references to ex-ante analysis of gender impacts. Although the internal assessments were not made publicly available, some references to the results could be traced, at least in part, in the executive’s budget proposal, and, in particular, in the detailed supplementary budget documents of line ministries.

One example was found related to the proposed budget allocation toward improving women’s health, presented on 8 March 2019. The goal was to strengthen the knowledge about older women’s health, minority women’s and young women’s mental health and diseases that primarily affect women. The main objective of this suggested allocation was to provide more research on the causes of unwanted differences in the health service provision between women and men.

Another example is the initiative to commission a new green paper to gather knowledge about women's health and health in a gender perspective. Indeed, the green papers instrument (NOU) forms part of an important tool kit underpinning policy formulation and ex-ante analysis in the Norwegian system.

A third example is the Ministry of Education's policies related to day care/kindergartens and education. The Ministry of Education presented a Green Paper on the subject in 2019 that showed how boys are lagging behind girls in school performance. This is a great concern.

A fourth example is the Ministry of Justice and Security, which commissioned a socioeconomic impact analysis of policies related to combatting domestic violence/violence against women/violence in close relationships. Based on the information publicly available, complemented with the dialogue with the Ministry of Finance, there is clear evidence that some proposed changes in expenditure policies include an assessment of gender impacts. These processes, however, are part of a preassessment that takes place outside the budget formulation process. Moreover, there is no estimate of which expenditure shares these policy proposals represent.

Due to the lack of information available on the expenditure shares of the policies that were subject to a gender impact assessment, a D* score is provided for the first dimension of this indicator.

Box 3: Compliance with or lack of compliance with the Instructions for Official Studies?

However, going beyond this lack of available quantitative data, a qualitative assessment has been conducted. In view of the importance of the Instructions for Official Studies (IOS), a central question in the Norwegian context concerns the extent to which the budget entities comply with the IOS regarding the equality impact for the gender dimension when preparing and putting forward expenditure policy proposals.

The qualitative assessment indicates that although these instructions exist, there is currently no systematic monitoring mechanism in place to ensure compliance. Some examples of evidence are presented.

- i) A recent internal evaluation of compliance with the IOS carried out by the Norwegian Agency for Financial Management (2020) finds some significant compliance gaps. However, it is important to point out that the internal evaluation neither focuses on nor mentions the assessment of equality impacts but looks more broadly into the compliance with the IOS in general.
- ii) In the same vein, the Supreme Audit Institutions carried out a performance audit in relation to the IOS, which was made available to the public in 2013. This performance audit report neither refers to nor mentions the compulsory assessment of the equality impacts of policy measures established in the IOS.

Probing further into the control mechanisms, it becomes clear that the IOS is currently inter-related to but not integrated with the public financial management system. The actual control activities initiated by the Norwegian Agency for Financial Management and the Auditor General (Supreme Audit Institution) did not mention equality impacts as part of the IOS, nor gender equality impacts. This could imply an erasure of these measures.

Based on a dialogue with relevant stakeholders in some line ministries, it is evident that there are few, if any, systematic management structures and processes in place at line-ministry or whole-of-government levels to underpin compliance. Hence, the system is largely based on trust.

The second dimension measures the extent to which gender impact analysis of revenue policy proposals are carried out. The same IOS apply to revenue policy proposals. Notwithstanding the existence of clear instruction that require ex-ante GRB+ impact assessments, and based on the same arguments as for

expenditure policy proposals, the Ministry of Finance has confirmed that no gender impact analysis of revenue policy proposals was carried out for the revenue policy presented for the fiscal year 2019 (which represents the last completed fiscal year). Neither was any gender impact analysis carried out for the revenue policy presented for the 2020 budget. However, some prior budget proposals have included gender impact analysis of specific relevant revenue policy proposals, such as the change to, or abolishment of, individual income tax group 2 in the executive's budget proposal for the fiscal year 2018. The individual income tax group 2 opened up for spouses to jointly submit their tax declaration. For couples where one of the two had low or no income, they could, by declaring together, still benefit from the opportunity to reduce their taxable income with the maximum amount established for this tax group—which, in 2017, was NOK 24.850 higher than the maximum amount stipulated for the individual tax income for tax group (individual tax declaration). This would give a tax benefit of up to 24% of this amount (NOK 6036) compared to individual declarations in tax group 1.

However, the gender impact analysis referring to 2018 does not form the basis for the score in this assessment, for which the fiscal year 2019 and the budget proposal for 2020 represent the years subject to assessment. Based on the available evidence, the confirmation from the Ministry of Finance and the internal documents reviewed, the second dimension of this indicator is awarded a D score.

GRPFM–2 GENDER RESPONSIVE PUBLIC INVESTMENT MANAGEMENT

This indicator assesses the extent to which robust appraisal methods, based on economic analysis, of feasibility or prefeasibility studies for major investment projects include analysis of the impacts on gender. There is one dimension for this indicator. The indicator recognises that different groups of men and women benefit differently from investment projects, and it is therefore important for the government to include a gender perspective in the economic analysis of major investment projects.

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	[YEAR] SCORE
GRPFM–2 Gender responsive public investment management (M1)		D*
GRPFM–2.1 Gender responsive public investment management	No quantitative data is available on the extent to which robust appraisal methods, based on economic analysis, of feasibility or prefeasibility studies for major investment projects include analysis of the impacts on gender	D*

Coverage: Central government.

Time period: Last completed fiscal year (2019).

According to the legal and regulatory framework established in the IOS, all major investment projects should be subject to an economic analysis. The IOS establishes different levels of complexity for these economic analyses, depending on the defined threshold values of the investment project. All major investment projects should be subject to an ex-ante cost–benefit analysis prior to decision-making.

As mentioned above, Norway governs by ministerial responsibility. Nevertheless, as an additional measure to maintain sound investment management, any project with a budget in excess of NOK 750 million is encompassed by the Ministry of Finance quality assurance scheme (QS scheme), cf. Section 5.3.8 of the Regulations on Financial Management in Central Government. Projects falling within the scope of the QS are subject to special requirements with regard to the thoroughness of the study, which meet the requirements under the IOS and include additional requirements on external quality assurance of the study. In the early phase, the ministry/government body in charge is required to prepare a choice of

concept report (CCR), which is to form the basis for quality assurance. This should include, inter alia, a cost–benefit analysis in accordance with the applicable circular from the Ministry of Finance. The CCR are to be quality assured under the Ministry of Finance’s framework agreement on external quality assurance. Separate guidance notes have been prepared for the QS scheme. The scheme encompasses all central government investment projects in excess of NOK 750 million, with the exception of the SDFI, as well as state-owned enterprises and state-owned limited companies with responsibility for their own investments (e.g. Avinor AS and health care enterprises).

The PEFA GRPFM framework requires that appraisals or assessments of the distributional impacts or impacts for beneficiaries, disaggregated by gender, are done as an integral or a stand-alone activity. However, these integral or stand-alone activities are not subject to any degree of coordination, including that of information provision or reporting, at a central level. As with the case for the previous indicator, GRPFM–I, the quantitative data required as evidence is not available unless each budget entity or line ministry is asked to provide the information as a stand-alone activity as part of the GRPFM assessment. This far exceeds the intended scope of the GRPFM assessment.

Box 4: A qualitative analysis of actual practices in relation to the IOS and the appraisal of equality impacts

Based on additional qualitative analyses of the supplementary guidance material provided to the IOS, the following relevant observations are made:

According to the guidance material and policy documents that underpin these appraisals (NOU 2012: 16, Guidance Notes for cost–benefit analyses), economic analyses (including cost–benefit analyses) should problematise the distributional impacts. It is exactly the distributional impacts that are centre-to equality impact assessments, such as that of gender equality, but also across other dimensions of equality. In line with the guidance material to the IOS, the distributional impacts are however not required to be presented as part of the core decision-making material but included in a supplementary information together with some discussions on possible compensation (Guidance Note 2018, Ministry of Finance instructions R 109/2014).

