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# **PEFA ASSESMENT OF GENDER RESPONSIVE PUBLIC FINANCIAL MANAGEMENT, 2021**

## **UKRAINE**





# **PEFA Assessment of Gender Responsive Public Financial Management, 2021**

## **UKRAINE**

February, 2021



**UKRAINE**  
**PEFA Gender Responsive Public Financial Management Assessment 2020**  
**Final report, 9 February 2021**

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

PEFA Secretariat  
February 23, 2021

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## II. LIST OF ABBREVIATIONS AND ACRONYMS

<b>ATC</b>	Amalgamated Territorial Community
<b>BDG</b>	Budgetary Central Government
<b>CoM</b>	Cabinet of Ministers (Cabinet)
<b>FES</b>	Friedrich-Ebert-Stiftung
<b>GoU</b>	Government of Ukraine
<b>GFS</b>	Government Finance Statistics
<b>GRB</b>	Gender Responsive Budgeting
<b>GRPFM</b>	Gender Responsive Public Financial Management
<b>IMF</b>	International Monetary Fund
<b>KSU</b>	Key Spending Units
<b>M1 (WL)</b>	Weakest link method
<b>M2 (AV)</b>	Averaging method
<b>MoF</b>	Ministry of Finance
<b>PEFA</b>	Public Expenditure and Financial Accountability
<b>PFM</b>	Public Financial Management
<b>PIP</b>	Public Investment Projects



## III. INTRODUCTION

### 3.1 Purpose

1. **This assessment of gender responsive public financial management (GRPFM) of the government of Ukraine (GoU) has been conducted using the draft *Supplementary Framework for Assessing Gender Responsive Public Financial Management* and is one of the first pilots using this framework.** The purpose of the PEFA supplementary assessment on gender responsive budgeting (GRB) is to collect information on the extent to which gender is mainstreamed in Ukraine's public financial management (PFM) system and to establish a baseline for future assessments. The government of Ukraine has been at the forefront of introducing and mainstreaming gender, so the assessment results are expected to facilitate the measurement of progress on an initiative that is already underway.

2. **The PEFA GRPFM assessment was carried out as part of the World Bank-led PEFA assessment from April to December 2019.** The assessment covered 2016-2018. The last completed financial year was 2018, the next financial year was 2019, and therefore the last budget submitted to the legislature was 2019.

3. **The Ministry of Finance coordinated the PEFA GRPFM assessment on behalf of the government.** This effort included collecting data, advising the World Bank on individual indicators, and facilitating meetings between the PEFA assessment team and representatives of the Ministry of Finance. In addition, the Ministry of Finance (MoF) assisted with the provision of required information from other government institutions (service delivery ministries).

#### 4. **Review of the assessment report:**

- Validation Report draft circulated on January 25, 2020 to the Government of Ukraine and to peer reviewers from the Delegation of the European Union to Ukraine, World Bank, PEFA Secretariat and the National Democratic Institute (NDI) Ukraine; on January 27, 2020 – to the Vienna University of Economics and Business, and on February 25, 2020 – to the UN Women Country Office in Ukraine.
- Invited reviewers and dates when they provided comments: Ministry of Finance of Ukraine – July 14, 2020 and October 30, 2020; Olena Yena (Program Director, Women Lead, the National Democratic Institute (NDI) Ukraine) – March 3, 2020; Lewis Hawke (Lead Governance Specialist, Public Sector Governance Global Practice, The World Bank) – February 4, 2020; PEFA Secretariat – 1st review on January 29, 2020 and 2nd review on January 27, 2021; Alexandra Janovskaia (First Secretary, Policy Officer; Economic Reforms – Public Finance Management, the Delegation of the European Union to Ukraine) – February 13, 2020; Elisabeth Klatzer (International Gender and Public Expert, the Head of EU GRB Network of Experts, Vienna University of Economics and Business) – February 2, 2020; Dominika Stojanoska (The Head of Office ad interim of the UN Women Country Office in Ukraine) – March 10, 2020.

## 3.2 Background

5. **The government of Ukraine has been at the forefront of introducing gender responsive budgeting or a “gender-oriented approach in the budget,” as it is referred to in the Strategy for PFM 2017-2020.**

Ukraine has a well-established legislative base of gender equality policy, including several laws, policies, and conventions as depicted in the following list:

<b>Legislative Base of Gender Equality Policy in Ukraine</b>
<ul style="list-style-type: none"><li>• Constitution of Ukraine</li><li>• Law of Ukraine on Ensuring Equal Rights and Opportunities of Women and Men</li><li>• Law of Ukraine on the Fundamentals of Prevention and Prevention of Discrimination in Ukraine</li><li>• Law of Ukraine on the Prevention and Remediation of Home Violence</li><li>• Law of Ukraine on the Prevention of Human Trafficking</li><li>• International treaties of Ukraine that the Parliament of Ukraine agreed to be bound by, and resolutions of international conferences, international organization, and their bodies used in the gender legal expert examination according to the Procedure approved by the Cabinet of Ministers of Ukraine Resolution No. 997 of November 28, 2018</li><li>• The Eighth Periodic Report of Ukraine Implementation of the Convention on the Elimination of All Forms of Discrimination Against Women</li><li>• National Review of Implementation of the Beijing Declaration and Platform for Action (1995) and the outcomes of the 23rd Special Session of the UN General Assembly (2000) in the context of the 20th anniversary of the Fourth World Conference on Women and the adoption of the Beijing Declaration and Platform for Action (2015)</li><li>• Strategy for the Public Finance Management System Reform for 2017-2020, approved by the Cabinet of Ministers of Ukraine Order No. 142-p of February 8, 2017</li><li>• Basic Directions of the Budget Policy for 2018-2020, approved by the Cabinet of Ministers of Ukraine Order No. 411-p of June 14, 2017</li><li>• MoF instruction letter on preparation of budget requests for 2019, No. 04110-09-9/20040 of July 27, 2018</li><li>• Methodological Recommendations on Implementing and Using the Gender Responsive Approach in the Budget Process, approved by the Ministry of Finance of Ukraine Order No. 1 of January 2, 2019</li><li>• MoF Order No. 130 of March 29, 2019 “On approval of the Methodological Recommendations on preparation of local budgets for a medium-term period in 2019”</li><li>• MoF Order No. 145 of April 8, 2019 “On approval of the Amendments to the General Requirements to definition of performance indicators of budget programs”</li><li>• MoF instruction letter on preparation of budget requests for 2020-2022, No. 04110-09-10/222087 of September 3, 2019</li><li>• Order of the Ministry of Finance of Ukraine of October 23, 2019 No. 446 "On State Budget Expenditure Reviews" published on August 1, 2020 at <a href="https://www.mof.gov.ua/uk/decrees_2020-412">https://www.mof.gov.ua/uk/decrees_2020-412</a>)</li></ul>

### State Programs and National Action Plans

- State Social Program on Ensuring Equal Rights and Opportunities of Women and Men for the period until 2021, approved by the Cabinet of Ministers of Ukraine Order No. 273 of April 11, 2018
- National Action Plan to implement UN SC Resolution #1325 “Women, Peace and Security” until 2020, adopted by the Cabinet of Ministries of Ukraine on February 24, 2016, # 113, revised on September 5, 2018, # 637-p)
- National Action Plan to implement recommendations of CEDAW to The Eighth Periodic Report of Ukraine Implementation of the Convention on the Elimination of All Forms of Discrimination Against Women

6. **As noted above, the GoU<sup>1</sup> has been introducing gender responsive budgeting or a “gender-oriented approach in the budget” for many years.** In early 2014 the GoU began piloting and introducing gender-oriented approaches, particularly by supporting ex-ante gender analysis of budget programs at the state and local levels (oblasts, rayons, cities, amalgamated territorial communities). The first pilot stage, implemented from 2014-2016, covered the Ministry of Education and Science, Ministry of Social Policy, Ministry of Youth and Sports, and a selected number of oblasts<sup>2</sup>, which performed ex-post analysis of their budget programs. During the first two years of piloting (2014 and 2015), 20 budget programs at the state and regional level were analysed from a gender perspective, and recommendations were made and often implemented to make budget programs more responsive to the needs of beneficiaries, both women and men in different socio-economic positions (examples of where recommendations resulted in more gender responsive programs are shown in the chart “Example of Recommendations and actions taken” below in this section and in Annex 4).

7. **Following the pilot phase, in which gender analysis was performed by the staff of ministries and oblasts, the gender-oriented approach in the budget was first rolled out in 2017 to all oblasts, and selected rayons, cities, and amalgamated territorial communities (ATCs).** In 2018-2019 the approach was rolled out to all the ministries and 38 Key Spending Units (KSU) at the state level. More than 200 budget programs at both state and local level have been analysed from a gender perspective since 2014.

8. **The goal of the ex-post gender analysis of budget programs is to:**

- (i) Determine the extent to which the needs of women and men are met in the budget program implementation process
- (ii) Determine if there is equal access to services
- (iii) Identify gender gaps, gender discrimination, and causes thereof in the respective field/sector
- (iv) Specify ways of closing gender gaps within the program (by including gender responsive objectives, activities and indicators). Gender analysis of a budget program uses data, including

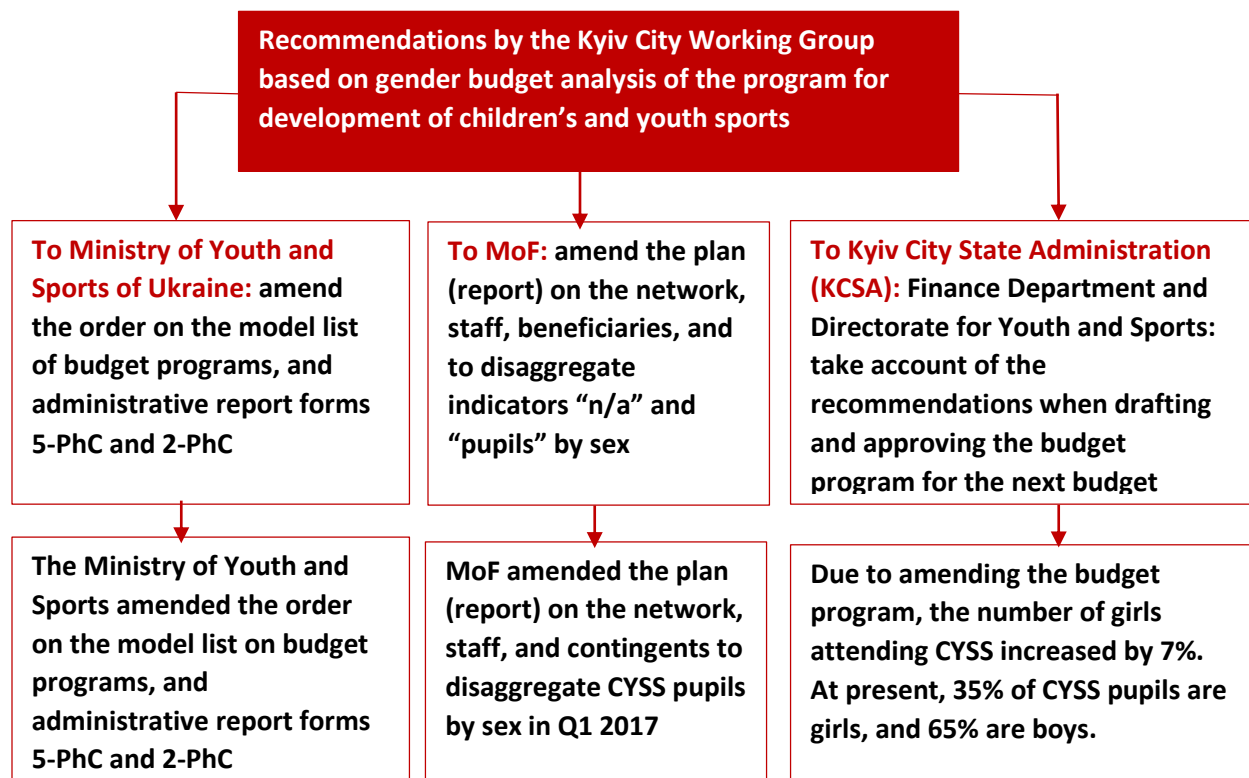
<sup>1</sup> The Ministry of Finance has been working on introducing gender responsive budgeting (in cooperation with and with the support of the “Gender Budgeting in Ukraine” Project (2014-2020), financially supported by Sweden and implemented by a consortium composed of NIRAS and Corporate and Public Management Consulting Group.

