GRPFM–2

Gender Responsive Public Investment Management

Guiding question

Does the government analyze the impacts of major public investment projects on gender as part of the economic analysis of investment proposals?

Description

This indicator assesses the extent to which robust appraisal methods, based on economic analysis, of feasibility or prefeasibility studies for major investment projects include analysis of the impacts on gender. There is one dimension for this indicator.

Dimension and scoring

GRPFM–2.1 Gender responsive public investment management

Minimum requirements for scores

A	B	C	D
Economic analyses, conducted in line with national guidelines, to assess ***all*** major investment projects include analysis of the impacts on gender and the results are published. The analyses are reviewed by an entity other than the sponsoring entity.	Economic analyses, conducted in line with national guidelines, to assess ***most*** major investment projects include analysis of the impacts on gender and ***some*** results are published.	Economic analyses to assess ***some*** major investment projects include analysis of the impacts on gender.	Performance is less than required for a C score.

Related PEFA indicator or dimension

PI–11 Public investment management

PI–11.1 Economic analysis of investment proposals

Coverage

Central government

Time period

Last completed fiscal year

Measurement guidance

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.

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).

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.

Robust appraisal methods, based on economic analysis, are used to conduct feasibility or prefeasibility studies for major investment projects on the basis of an analysis of the project's economic, financial, social, environmental, and other effects.

Different types of economic analyses have different coverage and areas of emphasis. Gender impact assessments of investment projects are often conducted as part of a social effects analysis that aims to understand the impacts of investment on beneficiaries, disaggregated by gender; however, they can be done as a stand-alone activity as well.

Mainstreaming gender in public investment management

The Organisation for Economic Co-operation and Development (OECD),[17] for example, recommends sound governance to deliver "gender-conscious, sustainable, and quality infrastructure" that includes the following:

- **A strategic vision for infrastructure**
  The strategic long-term vision needs to have a joint gender-sustainability perspective, allowing infrastructure to be planned, prioritized, delivered, and managed in consideration of women's and children's needs and their interlinkages with other sustainable development objectives, such as reducing pollution and fighting climate change

- **A consultation process**
  Involving stakeholders such as users, men and women, civil society organizations, including gender-related groups, and the private sector can improve legitimacy, buy-in, project quality, and ultimately the effectiveness of infrastructure assets and services

- **A coordinated infrastructure policy across levels and entities of government**
  Addressing the gender gap requires a shared and coordinated vision across all levels (vertical) and entities (horizontal) of government

- **A strategic approach to data collection and analysis**
  Sex-disaggregated data contribute to a better understanding of social needs based on gender and the results and impacts of infrastructure projects on gender; they also improve internal governance processes by providing a gender perspective.

[17] For more information on the OECD views on gender mainstreaming in public investment management, see OECD (2019). Please note, however, that the PEFA GRPFM indicator on public investment management only assesses if the appraisal of public investments includes analysis of the impacts on gender while other aspects of mainstreaming gender in public investment management, as presented in the OECD guidance, are not measured by this indicator.

Box 3.2 Gender impact analysis of public investments projects in the Philippines

Social analysis

In the Philippines, the review of public investment projects includes the analysis of gender aspects. The review starts when the implementing government agency or local government unit submits the project proposal to the Investment Coordination Committee (ICC).[a] The National Economic and Development Authority (NEDA) serves as secretariat to the ICC Technical Board and Cabinet Committee. As such, it provides ICC with technical staff to support evaluating projects for their economic, financial, technical, social, environmental, and institutional viability, among others.

As part of the ICC Technical Working Group, the NEDA Secretariat assesses socioeconomic aspects of the project and appraises each project for its alignment with and contribution to the Philippine Development Plan and its compliance with existing laws, rules, and regulations. The ICC Project Evaluation Procedures and Guidelines[b] include the project's financial, economic, technical, environmental, institutional, social, and sensitivity analysis.

The objective of the social analysis is "to determine if the proposed program/project is responsive to national objectives of poverty alleviation, employment generation, and income redistribution." Technical annex F of the ICC Guidelines presents some additional pointers for conducting the social analysis, including the following:

- **"The target groups intended to benefit from the project and the main agents in its implementation should be carefully specified at the outset whenever possible and appropriate."**
- **"The early specification of intended target groups should be followed by a qualitative analysis of the distributional effects of the project. To the extent possible, the distributional analysis would attempt to assess the project impact on various relevant groups. The analysis should further clarify the groups and individuals who may benefit or may be harmed by the project, including positive and negative employment effects. In certain cases, there may be adverse social effects on some groups even when objectives for the target groups are fully met. The appraisal should assess these adverse effects and consider means for alleviating them."**
- **"Attention should be paid to involving women in the planning and implementation of development projects. Consideration should be given to gender issues at the initial screening stage as well as at the preparation and appraisal stages. Particular attention should be given to gender composition when considering the division of labor, access to and utilization of resources, decision-making processes, distribution of income and benefits, time allocation, and legal status of women and the impact that these factors will have on project success."**

[A] The scope of ICC review covers major capital projects costing ₱1 billion and above per project, as well as projects covered by the Build-Operate-Transfer Law, projects that require national government borrowing or guarantee covered by the Foreign Borrowings Act (Republic Act no. 4860) and the Official Development Assistance Act (Republic Act no. 8182), and joint venture projects as provided in Section 7.2b of the Revised Guidelines and Procedures for Entering into Joint Venture Agreements between Government and Private

[B] See: **http://www.neda.gov.ph/wp-content/uploads/2013/10/ICC-Project-Evaluation-Procedures-and-Guidelines-as-of-24-June-2004.pdf.**

Gender responsive budgeting in the Philippines

Gender mainstreaming in the budget process in the Philippines started in 1995. The main driver of the reform process was the Philippine Commission on Women. Gender mainstreaming has taken place at both national and subnational levels. The main feature includes the requirement for all government agencies to allocate at least 5 percent of their budget to address gender issues, with the intention that this 5 percent will influence the remaining 95 percent. This is called the gender and development budget. While this approach has yielded success and mainstreamed gender throughout the budget process, it also has encountered challenges. In particular, it leads government agencies to focus on 5 percent of the budget, while often neglecting the other 95 percent that may be "gender blind."

Source: PEFA Report for the Philippines and the Republic of the Philippines National Economic and Development Authority, http://www.neda.gov.ph/.