Added to this, it is interesting to note that there is no mention of gender nor other dimensions of equality in these policies or guidance materials. It should be noted that measures to strengthen the equality impact assessments are currently being discussed. Going beyond the qualitative assessment of the legal and regulatory framework and guidance material, the following additional observations are put forward: A sample of interlocutors were interviewed and granted anonymity, with a view to indicating the extent to which the economic analyses, or cost–benefit analyses, look into the distributional impacts. Technical milieus that often engage in these economic analyses were approached. The results from this limited survey of practices indicate that, in practice, assumptions that simplify these distributional analyses are often made. Moreover, the policy documents and guidance material are largely grounded in economic theories that build on simplifications, such as that of assuming perfectly operating markets, or refer to market failures without being able to address these due to the complexities involved in measuring non-tangible social costs (and benefits). In a perfectly operating market, the distributional effects and the efficiency of major investments can be managed separately, at least on the cost side. These distributional effects are therefore left to the redistribution of the overall taxation system. More emphasis is therefore, in practice, often placed on the distributional impacts of the benefit side in the ex-ante analyses carried out. Looking into the line ministries’ practices, the assessment has not been able to identify any activities related to a systematic monitoring of the actual economic analyses carried out, nor available information on how IOS requirements for the analyses of gender impacts should be or are operationalised for major investments. There seems to be a void in the supplementary material and the equality impacts could benefit from being mainstreamed into the guidance material on economic analyses or cost–benefit analyses. The IOS nonetheless provides clear instruction that GRB+ impact assessments of the distributional effects should be included in all initiatives including the economic analyses of major investment projects. This optional and supplementary qualitative assessment shows that there is very limited evidence to suggest that there is a high degree of compliance with the IOS on equality impacts.

gender as part of the analysis. The PEFA framework requires that the assessment includes evidence that the total investment costs of the sample represent at least 1% of the total annual budget expenditure in 2019 or that the largest 10 investment projects are included. Due to the lack of available information to provide such evidence, a D* score is awarded for this indicator.

GRPFM–3 GENDER RESPONSIVE BUDGET CIRCULAR

This indicator measures the extent to which the government’s budget circular(s) is gender responsive. There is one dimension for this indicator. The gender responsive budget circular typically includes a requirement for budgetary units to provide justification or planned results for the effects on men and women or on the gender equality of proposed new spending initiatives and reductions in expenditures. The gender responsive budget circular can also require budgetary units to include sex-disaggregated data for actual or expected results.

In line with the approach adopted for GRPFM–1, a sample of the reports concerning investment projects under the QS Scheme were analysed: The National Theatre in Bergen, National solution to the Municipal Health and Care services, Campus at the Norwegian University of Science and Technology. Review of this small sample of investment proposals gave no evidence of any inclusion of relevant impacts of gender as part of the analysis. Based on the evidence, a D score is awarded for this indicator.

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	[YEAR] SCORE
GRPFM–3 Gender responsive budget circular (M1)		D
GRPFM–3.1 Gender responsive budget circular	The main budget circular for the fiscal year 2019 did not include gender equality impact information on any of the following: i) existing service delivery programmes; ii) new spending proposals; and iii) proposed reductions in expenditures.	D

Coverage: Budgetary central government.

Time period: Last completed fiscal year (2019).

In fiscal year 2019, the main budget circular issued by the Ministry of Finance, Budget Department (R4/2019 page 14) did not include gender equality impact information on any of the following: i) existing service delivery programmes; ii) new spending proposals; and iii) proposed reductions in expenditures. The budget circular also did not require spending units to include sex-disaggregated data on the planned outputs and outcomes of the relevant service delivery programmes. Consequently, a D score is awarded.

However, it can be noted that the main budget circular does include reporting requirements toward budget entities in their role as employers and their duty to promote equality in their internal operations in line with the Equality and Anti-Discrimination Act, section 26a (former version of the Act).

Further to this, the Equality and Anti-Discrimination Act was revised in 2019. In this most recent revision, the duty of public authorities to report on their efforts to promote equality, and their duty to issue a statement on their activities to integrate considerations relating to gender and non-discrimination (Sections 24 and 25), were reinforced. These amendments establish a legal foundation for integrating equality considerations more firmly into the management systems of public entities (and even private businesses of a certain size); moreover, they provide legal foundations for strengthened transparency and accountability in relation to equality measures, including gender equality measures. These amendments came into force in January 2020. The Ministry of Culture is planning to strengthen the enforcement of these measures and develop guidance material supplementary to the IOS.

GRPFM–4 GENDER RESPONSIVE BUDGET PROPOSAL DOCUMENTATION

This indicator assesses the extent to which the government’s budget proposal documentation includes additional information on gender priorities and budget measures aimed at strengthening gender equality. Gender responsive budget documentation typically includes information on the following: i) an overview of government priorities for improving gender equality; ii) details of budget measures aimed at promoting gender equality; and iii) assessment of the impacts of budget policies on gender equality.

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	[YEAR] SCORE
GRPFM–4 Gender responsive budget proposal documentation (MI)		B
GRPFM–4.1 Gender responsive budget proposal documentation	The government’s budget proposal documentation includes some information on policy measures aimed at strengthening gender equality and some information on the assessment of the impacts of budget policies on gender equality.	B

Coverage: Budgetary central government.

Time period: Last completed fiscal year (2019).

This indicator assesses the extent to which the government’s budget proposal documentation includes additional information on gender priorities and budget measures aimed at strengthening gender equality. There is one dimension for this indicator. Gender-specific elements in budget documentation typically include: an overview of government’s policy priorities for improving gender equality, details of budget measures aimed at strengthening gender equality and assessment of the impacts of budget policies on gender equality.

There are two facets of the Norwegian governance system and equality policies that have an impact on the scoring of this indicator. First, the mainstreaming of equality measures, including the gender dimension, means that the budget proposal documentation does not single out expenditure items that target gender issues. The structure of the budget plays a role in how the narrative is presented and thus how the gender equality measures are presented. The second facet is that the multidimensional ways of addressing inequalities mean that gender equality measures are not singled out and separated from the measures that address other dimensions of equality. Taken together, these largely explain the lack of explicitly formulated gender equality measures.

Added to this, it should be noted that there has been an intentional shift away from interventions exclusively aimed at addressing gender inequalities and toward broader formulations that capture the multidimensional measures and interventions needed to strengthen equality, regardless of which forms it takes (see also Box 5 below). This move away from gender impact information has been justified with reference to the recognition of the often mutually reinforcing—or at least overlapping—dimensions of inequalities (intersectionality). There is an empirically and theoretically grounded philosophy underpinning the budget proposal documentation that finds reflexes in the narratives of the budget proposal.

Box 5: More explicit gender impact information in budget proposals in the period 2005–2010

For two years between 2005 and 2010, the Ministry then responsible for gender policies presented a detailed analyses of gender impacts of state policies, with statistics, as an added report to Parliament, under the Budget proposal. This additional report was evaluated and not continued, because no one read or used it in policymaking. It was concluded that this special report was not needed. The annual reports in each line ministry’s budget proposal were assumed to be sufficient.

<https://www.regjeringen.no/no/aktuelt/likestillingspolitisk-redegjorelse-2019/id2643307/>. This is an important measure and captures main public interventions and measures across most sectors.

The main budget documents do not present an overview of the government’s policy priorities for improving gender equality. The supplementary documents provided for each line ministry include more detailed information. The Ministry of Culture responsible for the coordination of public equality and non-discrimination policies presents an overview of key priorities within their area of responsibility. The main line ministries include: the Ministry of Health and Care (of obvious importance for women and men); the Ministry of Education; the Ministry of Labour and Social Affairs (responsible for all **universal welfare measures** toward men and women, including single providers (mostly women)); and the Ministry of Local Government and Modernisation (responsible for municipal finances/all data collection on municipal finances through the KOSTRA system). This latter had the largest expenditure in the Norwegian state budget in 2019, at NOK 478 billion. Lastly, the Ministry of Justice and Security bears the responsibility for and coordinates the plans combatting domestic violence/violence against women/violence in close relationships, delegating much to the Police Directorate (POD). Further, the top levels in the Central Bureau of Statistics (SSB), the Directorate for Family, Youth and Children, and the Directorate of Labour and Welfare (NAV) are all core institutions. All these ministries and agencies provide narratives that reflect gender as part of the broader equality measures without necessarily singling out gender measures per se.