<sup>2</sup> Pilot oblasts in 2014 were Ivano-Frankivsk, Kharkiv, Kherson, Zhytomyr, and the city of Kyiv.

sex-disaggregated data, contained in official state statistics, financial, administrative, and other reports, key spending unit’s budget requests, budget program passports and reports on their execution, regulatory legal acts, and other documents that contain information concerning gender equality, and other information sources.

9. **As a result of program gender analysis, recommendations were made to improve gender equality.** Working groups, consisting of heads/decision-makers, finance and sectoral officers (junior, middle management), representatives of the State Statistic Service, and GRB experts, were established at the ministry and oblast levels and provided recommendations for improvement of budget programs. The recommendations were mainly focused on the collection of sex-disaggregated statistics (including gender indicators in programs) and on the improvement of program objectives and activities that contribute to gender equality. Regarding the analysis conducted at the local level, recommendations were made not only to regional administrations but also to relevant sectoral ministries, the State Statistic Service, and the MoF. The figure below provides an example of recommendations and actions taken because of program gender analysis.

#### EXAMPLE OF RECOMMENDATIONS AND ACTIONS TAKEN



10. **Building on the momentum of the pilot programs, and due to the confirmed relevance and benefits of applying GRB to the budget process, the MoF has initiated the institutionalization of the GRB and its application at all levels of government.** The MoF has started the institutionalization of GRB by (i)

including it in the Strategy for Public Financial Management Reforms 2017-2020 adopted by the GoU in February 2017, (ii) committing to GRB implementation as part of the Medium-Term Planning and Program Performance Budgeting, and, (iii) issuing an Order on Methodological Recommendations on Implementing and Using the Gender Responsive Approach in the Budget Process, which recommended that all the KSU at state and local level work on GRB. In addition, the first medium-term Budget Declaration for 2018-2020 included gender consideration and stated that key spending units should adhere to the principle of ensuring equal rights and opportunities of women and men in the formulation of budget indicators. This is an important result to include gender considerations in the Strategy for PFM Reform for 2017-2020.<sup>3</sup>

**11. Starting in 2017, the MoF was supported by the “Gender Budgeting in Ukraine Project” funded by Sweden for the implementation of the Strategy for PFM reforms not only at the state and oblast level but also on other administrative and territorial local levels, including cities of oblast significance, rayons, and amalgamated territorial communities (ATCs).** Local-level GRB integration into Program Performance Budgeting and medium-term planning promotes balancing of local budget revenues and expenditures, bringing services closer to people’s needs, and improves service quality. It should be noted that at the ATC level, the majority of work with GRB was on training and the development of gender profiles of hromadas, but not yet on the specific gender analysis of programs (short information about the GRPFM at the local level is presented in annex 4). GRB is a powerful financial instrument in the process of transition from maintenance of institutions to provision of quality services at the state and local level, that being one of the objectives of the public finance management reform.

**12. Another important development in 2019 was the issuance by the MoF of an Order on Methodological Recommendations on Implementing and Using the Gender Responsive Approach in the Budget Process.** The methodological recommendations can be used by all KSU and other budget process actors to consider gender aspects in the process of planning, implementing, and reporting on the implementation of the budget programs. As outlined in the Order, all KSU are recommended to perform analysis of their budget programs and change the programs to better address the identified issues and the needs of women and men. As per the Order, 38 KSUs already analysed one or more budget programs and some submitted budget requests with gender considerations in 2019.

**13. In addition, the order of the Ministry of Finance No 130 from March 29, 2019 on “Methodological recommendations on preparing local level budgets on medium-term perspective in 2019” also contains a gender aspect.** Per the Order, upon results of gender analysis of budget programs, information on gender activities to reduce gender gaps shall be included in medium-term planning. This document is now implemented at the local level.

**14. Economic Universities in Ukraine have started to train their professors to teach GRB as part of budget system courses.** The University of Fiscal Service Ukraine has been engaged with GRB for several years, in particular to train professors on this innovative part of the budget process of Ukraine and

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<sup>3</sup> Budget Declaration 2020-2023 is currently in the process of adoption, and also contains gender perspective as part of budget process.

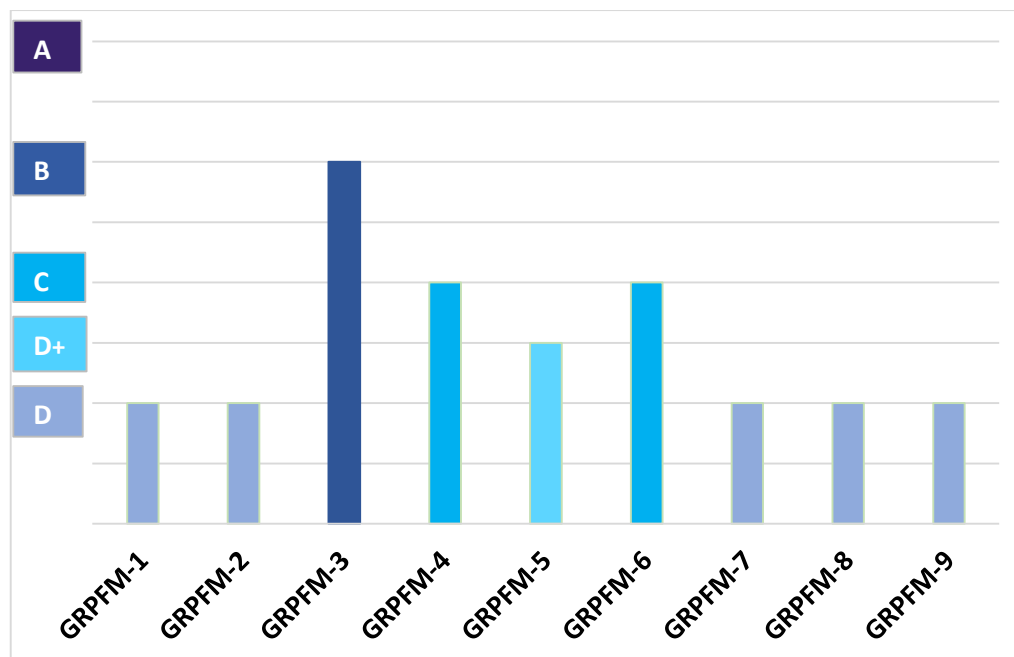
globally. Currently, these universities are developing GRB course for masters students. This work was supported by the Gender Budgeting in Ukraine Project as well. A brief description of project implementation results is provided in Annex 5.

15. **Many development partners have supported the GRB reform in Ukraine.** In addition to substantial assistance from Sweden in the Gender Budgeting in Ukraine Project, other development partners include: UN Women, the National Democratic Institute (NDI) Ukraine, EU through the U-Lead with Europe, USAID through the Pulse, the Friedrich-Ebert-Stiftung (FES), and others.

16. **The MoF included some steps for further roll out of gender-oriented financial management at the local level in the draft of the new PFM Strategy for 2021-2025 and its associated action plan.** Those steps include the need to conduct a gender analysis of budget programs of the state budget, to take gender aspects into account in forecasts of local budgets and improvement of the system of performance indicators of budget programs through introduction of a unified list of gender-oriented indicators. The MoF drafted the new PFM Strategy based on results of 2019 Ukraine PEFA Assessments while results of this report were considered in the strategy's action plan. Both documents are expected to be adopted during the first half of the 2021 calendar year.

## IV. OVERVIEW OF ASSESSMENT FINDINGS

17. The following chart provides a summary of PEFA GRPFM scores for Ukraine.



18. An additional summary of performance indicators at the dimension level is presented in Annex 1.

19. The need to consider gender was prescribed in part in the 2019 budget circular (GRPFM-3, scored B). The circular laid the foundation for the inclusion of sex-disaggregated data in KSU's budget requests. Despite the MoF's efforts, KSUs failed to meet the requirements at a high level; for this reason, the score even for the only indicator affected by the tenets of the budget circular (GRPFM-5.1) is C.

20. Gender responsive budget proposal documentation (GRPFM-4) and tracking budget expenditure for gender equality (GRPFM-6) are also scored C. The budget documents on the draft 2019 state budget contained data on budget measures aimed at promoting gender equality (GRPFM-4) and relevant budget programs mapped ex post to specific gender outcomes, as principles of budget programs formation require (GRPFM-6).

21. However, gender aspects have not yet been included in the proposed changes in revenue and expense policies (GRPFM-1), cases for public investments (GRPFM-2), impact assessments (GRPFM-8), and legislative scrutiny (GRPFM-9).

22. **The GRPFM PEFA scores are lower than the PEFA scores for all the related indicators.** However, the low GRPFM PEFA scores are not associated with specific limitations detected in PEFA indicators. This fact points to a much higher level of PFM on a whole than is characterized in the GRPFM.

23. **For instance, in PEFA PI-15.1 (fiscal impact of policy proposals) a score of C was given due to the availability of policy assessments for the next year only and the lack of the relevant mid-term assessment; however, the corresponding GRPFM-1 indicator was scored D due to the lack of gender-based assessment for even one year.**

24. **Indicator PEFA PI-18 (legislative scrutiny of budgets) offers yet another example.** The overall indicator score was D+ only because the time schedule of the draft budget review by the legislative body had not been met; however, the corresponding GRPFM-9.1 indicator has been scored D because the legislature does not pay attention to the gender impact of budget programs related to the provision of services.

25. **PEFA PI-29 (annual financial reports) provides an additional example.** PI-29 was scored C+ due to the lack of the explanation of differences between national and international accounting standards. However, its related indicator GRPFM-7 (gender informative annual financial reports) has been scored D because the reports are not sufficiently complete. For instance, in the 2018 report, only the Ministry of Social Policy provided detailed data about budget-funded activities focused on promoting gender equality; the share of this expenditure was about 0.01% of total budget expenditure.

26. **A comparison and mapping of the regular national level PEFA assessment (published November 2019) indicators/dimensions with the indicators of this GRPFM assessment can be found in Annex 3.**

27. **The assessment leads to the following findings:**

- Currently, the Ministry of Finance is the only body interested in implementing GRB in Ukraine. In carrying out its key function as guardian of public finance, the MoF plays an important role in making sure that the comprehensive gender-responsive approach is implemented in all aspects of the budgeting cycle (e.g., the budget circular, budget program passports, the Budget Code, etc.) and that a sustained effort is made in gender-responsive PFM. However, the MoF has not been able to achieve material breakthroughs in this process due to the lukewarm interest on the part of other entities. The latter results from, for instance, an insufficiently strong legislative framework of gender integration in the budget process. This applies, inter alia, to the Methodological Recommendations on Implementing and Using the Gender-Respective Approach in the Budget Process<sup>4</sup>, a set of guidelines which is not binding. Thus, KSUs are not required to analyze their programs every year and amend the program to address the detected issues and meet needs of women and men more efficiently as the guidelines prescribe.

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<sup>4</sup> <https://zakon.rada.gov.ua/rada/show/v0001201-19#Text>



- The availability and quality of sex-disaggregated data required for the gender analysis of budget programs are both low, for instance, due to the insufficient volume of the collection of sex-disaggregated data and gender statistics on the performance indicators of budget programs. They are extremely important for assisting policymakers with the analysis and the development of the appropriate, empirically sound budget policies.
- Parliament's capacity for a thorough scrutiny of the budget under a gender lens is limited by the lack of relevant information, the capacity of public officials involved in budgeting and officers of control agencies involved in independent analysis of budget programs from a gender equality standpoint should be increased.
- While public investment management has improved in general, the possibility of reviewing the gender impact of proposed public investment projects has not been considered yet.
- There is a low level of engagement of non-governmental organizations in consultative processes related to gender-based analysis of programs and the entire GRB effort.

