



The EU Mutual Learning Programme in Gender Equality


Gender mainstreaming and gender budgeting in the ESIF and national budgets

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Gender mainstreaming and budgeting in Finland

Sinikka Mustakallio

WoM Ltd

Abstract

Gender mainstreaming and gender budgeting are important strategies to promote equality in the ESIF and at the national level, and concrete results have been achieved in all countries. Despite the differences between the countries, there appear to be common challenges, especially the lack of commitment to and awareness on gender equality and too weak a connection between the national equality goals and the ESIF and gender budgeting at the national level.

1. Gender mainstreaming and gender budgeting in Finland

1.1 Gender equality in Finland

Finland has scored highly in gender equality based on many indexes. For example, in the EIGE gender equality index (2019), Finland has a score of 73.4 out of 100, which is the fourth highest score amongst the EU Member States. Women's participation rate in working life is high, they have economic independence and a strong position in politics. However, gender segregation in working life and education is strong, the gender pay gap is bigger than in other Nordic countries, the groups with highest poverty risk are female single parents and elderly women, every third woman has experienced violence by her partner, and women's position in decision-making in the private sector is weaker than in the public sector.

Altogether 47% of the members of the Finnish parliament are women. The prime minister is a woman, and 12 of the ministers (including the PM) are women and 7 men. The situation in Finland seems to be contradictory. On one hand, gender equality is highly advanced but on the other hand polarisation is growing in society and the political climate, with hate speech against the minorities and based on gender, too, increasing in the country. It can be assessed that equality problems are well-identified in the Finnish equality policy, but the resources allocated to equality work are insufficient.

The legal basis at the national level for gender mainstreaming and gender budgeting is the Act on Equality between Women and Men (Equality Act, 609/1986, the latest amendment in 2016). The Act prohibits discrimination based on gender, gender identity or gender expression. Public authorities, employers and educational institutions are

obliged to promote gender equality. The essential provision for gender mainstreaming and gender budgeting is the section 4 of the Equality Act: *“In all their activities, authorities must promote equality between women and men purposefully and systematically, and must create and consolidate administrative and operating practices that ensure the advancement of equality between women and men, in the preparatory work undertaken on different matters and in decision-making. – In the availability and supply of services the promotion of equality must be taken into account in the manner referred in subsections 1 and 2.”* The term ‘gender mainstreaming’ does not appear in the text of the Equality Act, but section 4 lays down the obligation of gender mainstreaming for all public authorities in all their activities, including all activities within the national budget or ESI funds at all levels.

The gender equality machinery consists of three governmental institutions. In addition, there are many women’s NGOs and other NGOs promoting gender equality. Close and good cooperation between public authorities and NGOs in promoting gender equality is typical for Finland. In the government, the Gender Equality Unit of the Ministry of Social Affairs and Health is responsible for preparing the governmental equality policy and coordinating gender mainstreaming in the central government. The Unit is also responsible for managing and funding the national equality projects in the ESF context. This role of the Equality Unit enables the development of the national equality policy through ESF funding. The Council for Gender Equality is a parliamentary council. Its members are nominated by parliamentary parties and some NGOs working with equality issues. The Council drafts proposals and provides statements to develop legislation and other measures to advance gender equality. The Ombudsman for Equality is an independent authority whose main duty is to supervise compliance with the Equality Act. The Ombudsman operates in conjunction with the Ministry of Justice.

In addition to these three institutions, all of the ministries have their respective working groups on gender equality. These groups have a network coordinated by the Equality Unit and also hold joint meetings regularly. There is no separate budget for the ministries to do gender mainstreaming because the work is integrated into their other functions.

In Finnish equality policy, both women and men, as well as other genders, are regarded as needing more support to become more equal. Attention is also paid more to the intersectional approach: how gender and other differences, for example age, disability or ethnic origin, are affecting people at the same time.

The essential tools for the development and coordination of the national equality policy are the Government Programme and the Government Action Plan for Gender Equality. The Programme of the current Government (2019) includes a commitment to develop gender sensitive budgeting as a part of budgeting for sustainable development. This commitment refers to the national budget.