With reference to what has been mentioned in previous sections in relation to the GRB+ policies in Norway, and what this implies for the narrative in the budget proposal documentation, only some limited instances of sex-disaggregated data can be identified and are provided in the budget documentation. The information is not comprehensive and is not easily accessible. Nonetheless, details of policy measures aimed at strengthening gender equality are presented together with some information about the impacts of relevant budget policies on gender equality. Two of the three elements are included. Based on a stringent GRPFM assessment in line with the criteria, and in view of the evidence, a B score is awarded. This stated, there are other measures—such as the annual statement of the Minister of Equality on the “state of equality”—that can be seen as alternative measures toward the same end. In this regard, a clearer linkage between the Minister’s state of equality statement to Parliament and the content of the budget documentation could be established. Such an adjustment would enhance transparency and provide a basis for strengthened accountability.

GRPFM–5 SEX-DISAGGREGATED PERFORMANCE INFORMATION FOR SERVICE DELIVERY

This indicator measures the extent to which the executive’s budget proposal or supporting documentation and in-year or year-end reports include sex-disaggregated information on performance for service delivery programmes. It contains two dimensions and uses the M2 (averaging) method for aggregating dimension scores. Inclusion of sex-disaggregated data in governments’ budgeting systems facilitates discussions regarding the impacts of services on men and women, including different subgroups of these categories, and on gender equality; it also helps policy-makers to assess and develop appropriate, evidence-based responses and policies.

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	[YEAR] SCORE
GRPFM–5 Sex-disaggregated performance information for service delivery (M2)		D+

GRPFM-5.1 Gender-responsive performance plans for service delivery	The Executive’s budget proposal, the “yellow book” (<i>Gul bok</i>), contains some performance data on planned activities, outputs or outcomes for the prioritised service delivery programmes, but none of these are sex-disaggregated.	D
GRPFM-5.2 Sex-disaggregated performance achieved for service delivery	Statistical data are used extensively in the performance reporting on the state of equality in society across the main service delivery sectors.	C

Coverage: Central government.

Time period: Performance indicators and planned outputs and outcomes for the next fiscal year (2020).

This indicator contains two dimensions (sub-indicators) and uses the M2 (averaging) method for aggregating dimension scores. The guidance material suggests a quantitative reporting on the shares of expenditure for service delivery ministries, for which planned output and outcome targets are expressed in sex-disaggregated form (dimension 5.1) and actual performance is reported in sex-disaggregated form (dimension 5.2).

The assessment framework is formulated based on the assumption that planned output and outcome are directly associated with expenditure items so that expenditure shares can easily be calculated. As we will see, this is not the case in the Norwegian budget documents.

The first dimension measures the extent to which there are **sex-disaggregated performance plans for service delivery** (GR-5.1).

The main and supplementary documents of the executive’s budget proposal include some sex-disaggregated statistical data in relevant policy areas presented as part of a contextual analyses of the main challenges in the policy areas. This gives a comprehensive and reliable description of existing (in)equalities in society as such and serves as a basis for policy formulation. These statistical data present the state of equality across all relevant service delivery sectors. The OECD gender budgeting report points out the access to statistical data as one of the key areas where Norway stands out in terms of performance, compared to other countries.

Returning to the concerns of the GRPFM assessment, the main budget document that contains the Executive’s budget proposal, the “yellow book” (*Gul bok*), contains some performance data on planned activities, outputs or outcomes for the prioritised service delivery programmes, but none of these are sex-disaggregated.

It is important to underscore the intentional shift mentioned earlier: away from interventions exclusively aimed at addressing gender inequalities and toward broader formulations that capture the multidimensional interventions needed to strengthen equality. There is no basis for providing a quantitative reporting expressed as shares of expenditure based on the Norwegian main budget documentation.

A stringent GRPFM analysis would therefore result in a D score in relation to this dimension.

A complementary qualitative analysis of the main budget documentation has been carried out with a view to providing some examples where sex-disaggregated data could have been provided. The examples are taken from the Executive’s budget proposal, the “yellow book” (*Gul bok*).

The **main budget document** presents the planned prioritised service delivery programmes in the introductory sections. One out of two explicitly identified planned outputs under the overall priority area

of “developing a sustainable welfare society” was: i) the increase in student capacity with 100 students for vocational technical education and training. This could potentially have been sex-disaggregated. It should also be noted that only two out of nine measures came with explicitly quantified performance data. The main budget document thus presents performance targets in the form of qualitative and not necessarily quantitative data.

A second example relates to the priority area, “sustainable social welfare”. This programme includes kindergarten, primary schools, grants for families with children and other social security and social policy measures. None of the initiatives under the “sustainable social welfare” programme presented performance information on planned activities, output or outcome in sex-disaggregated form. Further to this, the linkages between expenditure votes and performance data on planned activities, output and outcome are not clearly or explicitly defined in the main budget document(s). However, in the supplementary documents for each line ministry, more detailed information is presented.

In the Norwegian context, performance data are generally more exhaustive in the **supplementary documents**, in which detailed programmes for each line ministry are presented according to programmatic areas. A complementary assessment of five line ministries and sectors—the Ministry of Education and Research, Ministry of Children and Families, Ministry of Culture, Ministry of Labour and Social Affairs and Ministry of Health—shows the following situation in relation to sex-disaggregation of data on planned performance:

GRPFM–5.1 Sex-disaggregated performance plans for service delivery in supplementary documents

	Ministry of Education and Research	Ministry of Children and Families	Ministry of Culture	Ministry of Labour and Social Affairs	Ministry of Health
Identified sex-disaggregated data on planned performance	No sex-disaggregated planned performance targets.	No or single cases of sex-disaggregated planned performance targets.	Equality targets on the gender dimension are formulated and accompanied with sex-disaggregated information that can be considered planned performance targets.	No or single cases of sex-disaggregated planned performance targets.	Some single cases of sex-disaggregated planned performance targets are found.
Descriptive qualitative planned equality results	A limited number of programmes have goals related to equality or to gender equality.	A limited number of programmes have goals related to equality or to gender equality.	Some programmes have goals related to equality or to gender equality.	A limited number of programmes have goals related to equality or to gender equality.	Some programmes have goals related to equality or to gender equality.

Based on the complementary qualitative assessment of the planned performance and the ways in which planned output and outcomes are expressed, a D score seems reasonable for this first dimension, GRPFM–5.1 Sex-disaggregated performance plans for service delivery.

The second dimension of this indicator measures the extent to which the executive’s budget proposal or supporting documentation and in-year or year-end reports include sex-disaggregated information on performance for service delivery programmes.

There are no clear linkages between the expenditure votes and the reporting on performance. A quantitative reporting expressed as shares of expenditure, as foreseen in the GRPFM, is not possible to provide. Nonetheless, a qualitative assessment has been carried out.

GRPFM–5.2 Sex-disaggregated performance achieved for service delivery

Identified sex-disaggregated data on actual performance	Ministry of Education and Research	Ministry of Children and Families	Ministry of Culture	Ministry of Labour and Social Affairs	Ministry of Health
	Ample statistical data on the actual situation in relation to equality of access to education and other services are presented, including sex-disaggregated data.	Ample statistical data on the actual situation in relation to equality of access to social services are presented, including sex-disaggregated data.	Statistical data on the actual situation in relation to equality are presented as sex-disaggregated data, when relevant.	Relevant statistical data on the actual situation in relation to equality in relevant policy areas are presented, including sex-disaggregated data.	Relevant statistical data on the actual situation in relation to equality of access to health services are sometimes presented as sex-disaggregated data.

The performance management system and performance measurement rely heavily on contextual descriptions based on the use of statistical data. A prerequisite for such an approach is the existence of a well-developed national statistical system that covers all relevant sectors. Whereas the linkages between the policy measures along the value chain—inputs (expenditures), activities, outputs and outcomes—seem weak, or are presumed rather than explicitly defined, the policy measures somehow relate to the presumed or intended social impact of the policy measures. Outputs and outcomes are reported annually from the service delivery entities through the KOSTRA system. Impact analyses are carried out as periodic evaluations, mainly in Green Papers and White Papers (to Parliament). The actual contextual gender equality situation rather than the impact itself is measured systematically for most relevant programmes. This contextual description is underpinned by sex-disaggregated statistical data for some, if not the majority, of the relevant policy measures or programmes. Sex-disaggregated information is thus published annually in most relevant areas, but is not directly related to the actual outputs of the relevant programmes of service delivery.

Due to the extensive use of statistical data in the performance reporting on the state of equality in society across the main service delivery sectors, a C score is awarded for this dimension.