## V. DETAILED ASSESSMENT OF GENDER RESPONSIVE BUDGETING

28. The PEFA GRPFM Framework identifies 9 public financial management institutions, processes, and systems across the budget cycle that governments can use to promote gender equality and women’s empowerment. The table below provides a summary of gender responsive PFM tools in place in Ukraine, and the subsection following the table presents a more detailed analysis of findings for each of the indicators and dimensions.

GENDER RESPONSIVENESS OF PFM TOOLS	A	B	C	D	NU
#1: GENDER IMPACT ANALYSIS OF BUDGET POLICY PROPOSALS				D	
#2: GENDER RESPONSIVE PUBLIC INVESTMENT MANAGEMENT				D	
#3: GENDER RESPONSIVE BUDGET CIRCULAR		B			
#4: GENDER RESPONSIVE BUDGET PROPOSAL DOCUMENTATION			C		
#5: SEX-DISAGGREGATED PERFORMANCE INFORMATION FOR SERVICE DELIVERY				D+	
#6. TRACKING BUDGET EXPENDITURE FOR GENDER EQUALITY			C		
#7. GENDER RESPONSIVE REPORTING				D	
#8: EVALUATION OF GENDER IMPACTS OF SERVICE DELIVERY				D	
#9: LEGISLATIVE SCRUTINY OF GENDER IMPACTS OF THE BUDGET				D	

### GRPFM-1: Gender Impact Analysis of Budget Policy Proposals

GRPFM-1: GENDER IMPACT ANALYSIS OF BUDGET POLICY PROPOSALS	D
GRPFM—1.1 GENDER IMPACT ANALYSIS OF EXPENDITURE POLICY PROPOSALS	D
GRPFM—1.2 GENDER IMPACT ANALYSIS OF REVENUE POLICY PROPOSALS	D

#### GUIDING QUESTION

29. Does the government’s analysis of proposed changes in expenditure and revenue policies include information on the impacts on gender?

#### DESCRIPTION

30. This indicator measures the extent to which the government prepares an assessment of the impacts on gender equality of proposed changes in government expenditure and revenue policy. This indicator contains two dimensions (sub-indicators) and uses the M1 (WL) method for aggregating dimension scores.

## MEASUREMENT

31. Good budget practices require government to assess the impacts on beneficiaries of expenditure and revenue policy proposals developed during budget preparation, including new or additional expenditures and proposed reductions in expenditures. Changes in policies can have different impacts on the delivery of services to men and women and to subgroups of those categories.

32. An increasing number of countries perform ex ante gender impact evaluations, analyses, or assessments of policies to understand their envisaged impacts on men and women and subgroups of those categories. The aim is to improve the design and planning of the policy under consideration, in order to avoid any negative impacts on gender equality and to strengthen gender equality through better-designed, transformative policies. This assessment can also be done as part of a spending review process carried out to improve expenditure control and prioritization.

33. For example, an expenditure proposal to expand childcare will likely have a greater impact on women than men because, globally, women are more likely to assume primary parenting responsibilities. Similarly, an expenditure proposal to improve benefits and support for military veterans will likely have more impact on men than women because, globally, men are more likely to be serving in the armed forces (unless the government's explicit gender-specific objective is to increase number of women then it may be important to monitor this particular aspect as well). The assessment under this dimension should only focus on recurrent expenditure.

34. On the revenue side, increasing tax allowances for nonworking spouses, for example, can create disincentives to work, particularly for women, as the global data demonstrate; similarly, changes in the personal income tax can affect different groups of women and men differently. The assessment should focus on proposals with significant, direct impacts on revenue, including, for example, changes in the rates and coverage of corporate income tax, value added tax, personal income tax, customs and excise taxes, and taxes on natural resources. The assessment should focus on the government's own revenue sources.

35. The gender impacts of expenditure and revenue policy proposals typically are prepared by individual budgetary units for their respective policy areas or are prepared by the Ministry of Finance or equivalent central government entity or consolidated by the Ministry of Finance.

### RELATED PEFA INDICATOR/DIMENSION:

PI-15 Fiscal strategy

PI-15.1 Fiscal impact of policy proposals

### COVERAGE: Central government

TIME PERIOD: Last completed fiscal year (2018)

## GRPFM—1.1 GENDER IMPACT ANALYSIS OF EXPENDITURE POLICY PROPOSALS

36. The government prepares information about new expenditure policies and their evaluation while developing the draft state budget for the planning year (changes to the current-year state budget) and includes it in the explanatory memorandum to the relevant document. However, new expenditure policies do not include an information on gender impacts (Annex 6).

37. The score for this dimension is D.

## GRBPFM—1.2 GENDER IMPACT ANALYSIS OF REVENUE POLICY PROPOSALS

38. On the revenue side, the GoU does not conduct any analysis of the impact of the proposed new policies on gender equality. As in the expenditure case, the government prepares information about new revenue policies and their evaluation while developing the draft state budget for the planning year (changes to the current-year state budget) and includes it in the explanatory memorandum to the relevant document. However, new revenue policies do not include an information on gender impacts (Annex 7).

39. The score for this dimension is D.

## GRPFM-2: Gender Responsive Public Investment Management

GRPFM-2: GENDER RESPONSIVE PUBLIC INVESTMENT MANAGEMENT	D
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### GUIDING QUESTION

40. Does the government carry out an analysis of the impacts of major public investment proposals on gender as part of the economic analysis of investment proposals?

### DESCRIPTION

41. This indicator measures the extent to which the robust appraisal methods, based on economic analysis, to conduct feasibility or prefeasibility studies for major investment projects, include the analysis of the impacts on gender.

### MEASUREMENT

42. Public investments can serve as a key driver of economic growth. However, the effectiveness and efficiency of public investment are also key determinants in maximizing the impact of public investment on the government's social and economic development objectives, including achieving gender equality.

43. 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. For example, designing a new public space that is aimed at promoting physical activity but is planned to be located in an area with no street lightning and no safe public transportation

is likely to be perceived as a safety concern for girls and women who are, as a result, less likely to use the space even if the investment project originally was intended to target both men and boys and women and girls equally. The public space also needs to consider the needs of different subgroups of women and men (including factors such as the needs of people with disabilities, the needs of youth and elderly population).

44. Major investment projects for this indicator are defined as projects meeting the following criteria: (a) the total investment cost of the project amounts to 1 percent or more of total annual budget expenditure or (b) the project is among the largest 10 projects (by total investment cost) for each of the 5 largest central government units, measured by investment project expenditure. The term “major investment project” also includes investments implemented through structured financing instruments such as public-private partnerships.

RELATED PEFA INDICATOR/DIMENSION:

PI-11. Public investment management

PI-11.1. Economic analysis of investment proposals

COVERAGE: Central government

TIME PERIOD: Last completed fiscal year (2018)

45. The main investment project prepared following procedure for preparing public investment projects (PIP)<sup>5</sup>, which is determined by a Resolution of the Cabinet of Ministers of Ukraine dated July 22, 2015, #571 “Some Issues of Managing Public Investments.”

46. There is a template to document public investment projects which requires an economic analysis to be conducted however with no requirement to publish the results of this analysis. The template contains, among other things, the section “Analysis of project performance”. This section provides information on:

- Calculation of the cost of the final product
- Calculation of economic performance indicators (for financially sustainable projects)
- Assessment of social and environmental impacts
- Analysis and assessment of benefits from implementing the project (for projects worth over UAH 30 million), including potential beneficiaries and their benefits from the project implementation
- Economic impact assessment
- Projection of state budget revenues
- Analysis of risks and possible ways to mitigate them
- Costs of the project development and implementation

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<sup>5</sup> An investment project implemented through public investment into state-owned assets.

- Operating costs (maintenance) (operations phase)

47. It follows from the list that the analysis does include a social impact forecast but lacks additional requirements for assessing the impact on people of different sex within the framework of that forecast.

48. The Ministry of Economy (MoE) issued Methodological Guidelines on the Development and Assessment of Public Investment Projects (Order No. 1865 of December 22, 2017). The Guidelines describe the contents of the social impact and suggest the following structure for the social impact section:

- Project rationale from the standpoint of socio-cultural and demographic characteristics of the population (the enhancement of a network of social/cultural facilities and improvement of the quality of their service delivery; the level of availability of facilities and the infrastructure affected by the investment project versus Ukraine's national average; the population density)
- Impact of the number of the additional personnel on the employment status of the population in the region
- Program for education and training of specialists for the project implementation
- Occupational health and safety requirements
- Information about the living standards of the population in the region (demography; income; employment status)
- Assessment of social risks under the with-project and no-project options, and risk mitigation measures
- Other information offered by the project developer

49. In terms of the social impact, a brief project overview must include a description of the service availability, the improvement of the quality of products, the conformity with standards and norms, the attainment of the level of European standards, the preservation and creation of jobs, and other forms of impact that are not detailed.

50. Thus, the existing procedure on the preparation of public investment projects does not specifically include gender impact. The GoU does not carry out any analysis of the impacts of major public investment proposals on gender as part of the economic analysis of investment proposals. The information provided in Table 2.1 about a large investment project to be assessed within the framework of this indicator confirms the above findings.

**Table 2.1. Information on the Economic Analysis of a Major Investment Project from the Standpoint of Its Impact on People of Different Sexes**

Major investment projects (>1% of BCG expenditure)	Total investment cost of project in UAH	As a % of top major projects approved	Economic analysis includes analysis of the impacts on gender			
			Completed (Y/N)?	Consistent with national guidelines (Y/N)	Published (Y/N)	Reviewing entity
<b>FY18</b>						
Construction of N-31 Dnipro—Tsarychanka—Kobeliaky—Reshetylivka motor road	17,746,831,577	100%	N	N/A	N/A	N/A
<b>Total/Coverage</b>	<b>17,746,831,577</b>	<b>100%</b>	<b>N</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

Source: PEFA Ukraine 2019, Resolution of the Cabinet of Ministers of Ukraine No. 571 of July 22, 2015; Order of the Ministry of Economy, Trade, and Agriculture Development No. 1865 of December 22, 2017.

51. The score for this indicator is D.

### **Recent and on-going reforms**

52. According to the Methodological Recommendations on Implementing and Using the Gender Responsive Approach in the Budget Process, approved by the Ministry of Finance of Ukraine Order No. 1 of 2 January 2019, if a budget program or a public service provided within the program budget targets the entire population e.g. implementation of investment projects, construction of infrastructure facilities, it is advisable to take measures to identify potential groups of public service recipients and their benefits and interests in terms of any future social, economic or other effects from the implementation of the program or public service. Such language in the Guidelines could pertain to a gender equality impact appraisal as part of the economic analysis of major investment projects.

## **GRPFM-3: Gender Responsive Budget Circular**

**GRPFM-3: GENDER RESPONSIVE BUDGET CIRCULAR**

**B**

### GUIDING QUESTION

53. Does the budget circular(s) require budgetary units to include information on the impacts of their spending proposals on gender equality?

### DESCRIPTION

54. This indicator measures the extent to which the government’s budget circular(s) is gender responsive.

## MEASUREMENT

55. The budget circular is the primary guidance from the Ministry of Finance for budgetary units on how to prepare budget submissions. The guidance provided in the circular or circulars should cover the budget for the entire year (and relevant subsequent years for medium-term budget systems).

56. The budget circular will usually provide instructions for budgetary units on how to set out detailed estimates in accordance with their approved ceilings as well as on how to submit proposals for new spending or potential savings in accordance with government policy priorities. It will normally set out the requirements for budgetary units to provide supporting justification and, if the government is operating a program or a performance- or results-based budgeting system, planned results for both existing and proposed changes in budget allocations.