The combination of very limited ex-ante sex-disaggregated performance targets and weak or not explicitly formulated linkages between policy measures and output, outcome and impact undermines the intended transparency and accountability related to performance management information, even if empirical factual results are positive for women and men. The current instructions for performance management (Instructions for Financial Management, or *Økonomireglementet*) do not make any references or put forward any requirements in relation to equality targets in general or gender equality targets in particular,

nor do they mention the need for sex-disaggregated data to underpin performance management. The two dimensions of this indicator, taken together, give a total score of D+ for this indicator.

GRPFM–6 TRACKING BUDGET EXPENDITURE FOR GENDER EQUALITY

This indicator measures the government’s capacity to track expenditure for gender equality throughout the budget formulation, execution and reporting processes. There is one dimension for this indicator. The indicator recognises that the capacity to track expenditure in line with the budget proposal is important from a governance and accountability perspective, as it gives the assurance that resources are being used for the purposes intended.

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	[YEAR] SCORE
GRPFM–6 Tracking budget expenditure for gender equality (MI)		D
GRPFM–6.1 Tracking budget expenditure for gender equality	In the current performance monitoring and measurement system in place, no budget line item or programme expenditure is mapped ex post to specific gender outcomes.	D

Coverage: Budgetary central government.

Time period: Last completed fiscal year (2019).

This indicator measures the government’s capacity to track expenditure for gender equality throughout the budget formulation, execution and reporting processes. There is one dimension for this indicator, GRPFM–6.1 Tracking budget expenditure for gender equality. No systematic tracking of expenditure for gender equality throughout the budget formulation, execution and reporting processes is in place.

In the current performance monitoring and measurement system in place, no budget line item or programme expenditure is mapped ex post to specific gender outcomes. An assessment was made of the supplementary budget documents of relevant line ministries representing all potentially relevant categories of expenditure, such as: expenditures “aimed at reducing gender inequalities” that relate to measures directly attributable to, or aimed at, reducing gender inequalities or promoting equal opportunities (e.g. employment incentives to strengthen the gender balance among care workers); “sensitive expenditures” that relate to measures that might have a different impact on men and women (e.g. expenditure on school education); and/or “general expenditure” or “neutral expenditures” that in principle should have no effect on gender. No systematic exercise on the tracking of budget expenditure for gender equality was undertaken for the fiscal year 2019.

The lack of any clear linkages between the expenditure data and the outcomes along a result chain makes such ex-post mapping impossible. However, this is, as described under indicator 5, a presentation of the contextual situation in relation to gender equality—for example, the share of women in part-time positions versus men in part-time positions. The minimum requirements for a C score are not met and consequently a D score is awarded.

GRPFM–7 GENDER RESPONSIVE REPORTING

This indicator measures the extent to which the government prepares and publishes annual reports that include information on gender-related expenditure and the impact of budget policies on gender equality. There is one dimension for this indicator. Countries’ practices in producing gender responsive annual reports vary. Regardless of the format, the reports should include information on the following: i) a report

on gender equality outcomes; ii) data on gender-related expenditure; iii) assessment of the implementation of budget policies and their impacts on gender equality; and iv) sex-disaggregated data on budgetary central government employment.

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	[YEAR] SCORE
GRPFM–7 Gender responsive reporting (MI)		B
GRPFM–7.1 Gender responsive reporting	Two of the listed types of information are presented and published annually: - a report on gender equality outcomes, and - sex-disaggregated data on budgetary central government employment.	B

Coverage: Budgetary central government.

Time period: Last completed fiscal year (2019).

This indicator measures the extent to which the government prepares and publishes annual reports that include information on gender-related expenditure and the impact of budget policies on gender equality. There is one dimension for this indicator: GRPFM–7.1 Gender responsive government annual reports.

Four different types of information are listed:

- i) A report on gender equality outcomes. This report would include an overview of progress made in achieving gender equality at the overall level as well as relating to specific sectors or areas of society, such as education, health, employment, poverty and crime.
- ii) Data on gender-related expenditure. This information would include key figures on resources allocated for budget policies targeting gender equality.
- iii) Assessment of the implementation of budget policies and their impacts on gender equality. This assessment would include an overview of findings of ex-post impact assessments and the extent to which the intended outcomes and impacts of policies targeting specific genders or gender equality have been achieved.
- iv) Sex-disaggregated data on budgetary central government employment. The inclusion of sex-disaggregated data on employment enables measurement of how employment in budgetary central government units is distributed between women and men, which is a key basic indicator of gender equality.

As part of the annual presentation of the Executive’s budget proposal, more specifically in the supplementary budget documents that contain detailed presentations of the line ministries’ budgets, actual performance data are presented for the previous completed fiscal year (n-1). As part of this information, two of the listed types of information are included:

- a report on gender equality outcomes, and
- sex-disaggregated data on budgetary central government employment.

Based on this evidence, this indicator is awarded a B score.

In addition, at regular intervals (i.e. every third year or so), the Norwegian Bureau of Statistics presents a report that constitutes an annex to the supplementary document of the Ministry of Culture (previously, the Ministry of Children and Equality). This report presents labour market and activity data, time allocation, income and revenue, and gender inequality in relation to access to economic resources among people with immigrant backgrounds, and sex-disaggregated data related to the use of health services. These data form part of the national statistical system and include labour market data, surveys on sex-disaggregated differences in the use of time for childcare, domestic work, remunerated work, income statistics and health information statistics.

Further, the annual statement on the state of equality to the Parliament by the Minister of Equality can be added to this.

The most recent report, from 2017, shows that, although the trend has long been toward strengthened gender equality in terms of the proportions employed, there are still systematic differences in working life that constitute a gender divide in relation to access to financial resources. Consequently, working life is still sex segregated. There are far more women than men who work part-time, and women and men work in different sectors, have different occupations and are associated with different industries.

The time use surveys show that women still spend more time on household work or “domestic chores” than men do, and that men spend more time on income-generating work than women. At the same time, men’s use of time on household work and women’s use of time on income-generating work have increased, thus narrowing the gap. Women earn an average of 86% of men’s salary per month if we look at all wage earners. The difference in pay can primarily be explained by the fact that women and men have different occupations in different sectors. In 2015, women registered as recipients of about 41% of the total income of Norwegian households.

GRPFM–8 EVALUATION OF GENDER IMPACTS OF SERVICE DELIVERY

This indicator measures the extent to which independent evaluations of the efficiency and effectiveness of public services include an assessment of gender impacts. There is one dimension for this indicator. The indicator recognises that ex-post assessments of the impact of public services on gender and gender equality provide important feedback concerning the initial design of services, as well as any other unintended consequences of the provision of services for men and women and different categories of these subgroups.

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	[YEAR] SCORE
GRPFM–8 Evaluation of gender impacts of service delivery (MI)		C
GRPFM–8.1 Evaluation of gender impacts of service delivery	Limited attention to gender impacts of service delivery have been given in publicly available evaluations carried out over the past three years.	C

Coverage: Central government.

Time period: Last three completed fiscal years (2017, 2018, 2019).

This indicator measures the extent to which independent evaluations of the efficiency and effectiveness of public services include an assessment of gender impacts. There is one dimension for this indicator. Dimension and scoring GRPFM–8.1 Evaluation of gender impacts of service delivery.

In line with the Norwegian principle of ministerial governance, each line ministry is responsible for internal control mechanisms that aim at ensuring compliance with the legal and regulatory framework, including instructions. Systematic and regular evaluations managed either internally or commissioned and carried out by independent entities constitute an important part of the internal control mechanisms.

The ministerial governance principles mean that there is no centralised information accessible that provides a comprehensive picture of the evaluations that were carried out. Procedures for publishing evaluations are not mainstreamed across the government, except for pasting all new information from sectorial evaluations onto each ministry’s website. A quantitative and comprehensive reporting is thus not possible. A qualitative approach based on accessible information has nonetheless been carried out.

The Norwegian Agency for Public and Financial Management hosts a portal where line ministries can register all evaluations that have been planned or carried out. Membership or registry is voluntary, but

the portal provides the main opportunity to obtain an overview of the evaluations that have taken place between 2017 and 2019. A total of 25 independent evaluations were listed in 2019, and for at least 5 of these, gender impacts of service delivery could potentially have been relevant. It is beyond the scope of this assessment to go through all relevant evaluation reports. Based on a random sample of three available evaluations, the findings indicate that inclusion of gender impacts in the evaluations is limited.