57. The gender responsive budget circular includes a requirement for budgetary units to provide justification or planned results for the effects on men and women or on gender equality of the following:

- Proposed new spending initiatives
- Proposed reductions in expenditures

58. The GRPFM circular also requires budgetary units to include sex-disaggregated data for actual or expected results.

## RELATED PEFA INDICATOR/DIMENSION:

PI-17. Budget preparation process; PI-17.2 Guidance on budget preparation

## COVERAGE: Budgetary central government

## TIME PERIOD: Last budget submitted to the legislature (2019)

59. The Budget Resolution 2019-2021 placed a special focus on including gender aspects in the budget requests of the pilot ministries and other KSUs. The first step towards integration of gender recommendations in the budget circular was already done in 2016 for pilot line ministries, asking them to include respective changes in their budget requests, as per their gender analysis of the programs. The MoF's letter to KSUs on the preparation of 2019-2021 budget requests did not require them to provide justification or demonstrate planned results of the impact on men and women or on the gender equality as a part of new policies or the expenditure reduction. However, the letter did require that sex-disaggregated data be provided in budget requests. More specifically, the Ministry of Youth and Sports, the Ministry of Regional Development, Construction, and Housing and Utilities, and the Ministry of Energy and Coal Industry, as well as the State Police submitted information to the MoF in consideration of a gender perspective in the formulation of budget indicators for 2019-2021 according to the format established by the MoF (this information was not published).



60. The score for this dimension is B.

## GRPFM-4: Gender Responsive Budget Proposal Documentation

### GRPFM-4: GENDER RESPONSIVE BUDGET PROPOSAL DOCUMENTATION

C

#### GUIDING QUESTION

61. Does the government's published budget proposal documentation include information on gender priorities and budget measures aimed at strengthening gender equality?

#### DESCRIPTION

62. This indicator assesses the extent to which the government's published budget proposal documentation includes additional information on gender priorities and budget measures aimed at strengthening gender equality.

#### MEASUREMENT

63. The government's budget proposal documentation sets out, among other things, the government's expenditure and revenue plans for the budget year and, in the case of medium-term budgets, the two following fiscal years. Gender responsive budget documentation also includes information on the following:

- An overview of government's policy priorities for improving gender equality. This needs to be presented in a specific section of the budget proposal documentation
- Budget measures aimed at promoting gender equality. This information would include specific revenue and expenditure initiatives aimed at promoting gender equality
- Assessment of the impacts of budget policies on gender equality. This assessment would include an overview of the findings of ex ante impact assessments and a description of the envisaged outcomes and impacts of policies targeting a specific gender or gender equality.

64. Such information helps the government to articulate its plans for implementing gender responsive policies and programs by identifying the resources being allocated to reach strategic goals regarding gender impacts, as well as to put in place systems for measuring the results of those policies.

65. Sometimes governments may publish this information in the form of a gender budget statement (which is usually described as a gender-specific accountability document produced by the government agency to demonstrate its programs and budget in respect of gender and gender equality); at other times, such information may be incorporated into the standard budget documentation.

66. Such information may also be presented in the form of a budget paper from a particular ministry or the whole of government on how policies, programs, and related budgets fulfil the government's gender equality objectives.

67. Similarly, as with PEFA PI–9, Public access to fiscal information, public access is defined as availability without restriction, within a reasonable time frame, without a requirement to register, and free of charge.

68. Budget documentation refers to the executive’s budget proposals for the next fiscal year or, in the case of medium-term budgets, the two following fiscal years, with supporting documents, as submitted to the legislature for scrutiny and approval.

RELATED PEFA INDICATOR/DIMENSION:

PI-5. Budget documentation, and

PI-9. Public access to fiscal information

COVERAGE: Budgetary central government

TIME PERIOD: Last budget submitted to the legislature (2019)

69. In 2018, the Ministry of Finance did require that sex-disaggregated data be provided in budget proposals for 2019-2021 (see GRPFM 3). However, the KSUs in question supplied this information to the MoF in a separate form and it was not presented to the legislature.

70. The Ministry of Social Policy, as a central public authority authorised to ensure equal rights and opportunities for women and men, provided detailed data about budget-funded activities focused on promoting gender equality in its budget request for 2019-2021 submitted to the Budget Committee of the Parliament. The budget request for a budget program Social Protection of Children, Families, Women and Other Most Vulnerable Categories of the Population contained performance indicators reflecting activities focused on promoting gender equality, for example:

- Implementing measures and activities under the National Action Plan until 2020 under the United Nations Security Council Resolution 1325 on Women, Peace and Security
- Implementing measures and activities prescribed by the state Social Program for the Assurance of Equal Rights and Opportunities for Women and Men until 2021
- Preparing statistics and analytics (gender portraits, infographics) on the equality of rights and opportunities of women and men in the fields of security and defense, healthcare, welfare, labor and employment, education, culture, agriculture, environment, fitness and sports, youth policy, and on their consideration in management decision making
- Having mass media develop public service announcements focused on preventing discrimination based on sex, for instance, against elderly women; girls and women from rural areas, girls and women with disabilities, representatives of ethnic minorities, HIV positive or drug-addicted girls and women

71. However, the budget documents on the draft 2019 state budget contained neither an overview of government’s policy priorities for improving gender equality, nor an assessment of the impacts of budget policies on gender equality.

72. The score for this indicator is C.

### ***Recent and on-going reforms***

73. The GoU is working on developing the gender budget statement form possibly as an annex to the draft law on the state budget. It would be submitted in a prescribed form by all KSUs along with their budget requests to highlight the identified gender gaps in certain sectors and the proposed action to enhance the efficiency of the use of the budget funds. Such a requirement for all pilot ministries and a recommendation for other line ministries were stated in the MoF instructive letter No. 04110-09-10/22087 of September 3, 2019. At the local level, Local Budget Department of Ministry of Finance recommended that the process of drafting local budgets at all levels should consider the gender equality aspect identified in the gender equality analysis of programs. A gender budget statement can be an important accountability document highlighting the work done in the budget.

## **GRPFM-5: Sex-Disaggregated Performance Information for Service Delivery**

<b>GRPFM-5: SEX-DISAGGREGATED PERFORMANCE INFORMATION FOR SERVICE DELIVERY</b>	<b>D+</b>
<b>GRPFM—5.1. SEX-DISAGGREGATED PERFORMANCE PLANS FOR SERVICE DELIVERY</b>	<b>C</b>
<b>GRPFM—5.2. SEX-DISAGGREGATED PERFORMANCE ACHIEVED FOR SERVICE DELIVERY</b>	<b>D</b>

### **GUIDING QUESTION**

74. Does the government’s published budget documentation include sex-disaggregated performance information for service delivery programs?

### **DESCRIPTION**

75. This indicator measures the extent to which the government’s budget documentation includes sex-disaggregated performance information for service delivery programs, including in performance plans and reports on performance achieved. It contains two dimensions (sub-indicators) and uses M2 (AV) method for aggregating dimension scores.

### **MEASUREMENT**

76. Promoting the efficiency and effectiveness of public service delivery is a core objective of the public financial management system. The inclusion of performance information within budgetary documentation is considered international good practice. It strengthens the accountability of the executive for the planned and achieved outputs and outcomes of government programs and services.

77. Increasingly, governments have been including sex-disaggregated data in their performance-based budgeting systems to facilitate discussions regarding the impacts of their programs and services on men and women, including different subgroups of these categories, and on gender equality.

78. Sex-disaggregated data also help policy makers to assess and develop appropriate, evidence-based responses and policies.

79. Service delivery refers to programs or services that are provided either to the general public or to specifically targeted groups of citizens, whether fully or partially using government resources. They include education and training, health care, social and community support, policing, road construction and maintenance, agricultural support, water and sanitation, and other services. They exclude services that are provided on a commercial basis through public corporations as well as policy functions, internal administration, and purely regulatory functions undertaken by the government, although performance data for these activities may be captured for internal management purposes. Also excluded are defense and national security.

80. Performance information refers to output and outcome indicators and planned results against those indicators. An output is the actual quantity of products or services produced or delivered by the relevant service (program or function). An outcome is the measurable effect, consequence, or impact of the service (or program or function) and its outputs. Activities are specific tasks or functions of a service delivery or program. Performance information on gender equality can be included in program objectives, activities, outputs, and outcomes.

81. Performance information may be included in performance plans, which include the annual budget documents, presented as a supplementary document or published separately by each line ministry, and in performance reports, presented either in the executive's budget proposal or in an annual report or other public document, in a format and at a level (program or unit) that is comparable to the plans previously adopted within the annual or medium-term budget.

RELATED PEFA INDICATOR/DIMENSION:

PI-8. Performance information for service delivery

PI-8.1. Performance plans for service delivery

PI-8.2. Performance achieved for service delivery

COVERAGE: Central government. Services managed and financed by other tiers of government should be included if the central government significantly finances such services through reimbursements or earmarked grants or uses other tiers of government as implementing agents.

TIME PERIOD:

For GRPFM–5.1, next fiscal year (2019)

For GRPFM–5.2, last completed fiscal year (2018)

82. Eleven ministries of the central government were identified as providers of public services. Budget programs of the ministries associated with the delivery of public services were included in this assessment under GRPFM-5 and GRPFM- 8. Table 5.0 provides information about the gender-responsive performance plans for service delivery and performance achieved by the service delivery ministries.

**Table 5.0. Gender-responsive Performance Plans and Achievements of the Service Delivery Ministries**

Ministry	Expenditure structure of service delivery ministries (SDMs) (in 2019 original budget), %	GRPFM–5.1 Sex-disaggregated performance plans for service delivery		Expenditure structure of service delivery ministries (in 2018 actual expenditure) , %	GRPFM–5.2 Sex-disaggregated performance achieved for service delivery	
		Sex-disaggregated data on planned outputs (% in expenditures of SDMs)	Sex-disaggregated data on planned outcomes (% in expenditures of SDMs)		Sex-disaggregated data on actual outputs (% in expenditures of SDMs)	Sex-disaggregated data on actual outcomes (% in expenditures of SDMs)
Ministry of Interior	37.1	29.4	0.0	35.3	0.0	0.0
Ministry of Foreign Affairs	0.0	0.0	0.0	0.0	0.0	0.0
Ministry of Culture	2.5	0.0	0.0	2.4	0.0	0.0
Ministry of Education and Science	25.5	0.0	0.0	24.3	0.0	0.0
Ministry of Health	13.0	5.0	5.0	13.0	5.2	5.2
Ministry of Ecology and Natural Resources	0.0	0.0	0.0	0.0	0.0	0.0
Ministry of Social Policy	7.3	0.1	0.0	9.6	0.1	0.0
Ministry of Regional Development, Construction and Housing	1.6	0.01	0.0	1.7	0.01	0.0
Ministry of Infrastructure	0.4	0.0	0.0	0.4	0.0	0.0
Ministry of Youth and Sports	2.3	0.0	0.0	2.2	0.0	0.0
Ministry of Justice	10.3	0.0	0.0	11.1	0.0	0.0
Total	100.0	34.4	5.0	100.0	5.3	5.2

Source: Passports of 2019 budget programs and reports on the performance of budget program passports in 2018 under budget programs associated with the delivery of services from ministries that deliver the services in question.

## **GRPFM—5.1 SEX-DISAGGREGATED PERFORMANCE PLANS FOR SERVICE DELIVERY**

83. In Ukraine, budget formulation, execution and reporting are based on all levels of administrative, economic and functional classification and are GFS/COFOG<sup>6</sup> compliant. Program classification is used as well. The gender perspective in the budget program should be reflected in its title, goal, objectives, fund utilization areas and performance indicators, including public services provided within the budget program, public service recipients and providers, and approaches to determination of the amount of funds and their allocation within the budget.