Further to this, planned evaluations are usually presented as part of the narrative in the supplementary budget documents of each line ministry, and the main findings are reported in the supplementary document of the executive's budget proposal in the following fiscal year—these are also made available to the public on the website of the line ministry in question. It is interesting to note that one of the evaluation reports explicitly mentions the need to develop clearer linkages between input, activities, output and outcome and thus a result chain to provide the basis for strengthened reporting on result achievement in general. None of the summary presentations of the sample of evaluation reports assessed discuss gender impacts.

The Supreme Audit Institution is currently carrying out a performance audit on the Norwegian government's management and implementation of the SDGs. This performance audit is still on-going and is planned to be presented in June 2020. Gender impacts toward the relevant SDGs will be part of this evaluation/performance audit. Assessment of a small sample of performance audits that have already been finalised show only a very limited attention to gender impacts.

Based on the assessment of the sample of evaluation reports, a C score is awarded.

GRPFM–9 LEGISLATIVE SCRUTINY OF GENDER IMPACTS OF THE BUDGET

This indicator measures the extent to which the legislature's budget and audit scrutiny include a review of the government's policies to understand whether policies equally benefit men and women by ensuring the allocation of sufficient funds. It contains two dimensions (sub-indicators) and uses the M2 (averaging) method for aggregating dimension scores. The indicator recognises that inclusion of gender impacts in the legislature's review of budget proposals promotes the participation of men and women in the policy-making process and ensures that their voices are heard and their priorities are reflected in government programmes and services.

INDICATORS/ DIMENSIONS	ASSESSMENT OF PERFORMANCE	[YEAR] SCORE
GRPFM–9 Legislative scrutiny of gender impacts of the budget (M2)		D
GRPFM–9.1 Gender responsive legislative scrutiny of budgets	Neither the Supreme Audit Institution (the Norwegian Auditor General) nor the legislature scrutinise the budget in relation to gender responsiveness.	D
GRPFM–9.2 Gender responsive legislative scrutiny of audit reports	Neither the Supreme Audit Institution (the Norwegian Auditor General) nor the legislature include gender responsiveness as part of their scrutiny of the audit reports.	D

Coverage: Budgetary central government.

Time period: Last completed fiscal year (2018).

This indicator measures the extent to which the legislature's budget and audit scrutiny include a review of the government's policies to understand whether policies equally benefit men and women by ensuring the allocation of sufficient funds. It contains two dimensions (sub-indicators) and uses the M2 (averaging) method for aggregating dimension scores.

The first dimension measures the extent to which the legislature's budget scrutiny includes a review of gender responsiveness, GRPFM–9.1 Gender responsive legislative scrutiny of budgets.

Based on the review of the budget documents and budget process, including the proceedings of Parliament meetings, there is no evidence to suggest that the Supreme Audit Institution (the Norwegian Auditor General), or the legislature scrutinises the budget in relation to gender responsiveness. Consequently, a D score is awarded to this dimension.

The second dimension assesses the extent to which the legislature's audit scrutiny includes a review of gender responsiveness, GRPFM–9.2 Gender responsive legislative scrutiny of audit reports.

Based on the review of audit reports (Document 1 and Document 3), there is no evidence that the Supreme Audit Institution (the Norwegian Auditor General) or the legislature include gender responsiveness as part of their scrutiny of the audit reports. Consequently, a D score is awarded to this dimension.

GRPFM ANNEX I: SUMMARY OF INDICATORS

PEFA GRPFM INDICATOR		SCORING METHOD	DIMENSION RATINGS		OVERALL RATING
			1	2	
GRPFM-1	Gender impact analysis of budget policy proposals	M1	D*	D	D
GRPFM-2	Gender responsive public investment management	M1	D*		D*
GRPFM-3	Gender responsive budget circular	M1	D		D
GRPFM-4	Gender responsive budget proposal documentation	M1	B		B
GRPFM-5	Sex-disaggregated performance information	M2	D	C	D+
GRPFM-6	Tracking budget expenditure for gender equality	M1	D		D
GRPFM-7	Gender responsive reporting	M1	B		B
GRPFM-8	Evaluation of gender impacts of service delivery	M1	C		C
GRPFM-9	Legislative scrutiny of gender impacts of the budget	M2	D	D	D

GRPFM ANNEX 2: SOURCES OF INFORMATION

List of sources of information used to extract evidence for scoring indicators

1. Draft test version of the Supplementary Framework for Assessing Gender Responsive Budgeting
2. Final approved version of Supplementary Framework for Assessing Gender Responsive Public Financial Management, January 2020
3. Gender budgeting in OECD countries, OECD 2017
4. Equality and Anti-Discrimination Act: <https://lovdata.no/dokument/NLE/lov/2017-06-16-51>
5. Instructions for Official Studies (IOS), accessed January 2020
6. Instructions for Financial Management
7. Guidance material related to IOS at: www.dfo.no
8. Norwegian Bureau of Statistics, report: The distribution of financial resources between women and men, and gender disparities in health, 2017
9. www.regjeringen.no—listing of all instructions including the main budget circular 2020, presented April 2019
10. <https://evalueringsportalen.no>
11. <https://www.riksrevisjonen.no/globalassets/rapporter/no-2018-2019/revisjonsrapport2017kvalitetssikringomsorgssentreensligemindreaarige.pdf>
12. Norway's response to the 2018 OECD Survey of Gender Budgeting
13. Barne og familiedepartementet, Kjønnsperspektiv i budsjettarbeidet, 2004–2005
14. Regjeringens handlingsplan mot rasisme og diskriminering på grunn av etnisitet og religion, 2020–2023
15. Barne og likestillingsdepartementet, Et samfunn for alle 2020–2030 (Strategy)
16. Barne-, likestillings- og inkluderingsdepartementet, Regjeringens handlingsplan for universell utforming 2015–2019
17. Nærings- og fiskeridepartementet og Kulturdepartementet: Handlingsplan for kvinnelige gründere, 2019
18. www.statsbudsjettet.no
19. The Executive's budget proposal for 2020, "Yellow book" (*Gul bok*)
20. The Executive's budget proposal for 2020, Supplementary document: Ministry of Culture
21. The Executive's budget proposal for 2020, Supplementary document: Ministry of Health
22. The Executive's budget proposal for 2020, Supplementary document: Ministry of Education and Research

23. The Executive's budget proposal for 2020, Supplementary document: Ministry of Children and Families
24. The Executive's budget proposal for 2020, Supplementary document: Ministry of Labour and Social Affairs
25. The Year End Report 2018: <https://www.regjeringen.no/no/dokumenter/meld.-st.-3-20182019/id2642522/>
26. The SAI, Auditor General's Report, Audit Report 2018: <https://www.stortinget.no/no/Saker-og-publikasjoner/Publikasjoner/Dokumentserien/2019-2020/dok1-201920/?lvl=0>
27. NOU 2011: 18 Struktur for likestilling (Green paper)
28. Meld. St. 7 (2015-2016) Likestilling i praksis (White paper adopted by Parliament)
29. Likestilling 2009? [Equality 2009?] Barne og likestillingsdepartementet 2008
30. Regjeringens strategi mot hatefulle ytringer 2016–2020, Barne og likestillingsdepartementet, 2015
31. Fordeling av økonomiske ressurser mellom kvinner og menn og kjønnsforskjeller i helse, Barne- og likestillingsdepartementet, 2017 (Additional report to the fiscal budget)
32. Meld. St. 44 (2012-2013) Likestilling kommer ikke av seg selv. Barne-, likestillings- og inkluderingsdepartementet. 2013 (White paper, withdrawn by the Solberg council)
33. The situation of women and girls in Norway: Development, progress and measures 2014–2019 Beijing +25. Norwegian Ministry of Culture. 2019.
34. Women, Peace and Security (2019–2022) The Norwegian Government's Action Plan. 2019.
35. Frihet, makt og muligheter. Handlingsplan for kvinners rettigheter og likestilling i utenriks- og utviklingspolitikken 2016–2020. Ministry of Foreign Affairs, 2016 (prolonged further)
36. Miscellaneous additional Action plans, White papers, Green papers and strategies addressing the concerns of equality and anti-discriminatory measures.