84. In 2018, the three ministries with several programs (the Ministry of Youth and Sports, the Ministry of Regional Development, Construction, Housing and Utilities, and the Ministry of Energy and Coal Industry), and the state police, submitted information to the MoF on consideration of a gender perspective in the formulation of budget indicators for 2019-2021 according to the format established by the MoF. According to the format, ministries should include results from gender analysis, and improvements coming from the analysis in their budget requests. This concerns changes in objectives, activities and performance indicators. As this is the early stage in overall implementation of GRB, the ministries are in most cases only providing sex-disaggregated information on the planned outputs. In addition, some other ministries that were previously doing gender analysis of their budget programs have included sex-disaggregated data in their analyzed programs, or programs that were analyzed at oblast level (based on the analysis the sex-disaggregated information is published annually on the planned outputs for service delivery by some ministries, and within several programs (Ministry of Youth and Sports, Ministry of Education)).

85. It is evident from Table 5.0 that four of the selected ministries specified sex-disaggregated planned output indicators (34.4% of the expenditure for budget programs associated with the delivery of services from ministries that deliver the services in question), while one ministry specified sex-aggregated planned outcome indicators (5.0%).

86. The score for this dimension is C.

## **GRPFM—5.2 SEX-DISAGGREGATED PERFORMANCE ACHIEVED FOR SERVICE DELIVERY**

87. A few ministries are providing sex-disaggregated information on the actual outputs within the programs which were analyzed. It is evident from Table 5.0 that three of the selected ministries specified sex-disaggregated actual output indicators (5.3% of the expenditure for budget programs associated with the delivery of services from ministries that deliver the services in question), and one ministry specified sex-aggregated actual outcome indicators (5.2%).

88. The score for this dimension is D.

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<sup>6</sup> Government Financial Statistics / Classification of the Functions of Government.

89. The importance of collecting sex-disaggregated data in plans and performance reports for service delivery can be illustrated by an all-gender analysis of budget programs performed in the health sector (Box 1).

***Box 1. Importance of collecting sex-disaggregated data for performance achieved for service delivery***

Health issues in Ukraine follow very distinct patterns that are influenced by gender differences and gender roles. Life expectancy at birth has been one of the lowest in Europe. According to data of the Ministry of Health, in 2018 life expectancy for Ukrainian women was 76.3 years; for men it was 66.4 years. Gender differences like this and gender gaps were found in every budget program in health analysed since 2015.

For example, budget programs related to viral hepatitis, tuberculosis, and HIV/Aids all showed a higher prevalence of diseases among men. In 2016 in Ukraine, the ratio of men and women with the first diagnosis of active tuberculosis was: 68.2% to 31.8%, respectively; for HIV / AIDS - 61.7% to 38.3%, respectively (State Statistics Service of Ukraine, 2017). Men not only have a higher rate of tuberculosis, but also a greater percentage of relapses and high rates of multi-drug resistant to tuberculosis because of gender-specific divergences in behaviour, e.g., interruptions in drug intake (Gender Budgeting in Ukraine Project brochure 2016, pages 37-38). Also, tuberculosis-HIV/Aids co-infection rates, which are a serious health concern in Ukraine, are especially high among men. In 2015 in the Ivano-Frankivsk oblast the number of new co-infections among the rural population increased two-fold, from 21.7% to 45.6% of persons who were checked. The growth was caused by a 2.5-times increase in the number of infected men from rural areas (GRB Project 2016, page 37).

It should be noted that sex-disaggregated data were not used within these budget programs, which led to prevention not being targeted to risk groups defined in above gender analysis. In all analysed programs, the first recommendation was to start collecting sex-disaggregated data on patients, both in the planning and reporting stages, so that gaps are visible within budget programs and that measures can be targeted towards closing existing gender gaps.

## GRPFM-6: Tracking Budget Expenditure for Gender Equality

### GRPFM #6: TRACKING BUDGET EXPENDITURE FOR GENDER EQUALITY

C

#### GUIDING QUESTION

90. Does the government have the capacity to track expenditure for gender equality?

## DESCRIPTION

91. This indicator measures the government's capacity to track expenditure for gender equality throughout the budget formulation, execution, and reporting processes.

## MEASUREMENT

92. Gender responsive public financial management is built on the premise that public spending can be used as an instrument for achieving gender equality. To have significant impacts on men and boys, women and girls, and different subgroups of these categories, public spending must be budgeted and disbursed for activities that help to achieve these desired impacts.

93. It is therefore important that resources planned to promote gender equality are actually disbursed, that there is a way to track those resources, and that no major adjustments are made to allocations that are not authorized by the legislature.

94. The capacity to track expenditure in line with the budget proposal is important from the governance and accountability perspective, as it gives the assurance that resources are being used for the purposes intended. From a GRPFM perspective, this means that resources spent reached the targeted genders or subgroups of men and women and provided them with meaningful benefits.

95. In order to understand the impacts of public spending on gender equality, tracking of expenditure should focus not only on budget policies that are explicitly labeled as such (examples include expenditure allocated to the national gender machinery, such as the Ministry of Gender, or expenditure allocated to addressing gender-based violence) but also on policies that are provided to the general public but target a specific gender (for example, a project focusing on decentralization and local governance that has a specific objective to strengthen women's participation in decision making at the local level).

RELATED PEFA INDICATOR/DIMENSION: PI-4. Budget classification

COVERAGE: Budgetary central government

TIME PERIOD: Last completed fiscal year (2018)

96. There is no separate tracking number or classification of expenditure and revenue based on gender. The budget classification and chart of accounts in Ukraine are aligned and allow tracking of expenditure based on economic, administrative, functional and program classifications, and revenue based on revenue classification. The budget classification is harmonized with the IMF Government Finance Statistics Manual 2001 in line with the Final Methodology Wording within the framework of the IMF Special Data Dissemination Standard.



97. Budget program codes are comprehensive and include the 1st and 2nd levels of the administrative classification and the budget program number. Sometimes the budget program number contains specific digits, such as '01' for the operation of state authorities, '6X' for investment projects financed with the support from IFIs, '7X' for expenditures from the (contingency) reserve fund, and '8X' for public investment projects. A budget program code is a sequence number within the appropriate 2nd level of the administrative classification and (if necessary) within the above-mentioned features (6X to 8X).

At the same time relevant budget programs mapped ex post to specific gender outcomes, as principles of budget programs formation require. For example, as mentioned in GRPFM-4, the Ministry of Social Policy provides detailed data about budget-funded activities focused on promoting gender equality. This data is presented as directions of use of funds within the budget program "Activities for the social protection of children, families, women and other most vulnerable categories of the population" in Ministry's budget program execution report. Directions of use of funds within the budget program are not classified and not tracked during budget execution. Further, as the Methodological Recommendations on Implementing and Using the Gender Responsive Approach in the Budget Process<sup>7</sup> require, KSUs define gender sensitive and neutral budget programs based on the budget program gender analysis, produce the results of the analysis in the prescribed form, and monitor the gender sensitive budget programs during the budget process.

98. The score for this indicator is C.

## GRPFM-7: Gender Responsive Reporting

### GRPFM #7: GENDER RESPONSIVE GOVERNMENT ANNUAL REPORTS

D

#### GUIDING QUESTION

99. Do the government's published annual budget execution reports include information on gender related expenditure and revenue?

#### DESCRIPTION

100. This indicator measures the extent to which the government prepares and publishes annual budget execution reports that include information on gender related expenditure and revenue.

#### MEASUREMENT

101. Governments have been increasingly producing reports on the implementation of their budget policies that include information on gender-related expenditure and revenue. Countries' practices in producing gender responsive annual reports vary.

102. Regardless of the format, the reports should include information on the following:

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<sup>7</sup> Approved by the MoF's Order No. 1 of January 2, 2019.

- An analysis of 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.
- Data on gender-related expenditure. This information would include key figures on resources allocated for budget policies targeting gender equality.
- 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 gender or gender equality have been achieved.
- Sex-disaggregated data on budgetary central government employment. The inclusion of sex-disaggregated data on employment allows for the measurement of how employment in budgetary central government units is distributed between women and men, which is a key basic indicator of gender equity. Sex-disaggregated employment data that are broken down further by types of position include sex-disaggregated data on administrative, technical, operational, managerial positions, or others, as relevant. This type of data facilitates discussions on equal employment opportunities and consideration of any types of corrective measures needed.

#### RELATED PEFA INDICATOR/DIMENSION

PI-9. Public access to fiscal information (basic element 4)

PI-29. Annual financial reports

#### COVERAGE

Budgetary central government

#### TIME PERIOD

Last completed fiscal year (2018)

103. The GoU prepares and publishes the annual budget execution reports on the website of the Treasury (<https://www.treasury.gov.ua/ua/file-storage/vikonannya-derzhavnogo-byudzhetu>). These reports provide, inter alia, expenditure indicators according to the functional, economic, and program classification and revenue reports based on the budget revenue classification. In addition, the government submits an explanatory memorandum to the Parliament together with its draft outturn report ([http://w1.c1.rada.gov.ua/pls/zweb2/webproc4\\_1?pf3511=65768](http://w1.c1.rada.gov.ua/pls/zweb2/webproc4_1?pf3511=65768)). These reports and the explanatory note do not include information on (i) gender outcomes; (ii) data on gender related expenditure and/or revenue; and (iii) assessment of the implementation of budget policies and their impacts on gender equality; (iv) sex-disaggregated data on BCG employment.

104. At the same time KSUs prepare budget execution reports which contain data on gender related expenditure as directions of use of funds (see also GRPFM-6). All KSUs formally comply with the reporting

requirement and this information reaches the Parliament as an integral part of the overall annual budget execution report.

105. But only the Ministry of Social Policy provided detailed data on gender-related expenditure (GRPFM-4) in 2018; the share of this expenditure was about 0.01% of total budget expenditure. Other service delivery KSUs did not present figures on resources allocated for budget policies targeting gender equality.

106. The score for this indicator is D.

## GRPFM-8: Evaluation of Gender Impacts of Service Delivery

### GRPFM-8: EVALUATION OF GENDER IMPACTS OF SERVICE DELIVERY

D

#### GUIDING QUESTION

107. Does the government include an assessment of impacts on gender equality as part of the evaluations of efficiency and effectiveness of service delivery?

#### DESCRIPTION

108. This indicator measures the extent to which independent evaluations of the efficiency and effectiveness of public services include an assessment of the impacts on gender equality.

#### MEASUREMENT

109. It is important that men and women in different socioeconomic positions have equitable access to the full range of public services provided by government and that such services meet gender-specific needs.

110. Evaluations of the impact of public services on gender and gender equality provide an important feedback to the initial design of services as well as any other unintended consequences for the provision of services for men and women and different categories of these subgroups. Such evaluations can include, but are not limited to, program evaluation, assessment, and analysis; performance audits; public expenditure reviews; and ex post impact assessments. In some cases, a separate gender-sensitive evaluation may be undertaken, although it is more desirable to include the assessment of gender impacts in the regular evaluation processes.

111. Ex post impact assessment that includes gender equality impacts can be carried out at the completion of a program or a service or during implementation in order to obtain feedback and use results to refine or redesign the program or service.

112. Ex post impact assessment reports that include an element of gender equality impacts build on sex-disaggregated data to measure results and long-term outcomes for men and women. They provide information on the efficiency of programs or services with respect to equal access and equality; whether means and resources are used efficiently to achieve improved benefits for women and men; and whether costs and benefits have been allocated and received equitably. They also provide information on the effectiveness of programs or services by providing information on whether programs or services were effective in achieving gender equality and whether they contributed to the achievement of the planned outputs and outcomes and benefited a specific gender target group in line with planned expectations.

113. Including gender equality impacts assessment as part of ex post evaluations also enables evaluators to review both the expected and unexpected impacts of programs or services on wider policies, processes, and programs that enhance gender equality and women's rights. This review can include, for example, whether programs or services had an impact on increasing the number of women entering STEM professions, increasing the number of women setting up information technology businesses, reducing the number of cases of gender-based violence, or increasing the number of men taking paternity leave to care for their children.

114. Ex post evaluations that include gender equality impacts assessment are considered within the scope of this question if they cover all or some aspects of service delivery or if they are cross-functional and incorporate service delivery functions.