Indicators	Evidence
GRPFM-1 Gender impact analysis of budget policy proposals	Instructions for Official Studies (IOS), accessed January 2020. Instructions for Financial Management Guidance material related to IOS at: www.dfo.no
GRPFM-2 Gender responsive public investment management	Instructions for Official Studies (IOS), accessed January 2020. Instructions for Financial Management Guidance material related to IOS at: www.dfo.no
GRPFM-3 Gender responsive budget circular	www.regjeringen.no —listing of all instructions including the main budget circular 2020, presented April 2019
GRPFM-4 Gender responsive budget proposal documentation	The Executive's budget proposal for 2020 "Gul bok", "Yellow book" The Executive's budget proposal for 2020, Supplementary document: Ministry of Culture The Executive's budget proposal for 2020, Supplementary document: Ministry of Health The Executive's budget proposal for 2020, Supplementary document: Ministry of Education and Research The Executive's budget proposal for 2020, Supplementary document: Ministry of Children and Families The Executive's budget proposal for 2020, Supplementary document: Ministry of Labour and Social Affairs

<p>GRPFM-5 Sex-disaggregated performance information for service delivery</p>	<p>The Executive's budget proposal for 2020 "Yellow book" [<i>Gul bok</i>] The Executive's budget proposal for 2020, Supplementary document: Ministry of Culture The Executive's budget proposal for 2020, Supplementary document: Ministry of Health The Executive's budget proposal for 2020, Supplementary document: Ministry of Education and Research The Executive's budget proposal for 2020, Supplementary document: Ministry of Children and Families The Executive's budget proposal for 2020, Supplementary document: Ministry of Labour and Social Affairs Norwegian Bureau of Statistics, reports: The distribution of financial resources between women and men, and gender disparities in health, 2017</p>
<p>GRPFM-6 Tracking budget expenditure for gender equality</p>	<p>The Year End Report 2018: https://www.regjeringen.no/no/dokumenter/meld.-st.-3-20182019/id2642522/ The SAI, Auditor General's Report, Audit Report 2018: https://www.stortinget.no/no/Saker-og-publikasjoner/Publikasjoner/Dokumentserien/2019-2020/dokI-201920/?lvl=0 NOU 2011: 18 Struktur for likestilling Meld. St. 7 (2015-2016) Likestilling i praksis Likestilling 2009? [Equality 2009?] Barne og likestillingsdepartementet 2008 Regjeringens strategi mot hatefulle ytringer 2016-2020, Barne og likestillingsdepartementet, 2015 Fordeling av økonomiske ressurser mellom kvinner og menn og kjønnsforskjeller i helse, Barne og likestillingsdepartementet, 2017 Meld. St. 44 (2012-2013) Likestilling kommer ikke av seg selv. Barne-, likestillings- og inkluderingsdepartementet. 2013 The situation of women and girls in Norway: Development, progress and measures 2014-2019 Beijing +25. Norwegian Ministry of Culture. 2019. Norwegian Bureau of Statistics, reports: The distribution of financial resources between women and men, and gender disparities in health, 2017</p>
<p>GRPFM-7 Gender responsive reporting</p>	<p>The Year End Report 2018: https://www.regjeringen.no/no/dokumenter/meld.-st.-3-20182019/id2642522/ The SAI, Auditor General's Report, Audit Report 2018: https://www.stortinget.no/no/Saker-og-publikasjoner/Publikasjoner/Dokumentserien/2019-2020/dokI-201920/?lvl=0 NOU 2011: 18 Struktur for likestilling Meld. St. 7 (2015-2016) Likestilling i praksis Likestilling 2009? [Equality 2009?] Barne og likestillingsdepartementet 2008 Regjeringens strategi mot hatefulle ytringer 2016-2020, Barne og likestillingsdepartementet, 2015 Fordeling av økonomiske ressurser mellom kvinner og menn og kjønnsforskjeller i helse, Barne og likestillingsdepartementet, 2017 Meld. St. 44 (20122013) Likestilling kommer ikke av seg selv. Barne-, likestillings- og inkluderingsdepartementet. 2013 The situation of women and girls in Norway: Development, progress and measures 2014-2019 Beijing +25. Norwegian Ministry of Culture. 2019.</p>
<p>GRPFM-8 Evaluation of</p>	<p>https://evalueringsportalen.no</p>

gender impacts of service delivery	
GRPFM-9 Legislative scrutiny of gender impacts of the budget	https://www.riksrevisjonen.no/globalassets/rapporter/no-2018-2019/revisjonsrapport2017kvalitetssikringomsorgssentreensligemindreaarige.pdf www.storting.no www.riksrevisjonen.no

List of persons interviewed

Ministry of Finance, Deputy Director General, Knut Klepsvik
 Ministry of Finance, Advisor Petter Røyter
 Ministry of Culture, Technical Director, Juliet Namuli Birabwa Haveland
 Ministry of Culture, Fredrik Schau Gundersen
 Ministry of Culture, Deputy Director General, Cecilia Lyche
 Norwegian Agency for Development Cooperation, NORAD, Senior Advisor Håkon Mundal
 Ministry of Finance, Senior Economist, Herbert Kristoffersen

GRPFM ANNEX 3: Comments from the Government

Comments from the Norwegian Government on the PEFA Gender Responsive PFM assessment Report

The Norwegian Ministry of Finance and the Ministry of Culture would like to thank the PEFA Secretariat and the Consultant for preparing this report. It is useful to assess the outcome and methodological validity of PEFA's new GRPFM framework, applied in a Norwegian context. The results of the exercise will of course be of interest for us, regarding the further development of Norwegian equality and anti-discrimination efforts. Also, the process and the findings increase the understanding of both the potential and the limitations of the GRPFM methodological framework. This project should thus hopefully also be used as a starting point for further improvement of the framework, and perhaps as a contribution to a more cautious, context-sensitive application of the framework. The findings are also seen as useful when assessing the Government's achievements on the SDGs. The report shows that Norway does not score well on the GRPFM criteria, which strictly focuses on PFM as the main tool to achieve gender equality. The following comments provide a basis for reflecting on why Norway scores poorly according the GRPFM methodology, despite the fact that Norway is among the top countries in several international indexes on gender equality.

As a general rule, the Norwegian budget system and the Government's budget proposals are meant to ensure a comprehensive balance of a whole range of various policy objectives. Therefore, in our view, the budget alone is perhaps not an appropriate tool for illustrating how the Government achieves results on equality or, more specifically, results on gender equality. This is one of the reasons why the Norwegian central government budget has rather few explicit objectives on crosscutting issues and few direct measures regarding gender and equality. The government usually chooses to supplement with other measures together with the budget.⁴ These include instructions regarding mainstreaming and crosscutting issues, regulations and administrative directives but also provisions by law. In addition, the Government has crosscutting strategies and action plans that cover policies in several sectors.

The Report raises an important question as to whether the PEFA method is the only way of assessing the status of work on gender equality, especially in countries such as Norway with a government based on ministries with high autonomy and a decentralised governmental system.

Compared to many other countries, the population in Norway has a high level of trust in government institutions.⁵ This contributes to less need for strict centralised control regimes for the pursuit of key unified political goals.

⁴ <https://www.regjeringen.no/contentassets/25232a6ce3a64c2b88d97d3f3a665241/195795-beijing-engelsk-web.pdf>

⁵ https://www.oecd-ilibrary.org/docserver/gov_glance-2013-6-en.pdf?expires=1596717134&id=id&accname=oid029201&checksum=42C0B26CCF2CB7E832AF53438F705A5A

<https://www.ssb.no/en/sosiale-forhold-og-kriminalitet/artikler-og-publikasjoner/deltaking-stotte-tillit-og-tilhorighet>

The report points to the tradition of ministerial rule in the Norwegian central government and of a high degree of delegated authority to budget entities and lower tiers of government.

Taking this as a point of departure, we would like to explain some important features of the Norwegian central government administration and mode of decision-making that set the stage for how policies are developed and implemented. These features are also important in the policy area of gender and equality mainstreaming, and may be difficult to take into account in a good way in the PEFA GRPFM assessment.