RELATED PEFA INDICATOR/DIMENSION:

PI-8. Performance information for service delivery

PI-8.4. Performance evaluation for service delivery

COVERAGE: Central government. Services managed and financed by other tiers of government should be included if the central government significantly finances such services through reimbursements or earmarked grants or uses other tiers of government as implementing agents.

TIME PERIOD: Last three completed fiscal years (2016-2018)

115. Upon the Parliament's approval of an annual budget, KSU published passports of budget programs which include disaggregated data on planned performance. This was done based on gender analysis of the programs. The Passports are delivered on a standardized template which requires the KSUs to include information on the program-related state policy goals, used budget funds use, objectives, and key performance indicators (KPIs). The methodology prescribed under the MoF Decree no. 1536 "For preparation of the quantitative and qualitative KPIs", requires the KSUs to develop indicators of cost (input), product (output), performance (efficiency) and quality (effectiveness) in service delivery, which cover KSUs' and their subordinate spending units' activities, outputs and outcomes. As of recently, some of the KSUs budget programs include gender considerations and sex-disaggregated KPIs.

116. During the last completed fiscal year (2018), 17 budget programs at state level were analyzed with the support of the “Gender Budgeting in Ukraine Project.” Gender gaps were identified, and clear recommendations formulated for addressing such gaps. The analyzed budget programs allocated UAH 8,891,400 thousand, and account for 1.6% percent of total expenditures of state budget (without interbudgetary transfers). In 2017 and 2016 an additional 9 programs were analyzed at the state level which account for less than 1% of the state budget.

117. The analyzed programs of service delivery ministries accounted for 6.1% in 2016, 5.0% in 2017, and 1.9% in 2018 of the total volume of service delivery programs of these ministries (see Table 8.1). The above analyses have been carried out by officers of the ministries implementing budget programs directly with support from the GRB project. Therefore, these analyses cannot be considered independent and they have never been published.

**Table 8.1. Impact Assessment of Service Delivery on Gender Equality by Service Delivery Ministries**

Ministry	Expenditure structure of service delivery ministries (SDMs), %			Evaluation of impacts of service delivery on gender equality, % of evaluated budget programs in expenditures of SDMs, %		
	2016	2017	2018	2016	2017	2018
Ministry of Interior	36.8	34.1	35.3			0.3
Ministry of Foreign Affairs	0.05	0.04	0.04			0.02
Ministry of Culture	1.4	2.0	2.4		1.6	0.3
Ministry of Education and Science	30.9	27.7	24.3	5.8		
Ministry of Health	11.8	14.4	13.0			
Ministry of Ecology and Natural Resources	0.02	0.03	0.04			
Ministry of Social Policy	8.8	9.3	9.6		2.2	
Ministry of Regional Development, Construction and Housing	0.3	0.3	1.7			0.01
Ministry of Infrastructure	0.2	0.3	0.4			0.8
Ministry of Youth and Sports	1.6	2.1	2.2	0.2	1.3	
Ministry of Justice	8.1	9.7	11.1			0.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>6.1</b>	<b>5.0</b>	<b>1.9</b>

*Source: Reports by the State Audit Service and the Accounting Chamber on the audit of the outturn of the state budget and budget programs in 2016-2018; analyses of the 2016-2018 budget program outturn under the gender-equality lens prepared by the selected ministries with the involvement of the GRB project.*

- 118. An example of a good gender analysis of budget programs at the state level is presented in Annex 8.
- 119. The score for this indicator is D.

**Recent and ongoing reforms**

120. In FY2019, 50 budget programs of 33 institutions were analyzed at state level. They allocated UAH 82,344,129 thousand, which accounts for 12% percent of total expenditures of the state budget (without interbudgetary transfers)<sup>8</sup>. It is expected that more budget programs will be analyzed by the end of the fiscal year.

**GRPFM-9: Legislative Scrutiny of Gender Impacts of the Budget**

<b>GRPFM #9: LEGISLATIVE SCRUTINY OF GENDER IMPACTS OF THE BUDGET</b>	<b>D</b>
<b>GRPFM—9.1. GENDER RESPONSIVE LEGISLATIVE SCRUTINY OF BUDGETS</b>	<b>D</b>
<b>GRPFM—9.2. GENDER RESPONSIVE LEGISLATIVE SCRUTINY OF AUDIT REPORTS</b>	<b>D</b>

GUIDING QUESTION

121. Does the legislature’s budget and audit scrutiny include the requirement to examine the impacts of the budget on gender equality?

DESCRIPTION

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

MEASUREMENT

123. In most countries, the legislature awards the government’s authority to spend, through passage of the annual budget law.

124. Legislative budget scrutiny can include internal organizational arrangements that require budget parliamentary committees or dedicated gender policy committees, which can be fully dedicated to the issue or have a combined portfolio, to provide an analysis of the impact of the proposed budget policies on gender.

125. Legislative budget scrutiny can also include public hearings as well as presentations by gender advocacy groups, at the request of the legislature or legislative committee, to provide technical support or requirements for gender impact assessments of budget policies.

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<sup>8</sup> The total expenditure of the state budget for 2019 (without interbudgetary transfers) is UAH 668,924,307 thousand, which is the product of 474 budget programs.

126. 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 programs and services.

127. The legislature has a key role to play in exercising scrutiny not only over the budget but also over execution of the budget that it has approved.

128. A common way in which this is done is through a legislative committee or commission that examines the external audit reports and questions responsible parties about the findings of the reports. This indicator focuses on all types of audits (while PI–31 Legislative scrutiny of audit reports only focuses on financial audits). For a definition of gender audits, please see the measurement guidance under GRPFM–8 Evaluation of Gender Impacts of Service Delivery.

129. Service delivery for this question refers to programs or services that are provided either to the general public or to specifically targeted groups of citizens, either fully or partially using government resources. They include education and training, health care, social and community support, policing, road construction and maintenance, agricultural support, water and sanitation, and other services. They exclude services provided on a commercial basis through public corporations as well as policy functions, internal administration, and purely regulatory functions undertaken by the government, although performance data for these activities may be captured for internal management purposes. Also excluded are defense and national security.

130. Similarly, as with PEFA PI–9, public access is defined as availability without restriction, within a reasonable time frame, without a requirement to register, and free of charge.

#### RELATED PEFA INDICATOR

PI-18. Legislative scrutiny of budgets

PI-31. Legislative scrutiny of audit reports

#### COVERAGE

Budgetary central government

#### TIME PERIOD

GRPFM—9.1 Last completed fiscal year (2018)

GRPFM—9.2 Last three completed fiscal years (2016-2018)

### **GRPFM—9.1 GENDER RESPONSIVE LEGISLATIVE SCRUTINY OF BUDGETS**

131. In Ukraine, the legislature’s scrutiny of fiscal year 2018 covered fiscal policy and aggregate figures for the next year, detailed calculations of expenditure and revenue, and macroeconomic indicators

developed by the Ministry of Economic Development and Trade and presented by the government in an explanatory note attached to the draft budget. Together with the draft 2019 state budget law, the government submitted to the legislature a list of target government programs to be funded and explanations of key spending units for the draft 2019 state budget law.

132. However, gender impact of government's fiscal policies or budget have not being considered in the above-mentioned documents.

133. The score for this dimension is D.

#### **GRPFM—9.2 GENDER RESPONSIVE LEGISLATIVE SCRUTINY OF AUDIT REPORTS**

134. In Ukraine, the legislature's scrutiny of audit reports does not include a review of the gender equality impacts of service delivery programs. The annual report on the outcomes of ACU's activities is submitted to the Parliament. However, the regular hearings, which are public, are used only to discuss the ACU's findings on the general reports on execution of the state budget, prepared by the MoF on a quarterly and annual basis. These reports do not contain gender impact reflections at this point. For other ACU's reports, such as specific audit reports, hearings with participation of representatives from ACU and audited entities are conducted occasionally covering only a limited number of audited entities. In 2016-2018, such reports or hearings did not also include reflections on impact of budget performance on gender equality.

135. The score for this dimension is D.



## VI. ANNEXES

### Annex 1. Summary of performance indicators for the GRPFM assessment

Indicator/Dimension	Score	Description of requirements met
<b>GRPFM-1. Gender impact analysis of budget policy proposals</b>	<b>D</b>	<b>Scoring Method M1 (WL)</b>
GRPFM—1.1. Gender impact analysis of expenditure policy proposals	D	New expenditure policies do not include an information on gender impacts.
GRPFM—1.2. Gender impact analysis of revenue policy proposals	D	New revenue policies do not include an information on gender impacts.
<b>GRPFM-2. Gender responsive public investment management</b>	<b>D</b>	The existing procedure of the preparation of public investment projects does not include gender impact. The GoU does not carry out any analysis of the impacts of major public investment proposals on gender as part of the economic analysis of investment proposals.
<b>GRPFM-3. Gender responsive budget circular</b>	<b>B</b>	The MoF's letter to KSUs on the preparation of 2019-2021 budget requests did not require them to provide justification or demonstrate planned results of the impact on men and women or on the gender equality as a part of new policies or the expenditure reduction. However, the letter did require that sex-disaggregated data be provided in budget requests.
<b>GRPFM-4. Gender responsive budget proposal documentation</b>	<b>C</b>	The budget documents on the draft 2019 state budget contained data on budget measures aimed at promoting gender equality, but neither an overview of government's policy priorities for improving gender equality, nor an assessment of the impacts of budget policies on gender equality.
<b>GRPFM-5. Sex-disaggregated performance information for service delivery</b>	<b>D+</b>	<b>Scoring Method M2 (AV)</b>
GRPFM—5.1. Sex-disaggregated performance plans for service delivery	C	Four of the selected ministries specified sex-disaggregated planned output indicators (34.4% of the expenditure for budget programs associated with the delivery of services from ministries that deliver the services in question), while one ministry specified sex-aggregated planned outcome indicators (5.0%).
GRPFM—5.2. Sex-disaggregated performance achieved for service delivery	D	Three of the selected ministries specified sex-disaggregated actual output indicators (5.3% of the expenditure for budget programs associated with the delivery of services from ministries that deliver the services in question), and one ministry specified sex-aggregated actual outcome indicators (5.2%).
<b>GRPFM-6. Tracking budget expenditure for gender equality</b>	<b>C</b>	Relevant budget programs mapped ex post to specific gender outcomes, as principles of budget programs formation require. This data is presented as directions of use of funds, which are not classified and not tracked during budget execution.

Indicator/Dimension	Score	Description of requirements met
<b>GRPFM-7. Gender informative annual financial reports</b>	<b>D</b>	The annual budget execution reports submitted by the government and the explanatory note to them do not include gender responsive information. At the same time KSUs prepare budget programs execution reports which contain data on gender related expenditure as directions of use of funds (GRPFM-6). Only the Ministry of Social Policy provided detailed data on gender-related expenditure (GRPFM-4) in 2018, the share of this expenditure was about 0.01% of total budget expenditure.
<b>GRPFM-8. Evaluation of impacts of service delivery on gender equality</b>	<b>D</b>	The analyzed programs of ministries that deliver public services accounted for 6.1% in 2016, 5% in 2017, and 1.9% in 2018 of the total volume of service delivery programs of these ministries. The analyses have been carried out by officers of the ministries implementing budget programs directly with the support from the GRB project. Thus, these analyses cannot be considered independent; in addition, they have never been published.
<b>GRPFM-9. Gender responsive legislative scrutiny</b>	<b>D</b>	<b>Scoring Method M2 (AV)</b>
GRPFM—9.1. Gender responsive legislative scrutiny of budgets	D	Gender impact of governments fiscal policies or budget have not been considered in the budget documentation.
GRPFM—9.2. Gender responsive legislative scrutiny of audit reports	D	In the past three years, audit reports or hearings did not include reflections on impact of budget performance on gender equality.