- The Government's work on gender equality is based on the principle of sectoral responsibility. To follow up on sectoral responsibilities and ensure a comprehensive equality policy, the Ministry of Culture is responsible for coordination. The Ministry helps gather knowledge, coordinates the work of the ministries, and deals with overall reporting on international obligations.
- The purpose of rules, budgets and funding schemes is to ensure equal treatment and predictability. Each level of the public sector has an obligation to make active, targeted and systematic efforts to promote gender equality. All ministries are responsible for promoting gender equality and integrating the work to promote gender equality in the ordinary operations within their areas of responsibility. The individual sectoral ministries are responsible for services and policies aimed at meeting the needs of the entire population.
- The ministries are responsible for policy development and execution. Each ministry is responsible for developing, administering and overseeing regulations and policy measures within their own sector. Each minister is accountable to the Storting (the Parliament). Each ministry has several subordinate state agencies under their own sector, often named directorates. As a main rule, the ministries provide annual instructions to their agencies on how to execute the policies. The annual reports from the state agencies contain a great deal of information on results and achievements related to political goals. Some of this information, but far from all, is part of the annual report to the Storting (Parliament) in the Government's annual budget proposal.
- The Norwegian Directorate of Children, Youth and Family Affairs (Bufdir) is the specialist agency for gender equality, disability, ethnicity and sexual orientation, gender identity and gender issues. Bufdir's tasks include documentation and knowledge development, promoting equality and providing guidance to public offices, executing policy measures (including following up national action plans), and administering grant schemes for gender equality policy organisations.
- In Norway, the public authorities have a particular statutory duty to ensure gender equality in legislation and policy. In addition, they have to report on their activities. In January 2020, the provisions relating to active equality efforts in the Equality and Anti-Discrimination Act were clarified and strengthened. Section 24 of the Act requires that all public authorities must work actively and systematically to promote equality in all their activities, including budgeting. This includes a gender equality perspective as well as an intersectional perspective.

- The new rules also give public authorities a duty to issue a statement in their annual report or in another document available to the general public, on their work with equality issues and what they do to integrate an equality perspective.
- These requirements apply to all public offices at the state, municipal and county level. For the first time, all Norwegian ministries are required by law to report annually on how they work to mainstream equality (including gender equality) in general into their activities. The Norwegian ministries must provide their equality report in the annual state budget.
- The Equality and Anti-Discrimination Ombud has been given the task of providing guidance to both public and private actors on how to follow up their duties to report on equality. The Norwegian Directorate for Children, Youth and Family Affairs is developing tools and templates relating to these new duties.
- Through the annual budget proposals, the government sets the economic framework for its policies, including prioritisation of a high participation in the labour market to contribute to high employment, the distribution profile of the tax system and the level of welfare systems. A report from Statistics Norway (2018) shows, given these framework conditions, the actual distribution of financial resources between women and men through employment, time spent, wages and income, using the latest available data.⁶
- Equality challenges on health issues were discussed in the White paper “Gender Equality in Practice” (Meld. St. 7 (2015-2016)). In addition, health is one of the government’s main priorities on the expenditure side of the budget. It is therefore highly relevant to look at gender differences in health and the use of health services.
- The State Budget contains various gender-neutral measures and arrangements of a general character that either benefit women especially or facilitate more gender equality. These measures and arrangements are covered across the different ministries’ budgets, such as the Ministry of Justice and Public Security’s measure to prevent and combat domestic violence, the Ministry of Children and Families’ subsidies for day care for children, benefits for single parents, family allowances, cash benefits for families with small children, children’s pension and paid parental benefits; the Ministry of Health and Care Services’ various action plans and care services that have a direct effect on gender equality; and the Ministry of Education and Research’s funding of an education system that provides equal opportunities for all. These budget measures are typically large (NOK multibillion.) The State Budget also contains various measures that more specifically target women or girls. These measures are also included in different sectoral ministries’ budgets. The Ministry of Culture’s budget is much smaller compared to the ministries mentioned above. In the Norwegian case, it would make more sense to include the other ministries in addition to the Ministry of Finance and the Ministry of Culture, when assessing the GRPFM.
- Despite this formal division of responsibility, most decisions of political and economic importance are taken by the cabinet. Cabinet decisions are made in plenary meetings and are

⁶ <https://www.ssb.no/en/befolkning/artikler-og-publikasjoner/the-distribution-of-financial-resources-between-women-and-men-and-gender-disparities-in-health>

mostly based on consensus. Typically, the cabinet meets in plenary sessions once a week. As a part of this, there is considerable inter-ministerial coordination, including a comprehensive submission practice ahead of any proceedings in the cabinet.

- The Ministry of Finance, in its capacity as ministry of budget and ministry of general economic policy, scrutinises new proposals (regulations and economic measures) for economic and structural consequences before cabinet decisions. The ministry also makes comments on such proposals at an administrative level earlier in the policy formulation cycle. However, these comments are not public as they take part within and between the ministries.
- The Ministry of Culture has a specific responsibility regarding gender and equality mainstreaming and administers the Norwegian Equality and Anti-Discrimination Act. This ministry provides comments on gender and equality mainstreaming when new policy proposals are on submission within the government administration. However, these comments are not public as they take part within and between the ministries.
- A comprehensive Equality and Anti-Discrimination Act entered into force in January 2018, replacing the four previous equality and anti-discrimination acts with just one. The new Act prohibits discrimination on the grounds of gender, pregnancy, maternity/paternity leave in connection to birth or adoption, caring for children or close family members, ethnicity, religion, belief, disability, sexual orientation, gender identity, gender expression or age, or a combination of the abovementioned grounds. The purpose of gathering the acts in one legal framework is to make the legal protection against discrimination more accessible and thus more efficient. The legal framework also reflects how the government organises its work on equality issues. The Ministry of Culture is responsible for leading and coordinating policy development on all discrimination grounds, as well as an intersectional perspective. Today, the government has a more holistic approach when developing new equality policies. Five decades ago, the policy was more about women's and girls' rights. Later, the policies shifted to be more about gender equality. About three decades ago, gender equality challenges faced by men and boys were also addressed more explicitly. Today, the equality policies include gender, age, ethnicity, religion, belief, disability and sexual orientation, gender identity and gender expression, as well as an intersectional perspective.
- The Norwegian regulations that set out regulatory policy and regulatory management tools, including central government administrative regulations, are generally based on requirements of essentiality and relevance. This means there are few absolute detailed mandatory rules other than procedural requirements, elements to be considered and methodologies to be followed if relevant. The body in charge of a regulation has to consider if a regulation will affect important interests (such as equality) in the actual case. There are no formal oversight bodies that can intervene and stop a regulation before adoption because of formal deficiencies. (Regulations can be invalidated by the courts on legal grounds after adoption.)
- For instance, [the Instructions for Official Studies](#) (i.e. the requirements and guidance on preparation of policy proposals) and [the Financial Management Regulations](#) do not mention gender aspects specifically. However, the Financial Management Regulations state that all agencies (including ministries) are to ensure compliance with applicable laws and regulations

(Section 4 *Basic management principles*, letter b) and Section 14 *Internal control*, letter f). The Guidance Notes on the Instructions for Official Studies (Section 3.2.1) state that if measures being prepared will entail major effects in terms of equal opportunities, cf. Section 1 of the Equality and Anti-Discrimination Act, the matter shall be presented to the Ministry of Children and Equality (now: Ministry of Culture). The Ministry of Culture is working on a sector guidance document for gender and equality aspects of Official Studies.