## Annex 2. Data sources for the PEFA GRPFM Assessment

PEFA GRPFM INDICATORS		DATA SOURCE
GRPFM-1	Gender Impact Analysis of Budget Policy Proposals	Explanatory note to the draft 2019 State Budget Law, the 2018 Budget as of January 1, 2018, and September 15, 2018; Explanatory note to the draft amendments of the 2018 State Budget
GRPFM-2	Gender Responsive Public Investment Management	PEFA Ukraine 2019, Resolution of the Cabinet of Ministers of Ukraine No. 571 of July 22, 2015; Order of the Ministry of Economy, Trade, and Agriculture Development No. 1865 of December 22, 2017
GRPFM-3	Gender Responsive Budget Circular	Letter from the MoF to KSUs No. 04110-09-9/20040 of July 27, 2018
GRPFM-4	Gender Responsive Budget Proposal Documentation	Explanatory note to the draft 2018 State Budget Law and budget requests of KSUs submitted to the Budget Committee of the Parliament of Ukraine
GRPFM-5	Sex-Disaggregated Performance Information for Service Delivery	Passports of 2019 budget programs and reports on the performance of budget program passports in 2018 under budget programs associated with the delivery of services from ministries that deliver the services in question
GRPFM-6	Tracking Budget Expenditure for Gender Equality	Order of the Ministry of Finance dated No. 11 of January 14, 2011, "On Budget Classification"; order of the Ministry of Finance dated No. 1098 of December 13, 2002, "On Budget Programs Passports"; Budget Program Execution Reports of KSUs for 2018
GRPFM-7	Gender Responsive Reporting	Treasury 2018 State Budget Outturn Report; explanatory note to the Report; Budget Program Execution Reports of KSUs for 2018.
GRPFM-8	Evaluation of Gender Impacts of Service Delivery	Reports by the State Audit Service and the Accounting Chamber on the audit of the outturn of the state budget and budget programs in 2016-2018; analyses of the 2016-2018 budget program outturn under the gender-equality lens prepared by the selected ministries with the involvement of the GRB project
GRPFM-9	Legislative Scrutiny of Gender Impacts of the Budget	Explanatory note to the draft 2019 State Budget Law, a list of target government programs to be funded in 2019 and explanations of key spending units for the draft 2019 State Budget Law Findings by the ACU as a result of the analysis of annual outturn reports on the implementation of the 2016, 2017, and 2018 State Budget laws.

### Annex 3. Comparison of national PEFA and PEFA GRPFM assessments

The following chart provides a comparison and mapping of the regular national level PEFA assessment (published November 2019) indicators/dimensions with the indicators of this GRPFM assessment.

PEFA Pillars & Indicators		PEFA GRPFM Assessment	
<b>PILLAR 1: Budget reliability</b>			
PI-1. Aggregate expenditure outturn	A		
PI-2. Expenditure composition outturn	B+		
PI-3. Revenue outturn	B+		
<b>PILLAR 2: Transparency of public finances</b>			
PI-4. Budget classification	A	GRPFM-6. Tracking Budget Expenditure for Gender Equality	C
PI-5. Budget documentation	A	GRPFM-4. Gender Responsive Budget Documentation [and PI-9 below]	C
PI-6. Central government operations outside financial reports	C		
PI-7. Transfers to subnational governments	B		
PI-8. Performance information for service delivery	A	GRPFM-5. Sex-disaggregated Data GRPFM-8. Evaluation of Impacts of Service delivery on Gender Equality	D+ D
PI-9. Public access to fiscal information	A	GRPFM-4. Gender Responsive Budget Documentation [and PI-5 above] GRPFM-7. Gender Informative Annual Financial Reports [and PI-29 below]	C
<b>PILLAR 3: Management of assets and liabilities</b>			
PI-10. Fiscal risk reporting	C		
PI-11. Public investment management	C+	GRPFM-2. Gender Impact Analysis of Investment Projects	D
<i>PI-11.1. Economic analysis of investment proposals</i>	C		
PI-12. Public asset management	B		
PI-13. Debt management	A		
<b>PILLAR 4: Policy-based fiscal strategy and budgeting</b>			
PI-14. Macroeconomic and fiscal forecasting	A		

PEFA Pillars & Indicators		PEFA GRPFM Assessment	
PI-15. Fiscal strategy <i>PI-15.1 Fiscal impact of policy proposals</i>	D+ C	GRPFM-1. Gender Impact Analysis of Budget Policy Proposals	D
PI-16. Medium-term perspective in expenditure budgeting	D+		
PI-17. Budget preparation process <i>PI-17.2. Guidance on budget preparation</i>	B C	GRPFM-3. Gender Responsive Budget Circular	B
PI-18. Legislative scrutiny of budgets	D+	GRPFM-9. Gender Responsive Legislative Scrutiny [and PI-31 below]	D
	<b>PILLAR 5: Predictability and control in budget execution</b>		
PI-19. Revenue administration	B		
PI-20. Accounting for revenue	A		
PI-21. Predictability of in-year resource allocation	A		
PI-22. Expenditure arrears	B+		
PI-23. Payroll controls	D+		
PI-24. Procurement management	A		
PI-25. Internal controls on non-salary expenditure	B+		
PI-26. Internal audit	C+		
	<b>PILLAR 6: Accounting and reporting</b>		
PI-27. Financial data integrity	B+		
PI-28. In-year budget reports	B+		
PI-29. Annual financial reports	C+	GRPFM-7. Gender Informative Annual Financial Reports [and PI-9 above]	D
	<b>PILLAR 7: External scrutiny and audit</b>		
PI-30. External audit	B+		
PI-31. Legislative scrutiny of audit reports	B+	GRPFM-9. Gender Responsive Legislative Scrutiny [and PI-18 above]	D

## Annex 4. Information about GRPFM at the local level

The work on GRB at the state and local level is closely interlinked, as the oblast level cannot introduce changes in the budget programs without their being changed first by the respective ministry at the state level. However, the oblast level has been engaged with GRB through different initiatives since early 2000, and more prominently from 2014 with the support of “Gender Budgeting in Ukraine Project” funded by Sweden, UN Women, the National Democratic Institute (NDI) Ukraine, USAID, the Friedrich-Ebert-Stiftung. Later, with establishment of ATCs, U-Lead with Europe program also joined the work on GRB.

To date, all 24 regional administrations and Kyiv city administration (executive body of the Kyiv City Council) have been continuously performing ex-post gender analysis of budget programs<sup>9</sup>, and subsequently improving their programs from a gender perspective. While many programs have been analysed, some of them resulted in impactful changes (Vinnytsia, for example), while some of them did not change due to lack of political will, or lack of approval by management of the oblast administration.

Based on results of the analysis of the target program “Counteracting HIV/AIDS and Hepatitis B and C in 2016-2020”, the GRB Working Group in Vinnytsia oblast found a number of gender issues, in particular: 1.5% of the oblast population was examined; men had a higher incidence of viral hepatitis (61.1%); women received a higher proportion of HIV/AIDS counselling and testing services (62.0%). Further, it was found that the examination and treatment services are not as accessible to the rural population: urban residents amount to 72.6% of the registered patients. As a result, a mobile laboratory and rapid test kits were procured. During 2019, the mobile laboratory tested 898 persons from rural areas (37.6% men and 62.4% women), with HIV antibodies detected in 2 women. In addition, there is a children’s day room functioning at the Vinnytsia oblast clinical Center for AIDS prevention and control, and its services are used by 4 persons a day on average.

The approaches for GRB at the local level differ. For example, UN Women is focused on work in the East of Ukraine, specifically in Zaporizhzhia region and the government-controlled regions of Donetsk and Luhansk, and, covering more than 45 communities as of 2017. UN Women has systematically applied GRB as a tool to improve local policy making and budgeting, foster peacebuilding, prevent gender-based violence, and promote recovery and social cohesion in communities. The work has been aligned with the Methodological Recommendations on Implementing and Using the Gender Responsive Approach in the Budget Process at the local level. The approach of UN Women has been twofold, on one side, to develop the capacities of public officials to mainstream gender equality in local policy making and budgeting, and on the other side, to strengthen the budget literacy of women and men in communities, gender equality advocates to monitor the planning and budgeting cycle, and boost self-confidence in demanding accountability. The capacity development has been sustained with additional tools and resources such as a manual for GRB at local level, fiscal decentralization and gender equality promotion, because of the partnership between UN Women, the Bureau for Gender Strategy and Budgeting, UNDP, the GRB Project, NDI and FES. GE advocates and women and men from communities, with the support from the CSO partners and UN Women, have advocated for integration of the solutions for the identified gender inequalities, and needs and priorities in budgetary programs at the local level. Local Gender Coordination

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<sup>9</sup> Steps used for gender analysis of budget programs are described in the Manual on Gender Responsive Budgeting: Analysis of Budget Programmes from Gender Perspective produced by Sida funded “Gender Budgeting in Ukraine” Project, the Friedrich-Ebert-Stiftung, and UN Women.

Councils – composed of council members, women and men from communities - with a specific mandate to assess the gender responsiveness of the target programs, have been established in 25 hromadas. 167 (124 women and 43 men) members of the Local Gender Coordination Councils and 204 (161 women and 43 men) public officials from the GRB working groups have been trained on GRB in 2019 alone.

*Here is one example in the form of a story. Oksana Krivulskaya (43) has lived in Bilenke, Eastern Ukraine, all her life. Oksana is a professional junior schoolteacher, married with two children – her son (20) is a law student, and her daughter Sasha (18) has started at the university. Her daughter has a congenital disability. When Sasha needed professional speech therapy from a specialist, nothing of that kind could be found in their tiny village. Oksana gained new skills to engage in dialogue with local authorities and appealed to the local council to support her project to establish a center for children with disabilities. As a result, the local authorities assigned 1.3 million UAH (approximately USD 54,000) in the local budget for 2020 to support the work of the inclusive resource center, where 30 children from Bilenke with disabilities can receive professional support.*

NDI focuses on a systemic approach to GRB implementation according to the following formula: 1. Forming a team of a training advisors and improving their skills. 2. Raising awareness of target groups on the issues of gender equality and gender responsive budgeting on the community level. 3. Integrating the gender-based approach into local strategic documents and programs. 4. Providing advisory support on GRB implementation on the community level. 5. Institutionalizing gender responsive budgeting. From 2014 until today, NDI worked the number of oblasts on implementation of GRB.

At the level of ATCs, most of the work is being focused on raising awareness and building capacity of the newly appointed officers to ensure that they understand and start working with GRB. For cross-cutting GRB integration into the budget process on the local level, and to ensure the budget system unity as well as to disseminate knowledge about the GRB application in the budget process, the GRB Project delivered a series of trainings to representatives of amalgamated territorial communities. Thus, training covered 643 persons from 343 ATCs (about 40% of all ATCs) of all oblasts of Ukraine during 2018-2019.

## Annex 5. Results of the implementation of the Gender Budgeting in Ukraine Project

### **Ukraine is becoming one of the prominent examples for systematic and sequential introduction of GRB.**

It should be noted, however that most of the results have been achieved with heavy donor support, in particular from the Sweden funded “Gender Responsive Budgeting in Ukraine”. Over the past five years, the focus has been on (i) introducing gender-oriented approach in the budget by analyzing existing budget programs from gender equality perspective; (ii) improving the budget programs to be more responsive to the needs of men and women; (iii) building the capacity of the MoF and line ministries in gender-oriented approaches to budget documents; and (iv) creating the GRB framework. As a result, numerous budget programs were analysed for their impact on gender equality, their quality improved by including the gender aspects, and a significant number of GRB experts and advocates trained.

With respect to expenditure policy proposals, following the pilot phase, the gender-oriented approach in the budget has been rolled out to all the ministries and oblasts, as well as the selected ATCs. Between 2014 and 2019, more than 200 budget programs at both state and local level were analysed from the gender perspective with the support of the “Gender Budgeting in Ukraine Project” aiming at identifying gender gaps which could possibly exist in the budget programs and provide recommendations on how to address them. More specifically, during the last completed fiscal year (2018), 17 budget programs of 16 institutions at state level were analysed, gender gaps identified, and clear recommendations formulated for addressing such gaps. They allocated UAH 8,891,400 thousand, which accounts for 1.6% percent of total expenditures of the state budget (without interbudgetary transfers).

However, the experience showed the process following program-based budgeting gender analysis has not been without challenges. Namely, changing the objectives, activities or indicators of budget programs, to new, more gender responsive measures – is a process that does not only require capacity building and solid analytical process, but also political will. It also requires a good understanding about GRB of the decision makers who are developing budget programs (therefore budget requests and program passports).

As mentioned above, more than 200 budget programs were analysed -- exposing different gender gaps. In most cases, budget officers decided to focus on sex disaggregation of performance indicators, which is important first step, but not the end of the process. In addition, there is still no official requirement in a law to include gender considerations in budget programs and budget decision making, which would significantly help strengthening the work on GRB in Ukraine.



## **Box: Types of changes in the documents used in the budget process**

### **1. Changes of program passports (objectives, activities, indicators)**

The passport of the budget program of the Ministry of Internal Affairs of Ukraine “Provision for the operations of the National Police of Ukraine bodies, institutions and establishments”. The gender aspect is integrated in the following performance indicators. The indicators of cost now highlight the number of women among staff, civil servants, policepersons involved in the activities to ensure national security and defense, and policepersons in the national contingent and national personnel in international peacekeeping operations. The indicators of product show the number of applications submitted by women concerning offences related to domestic violence, and the number of procured male and female sets of special police uniforms. In the indicators of effectiveness, we can see the average cost of procured male and female special police uniforms.

The subprogram “Development of children’s and youth and reserve sports”. Based on results of its gender budget analysis, amendments were made to the following forms: **5PhC “Consolidated report on activities of children’s and youth sports schools (specialized children’s and youth schools of Olympic reserve)”**, **2PhC “Report on physical training and sports” and instructions on their completion**. In particular, the following amendments were made to the form 5PhC: in section I “Main indicators of work of sports sections of CYSSs and SCYSSOR” (*Children’s and Youth Sport Schools and Specialized children and youth (sports) schools of the Olympic reserve*), the number of girls is now shown separately in the total number of pupils attending the groups; besides, the number of girls is mentioned separately in terms of training groups – basic and specialized.

As to the form 2PhC, in section V “Physical training and health improvement activities”, the indicator of the total number of persons engaged in all types of physical training and health improvement activities was broken down by age group (under 6 years, 6-18 years, 19-35 years, 35 years and older); besides, women and persons with disabilities are now shown separately.

### **2. Changes of statistical reporting – for example introducing sex-disaggregated data in the official statistical reports that are used for reporting within budget programs.**

Example: Order of the State Statistics Service of Ukraine No. 151 of July 16, 2018 “On approval of the state statistical survey form No. 2-3nk (once per year) “Report on the activities of a higher educational institution”. According to the approved form, the gender perspective must be applied to the calculation of the students and scientific and teaching staff. For example, when breaking down students by age as of the study year beginning, women are shown separately not only among the total number of students but also among orphaned children and children deprived of parental care, persons with disabilities, foreigners, etc.

### **3. Changes of administrative reporting- change of reports that are used within ministries**

Example: Order of the Ministry of Culture of Ukraine of October 26, 2018 “On approval of the reporting form No. 1- MSH (annual) and the Instruction on its completion, and the reporting form No. 1- MSH (consolidated annual and the Instruction on its completion”. According to the Order, women are shown separately in the number of teaching staff while girls are shown separately among the total number of pupils as of the study year beginning.

Collections of planned and actual indicators for the network, staff and contingents of the institutions financed from the local budgets of oblasts and Kyiv city, in terms of certain sectors (education, social protection and social security, youth policy, and physical training and sports) contain sex-disaggregated indicators. For example, in the program “Maintenance and training activities of municipal children’s and youth sports schools”, the total number of pupils separately shows girls.

#### **4. Change of policy papers related to the programs**

Example: Order of the Ministry of Social Policy No. 688 of 14.05.2018 “On approval of the Model List of budget programs and their performance indicators for local budgets in the social protection and social security sector”. According to the Order, gender aspects were included in performance indicators of some programs.

#### **5. Model lists of budget programs and their performance indicators for local budgets.**

The Ministry of Finance of Ukraine, in cooperation with line ministries, developed and issued orders approving model lists of budget programs and their performance indicators for local budgets. When formulating a budget, it is advised to be guided by the above-mentioned orders, according to which the program title, goal, objectives and performance indicators are defined. Therewith, the list of objectives and performance indicators may be refined, supplemented, and expanded.

**For example, Order of the Ministry of Education and Science No. 992 of July 10, 2017 “The Model List of budget programs and their performance indicators for local budgets in the education sector”** contains gender aspects in the goal, objectives, and performance indicators of some programs. For example, the program **“Staff training by higher educational institutions of accreditation levels I-II (colleges, technical schools, and specialized schools)”**.

- **Goal:** secure the right of women and men to acquire education in higher educational institutions (colleges, technical schools, and specialized schools).
- **Objective:** provide equal opportunities for access of women and men to education in higher educational institutions (colleges, technical schools, and specialized schools).
- **Performance indicators: indicators of costs:** total average annual number of staff (women/men); **indicators of product:** average annual number of full-time students (women/men), broken down by field of knowledge;
  - average annual number of extramural students (women/men), broken down by field of knowledge;
  - average annual number of night-class students (women/men), broken down by field of knowledge;
  - average number of students (women/men) receiving scholarships from budget funds; etc.;
  - **indicators of quality:** percentage of students (women/men) receiving an education certificate, %; percentage of graduates (women/men) who found employment, broken down by field of knowledge, %.

More than 200 budget program passports have been improved and more than a thousand civil servants have been trained on GRB and on how to perform budget program gender analysis. Each ministry engaged

with GRB, and all oblasts established a working group on gender responsive budgeting<sup>10</sup> by the order of the respective ministry and respective oblast administration. Following the analysis, the working groups provided recommendations to the respective line ministries, State Statistics Service, and MoF on how to improve the budget programs-objectives, activities, and indicators, and make them more gender responsive. In addition to program passports that were improved, 30 other legislative acts and documents that regulate the work in different sectors were improved and 4 new legislative acts were prepared and approved (orders on budget programs and their result indicators, orders on administrative and statistical reporting, and others).

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<sup>10</sup> Each ministry and oblast established a working group which consisted of finance officers, sectoral officers, representatives of the State Statistic Service, and GRB experts. Working groups have been functioning since 2014. Those groups at oblast level were established by the MoF's order and later by oblast administrations.

## Annex 6. New expenditure policies developed in 2018

Key changes in expenditure policy undertaken in FY18	The amount allocated to expenditure policy change in UAH	As a % of key changes in expenditure policy	Gender impact analysis included (Y/N)
<b>For FY 2018</b>			
<b>Increased funding for:</b>	<b>13,505,000,000</b>	<b>100.0</b>	
pension benefits	10,777,600,000	79.8	N
the implementation of the public investment project of Establishing an Integral Aviation Security and Civil Protection System in Ukraine	2,500,000,000	18.5	N
the extra supplements for the work performed in the exclusion zone; the timely payment of annual and supplementary leave benefits under the budget program of the Social Protection of Citizens Affected by the Chernobyl Disaster	227,400,000	1.7	N
<b>Reduced funding for:</b>	<b>13,213,708,700</b>	<b>100.0</b>	
social welfare benefits (as a result of savings)	7,167,008,700	54.1	N
servicing of the national debt	2,499,600,000	18.9	N
the budget program of the Support to the Implementation of a Comprehensive Public Administration Reform	1,208,100,000	9.1	N
the budget program of the Public Support to the Animal Husbandry Sector	979,000,000	7.4	N
the budget program of the Financial Support to Farmer Homesteads	850,000,000	6.4	N
the budget program of Activities Related to the Privatization of the state-owned Assets	260,000,000	2.0	N
the budget program of the Financial Support to Agricultural Producers	250,000,000	1.9	N
<b>Reallocation of the funding:</b>	<b>511,500,000</b>	<b>100.0</b>	<b>N</b>
under the Ministry of Defense's budget program of the Support to Activities of the Armed Forces of Ukraine and Troops Training, the salary expenditure has been increased as a result of reducing other expenditures	300,000,000	58.7	N
among four public investment projects	111,500,000	21.8	N
under the Prosecutor General Office's budget program of the Exercise of the Prosecution and Investigation Activities, Training and Professional Development of Prosecution Human Resources, the salary expenditure has been increased as a result of a reduction in the capital expenditure	100,000,000	19.6	N
<b>For FY 2019</b>			
An increase in preferential benefits due to the increase in the minimum subsistence level	3,132,349,200	84.3	N
100 new stipends for children with disabilities; 100 more stipends for champions and medalists of competitions in Paralympic and Deaflympic sports and their	182,238,200	4.9	N

Key changes in expenditure policy undertaken in FY18	The amount allocated to expenditure policy change in UAH	As a % of key changes in expenditure policy	Gender impact analysis included (Y/N)
coaches, as well as for employees of sports facilities and organizations who work with people with disabilities; increased official salaries and incentive payments; new payments; extra 83 payments; establishment of fitness/sports and rehabilitation facilities managed by the National Sports Committee for the Disabled of Ukraine			
New preferential aid benefits for children with grave perinatal affections of the central nervous system, etc.	305,368,500	8.2	N
New expenditures on activities aimed at establishing and organizing the operation of an export credit agency in Ukraine	79,290,900	2.1	N
New expenditures on the harmonization of the public service human resource management system with the EU standards	6,151,700	0.2	N
New expenditures on the funding of the institutional capacity building for the preparation of public private partnership projects	5,212,200	0.1	N
Measures aimed at reducing social, economic, and environmental impact of explosive objects on life and activities of the population (mine action) and raising public awareness of the hazards of explosive objects	5,000,000	0.1	N
<b>Total/Coverage</b>	<b>3,715,610,700</b>	<b>100.0</b>	<b>N</b>

Data source: Explanatory note to the draft 2019 State Budget Law, the 2018 Budget as of September 15, 2018; explanatory note to the draft amendments of the 2018 State Budget

## Annex 7. New revenue policies developed in 2018

Key changes in revenue policy undertaken FY18	The amount collected due to revenue policy change in UAH	As a % of key changes in revenue policy	Gender impact analysis included (Y/N)
<b>For FY 2018</b>			
Increase in customs charges	118,500,000	100.0	N
<b>Total/Coverage</b>	<b>118,500,000</b>	<b>100.0</b>	<b>N</b>
<b>For FY 2019</b>			
Increase in excise tax rates	6,100,000,000	92.4	N
Indexation of rates of the rent for the special use of forest resources, the use of water, the use of subsurface resources not associated with the production, and the use of radio frequency resources defined in absolute terms, and the environmental tax	500,000,000	7.6	N
<b>Total/Coverage in FY 2019</b>	<b>6,600,000,000</b>	<b>100.0</b>	<b>N</b>

Data source: Explanatory note to the draft 2019 State Budget Law, the 2018 Budget as of January 1, 2018, and September 15, 2018; Explanatory note to the draft amendments of the 2018 State Budget

## Annex 8. An example of a good gender analysis of budget programs at the state level

### **MINISTRY OF FOREIGN AFFAIRS**

**Results of analysis of the budget program “Training, internship, and skills improvement of civil servants”, showed serious gender gaps.** While the majority of employees in the civil service are women, gender analysis of participants in the trainings showed that about 80% were men.

**A similar pattern was observed in business trips abroad of men and women in the civil service.** Women comprise about 75% in civil service. During reported period, civil servants participated in business trips abroad, but only 34.5% of such participants were women. Meanwhile, average business trip daily expenses per woman are 21.3% less than those per man (UAH 2,813 vs UAH 3,579) due to different level of positions that women and men hold in the civil service of Ukraine. This data is a very significant reflection of gender gaps that still exist in civil service. Several recommendations were given on how to ensure that more women are included in trips and trainings abroad. One part of the recommendations was to include gender objectives, activities and indicators in the respective budget program, and another was to go beyond the budget program to increase overall awareness of and develop policies on how to treat men and women equally on career development opportunities.