- The mode of decision-making in the Norwegian central government may be characterised by seeking consensus and involving interest groups in policy formulation and evaluation. In many areas the relevant ministry may delegate this authority to a subordinate agency that enjoys a high degree of managerial flexibility. This system enables the solving of actual problems in a flexible way and in accordance with public consensus among affected groups and political authorities. The consensus-based approach to decision-making draws its strength and effectiveness from a close and informal network of contacts within government and society, based on mutual trust. This contrasts with systems based on control from a central unit based on specific criteria.
- In important policy areas, the ministries normally appoint official commissions (sometimes also referred to as public inquiry commissions) to evaluate existing laws and regulations, consider the need for and, if needed, prepare and propose new or amended laws and regulations. Public inquiry commissions are a core element of policy-making in Norway as in the other Nordic countries. The ministries annually establish dozens of large and small commissions to study a case in any policy area. Many of the inquiry commissions lead to reports in the publication series, Official Norwegian Reports (NOU). The NOU reports are published on the Government's web pages. Two central reports are "Structures for Equality" NOU 2011:18⁷ and "Policies for equality" NOU 2012:15.⁸
- The Government reports annually to the Storting on progress regarding the SDGs.⁹ The SDGs were taken into account when the national gender equality indicators (www.kjønnslikestilling.no) were being developed, and several of them feature in the gender equality goals. The website "www.kjønnslikestilling.no" contains a large number of indicators divided into seven themes, and all the indicators specifically assess gender. Many of the figures are intended to be viewed in context with one another. For instance, several statistics are used to indicate educational pathways based on gender. All statistics/indicators are available on kjønnslikestilling.no.
- As of 2020, the Ministry of Local Government and Modernisation has taken over the responsibility for coordinating the annual reporting to the Storting on the SDGs in close cooperation with the Ministry of Foreign Affairs. Each ministry must report on relevant sub-targets set under the SDG goals in their annual budget, which in many cases coincides with the Norwegian government's sector goals and corresponding reports. The reporting on the SDGs on

⁷ https://www.regjeringen.no/globalassets/upload/bld/nou18_ts.pdf

⁸ <https://www.regjeringen.no/globalassets/upload/bld/policy.pdf>

¹⁰ Supplementary Framework for assessing gender responsive budgeting. Guidance for Assessment Teams. PEFA Secretariat August 20, 2019.

gender equality should also be recognised when assessing a country's achievements on gender equality.

The methodology chosen for the PEFA assessment seems to mainly take into account the financial aspects of a government's activities to achieve gender equality results. The indicators and the assessment framework do not seem to take into consideration the differences in political and economic context within each country. This may leave out a great deal of relevant information that could be seen as useful in explaining how a country performs when it comes to gender equality results.

In Norway, the public authorities at the local level have a high degree of autonomy and are responsible for a wide range of public services within e.g. the health and education sector. The municipalities also receive state funding through the Ministry of Local Government and Modernisation. The activities at the local level should also be recognised when assessing the GRPFM.

Last but not least, the development in recent decades has shown us that the assessment may lose important aspects of Norwegian equality policies and results, by merely addressing gender equality and not including other discrimination grounds and an intersectional perspective.

Comments on the report's recommendations (Chapter 2.1)

Norway scores well on international comparisons on gender equality, and has other mechanisms for following up legal and administrative requirements for gender equality (i.e. public statistics, public reports, Ombud, etc.). Against this background, the need for new instruments may be questioned. The PEFA report's recommendations (e.g. Chapter 2.1) on changes in the budget system and financial management to support gender equality should therefore be explored and elaborated further, taking into account Norway's more overarching principles and traditions for public administration and implementation of government policies.

Some specific comments on some recommendations in the assessment report (Chapter 2.1):

- Regarding Recommendation #2: "Strengthen the practices for assessing the distributional effects of large investments ..." The Ministry of Finance will follow up this recommendation by considering this when we are preparing a new guidance document for Concept Alternative Investigations of large public investments.
- Recommendation #5 seems unnecessary: The Central Government Financial Management Regulations already have general requirements for state agencies to operate in accordance with current laws and regulations, implicitly also the Equality and the Anti-Discrimination Act (section 4 on the management principle, first paragraph, letter b and section 14 on internal control, first paragraph, letter f).
- With regard to Recommendation #5, it could be mentioned that there is a (draft) guidance document on gender equality considerations under the Instructions for Official Studies that will be finalised in the near future.

Other comments on the description in the report (Chapter 3)

For two of the indicators, the assessment report distinguishes between what is presented in the Yellow Book (the main budget proposition) and what is mentioned in the formal attachment to the budget (the

budget propositions for each ministry). This is especially the case for GRPFM–5 Sex-disaggregated performance information for service delivery (M2). In the Norwegian system, such a distinction makes little sense. All proposals for budget decisions are specified and explained in the formal attachments to the budget (the budget propositions for each ministry), including conditions for the proposals and proposals for budget authorisations. Within the Norwegian system, as it is based on extensive delegation of authority, it is also more common to present “performance plans for service delivery” in the management dialogue between the ministry and the agency, and not in the budget document. An assessment, like this one, based solely on these indicators, is therefore perceived as too strict of a judgement.

ANNEX 4 Terms of Reference

Terms of Reference (TOR)—Short-Term Consultancy (STC)

PEFA Gender Responsive Budgeting Assessment for Norway

Background

Norway is among the highest ranked countries in different indexes for measurement of gender equality (e.g. UNDP—the Gender Inequality Index; World Economic Forum—Global Gender Gap). Gender equality policies have been successfully integrated into many areas, while other areas lag behind.

The Norwegian Equality and Anti-Discrimination Act came into force as the Gender Equality Act in 1979 and has subsequently been amended several times, most recently in 2018. Norway has also introduced elements of gender budgeting (Gender budgeting in OECD countries, OECD 2017).

Norway is a partner in the PEFA programme. The PEFA Secretariat has developed a new draft assessment framework for gender responsive budgeting (GRB). The framework is proposed to be applied on a voluntary basis in countries where gender equality is a priority for key stakeholders. The framework has been piloted in Ukraine, Indonesia, Tonga and several Caribbean countries. Based on a request from the PEFA Secretariat, the new gender assessment framework is to be piloted in Norway.

Objective of the Consultancy

The purpose of this consultancy is to apply the new draft of the PEFA assessment framework for GRB on the Norwegian budgeting system.¹⁰ This will address the degree to which the state budgeting and the PFM system in Norway is gender responsive. The assessment will focus on the operations of the central government of Norway.

Any dialogue and communication between the consultant and the government officials will be guided by Norad.

Scope of Work

- Conduct desk review to assess the quality of legal framework—including but not limited to the constitutions and budget circular—on the application of gender budget mainstreaming by the budgetary unit (i.e. budget documents) and any other relevant references.
- Collect and analyse data to assess the GRB using the following 10 indicators that are included in the PEFA GRB framework:
 1. New expenditure and revenue policies as presented in the budget documentation
 2. Economic analysis of major investment projects

¹⁰ Supplementary Framework for assessing gender responsive budgeting. Guidance for Assessment Teams. PEFA Secretariat August 20, 2019.

3. Gender responsive budget circular
4. Gender responsive budget documentation
5. Sex-disaggregated performance information for service delivery programmes
6. Can the government track gender equality resources?
7. Procurement
8. Annual financial reports
9. Ex-post gender impact assessments
10. Legislative scrutiny

- Conduct meetings with relevant counterparts and wider stakeholders.
- Prepare an assessment report (draft).
- Once the first draft of assessment report is ready, obtain comments from the stakeholders.
- Prepare a draft final report based on the feedback received from the stakeholders and submit it for review by the PEFA Secretariat and Norad. Incorporate suggestions from the PEFA Secretariat and Norad and submit the Final Report.
- The Final Report will be submitted to Norad.

Deliverables

1. First draft of the assessment report that includes initial findings to be sent to stakeholders for comments
2. Final Report on the PEFA GRB in Norway

Monitoring and Reporting

The consultant will be guided by and will report to Norad.

The consultant will meet with relevant government officials from the Ministry of Finance (contact person is Knut Klepsvik, the Budget Department) and the Ministry of Culture (contact person is Juliet Namuli Birabwa Haveland, the Department for Equality, Non-discrimination and International Affairs). Other relevant ministries may also be consulted. The consultant may also meet with the Norwegian Supreme Audit Office and other relevant stakeholders.

Period of Assignment and Budget

The proposed scope of work will require approximately 10 days, for:

- a. Conducting desk review, collecting and analysing data
- b. Consultations with government officials and other stakeholders in Norway
- c. Finalise the assessment report, incorporating comments from stakeholders
- d. Incorporating comments from the PEFA Secretariat and Norad

The assignment is projected to be carried out within a budget of up to [REDACTED], equivalent to up to 10 working days.

Qualifications

The consultant is expected to have the following qualifications:

- Master's degree or equivalent in Law, Public Administration, Public Finance, the Social Sciences or a related field
- At least eight years of experience in providing consultancy/training/advice to public institutions, decision-makers, experts and/or other relevant parties in GRB
- Demonstrated experience of drafting reports and follow-up recommendations
- Prior knowledge of PEFA assessment and to some degree the PEFA GRB assessment
- Excellent verbal and written communications in English