Government Action Plans for Gender Equality have been made since 1997, except for one government’s term in office. The plans have involved all ministries and featured both gender mainstreaming and positive actions. According to the latest plan (2016–2019), the ministries continued mainstreaming the gender perspective in legislative

drafting, budget preparation and other activities with major implications for gender equality. The Action Plan of the current Government is under preparation. The work is coordinated by the Equality Unit, and one planned priority will be to promote gender equality in key reforms and gender mainstreaming.

1.2 Gender Equality in the ESIF

The Finnish Partnership Agreement for the current funding period 2014–2020 has gender equality as one horizontal theme. According to the partnership agreement, gender equality is promoted both through gender mainstreaming and specific actions in the three funds: the European Social Fund (ESF), the European Regional Development Fund (ERDF) and the European Agricultural Fund for Rural Development (EAFRD). Gender equality is promoted only through specific actions in the fourth fund, the European Maritime and Fisheries Fund (EMFF). It would be interesting to further explore how gender equality is promoted in the EAFRD, which is not often discussed. More than 60% of Finland's ESI funding is allocated through the EAFRD.

Gender equality has been most widely discussed and implemented in the ESF. It is still a general assumption that the gender perspective is not relevant in the ERDF. However, a study conducted in the last funding period showed that gender mainstreaming would be needed and could be implemented in many ERDF projects, too. There is no special infrastructure for ensuring gender equality in the management of ESF and ERDF. According to the Managing Authority (at the Ministry of Economic Affairs and Employment), all the necessary guidance for gender mainstreaming is now included in (mainstreamed into) the Operational Programme and other official guidance for implementing bodies, projects and project applicants. Implementing bodies are responsible for funding decisions in the regions, and they are responsible for encouraging gender mainstreaming in the projects. A critical factor is whether or not regional implementing bodies, project actors and project applicants have the knowledge and other capacity required to implement gender mainstreaming, which should be implemented in all projects.

The implementing bodies, which make the funding decisions, are located mainly at the regional level. These comprise the Centres for Economic Development, Transport and the Environment (four of them make ESF and ERDF funding decisions) and Regional Associations.

During preparation for the current period, the Finnish Ministry of Economic Affairs and Employment stated in the Government Plan for Gender Equality that a national support structure would be created for supporting gender mainstreaming in the ESF and the ERDF. However, this national support structure was never realised.

More support is needed for implementing bodies and projects in gender mainstreaming. For example, implementing bodies and projects should be provided training and consultancy in gender mainstreaming. Some kind of support structure or supporting activities for gender mainstreaming should be planned and budgeted for the next funding period for 2021–2027.

According to the current Operational Programme 2014–2020 gender equality relies both on gender specific projects and gender mainstreaming in all projects (dual strategy). There is one specific investment priority for gender specific projects in the ESF: in line 3, investment priority 8.1, which aims for mitigating gender segregation at work and in education. Currently, the funds committed to projects based on this investment priority total around EUR 10 million. The specific investment priority for gender equality seems to be crucial for funding gender specific projects.

Gender specific projects can also be funded on the basis of other investment priorities. There are, however, no specific goals regarding how many gender specific projects are supposed to be funded through all the investment priorities in the ESF and the ERDF. It seems that, during this funding period, the amount of gender specific projects has decreased in comparison with the previous funding period.

All the projects are encouraged to do gender mainstreaming. All project applicants have to answer questions on gender equality when they apply for money.

Project applicants have to answer whether or not:

- the project completed an assessment of the operating environment from the gender perspective;
- gender perspective was mainstreamed in the project;
- the main purpose of the project is to promote gender equality.

These questions are used as one evaluation criterion when making funding decisions. However, a project can receive funding even if it is stated in the application that gender mainstreaming is not included in the project. The degree to which the various funding authorities pay attention to gender mainstreaming questions varies between regions and funding authorities. The same questions are repeated in the evaluation form.

These questions for the applicants will be developed further for the next funding period.

Gender budgeting is not discussed very much in the context of the ESF and the ERDF. However, it is possible to identify some elements of gender budgeting.

The Finnish gender budgeting model could be summarised as follows:

- The budget of investment priority 8.1. in the Optional Programme is allocated to gender specific projects alone.
- The budget of gender specific projects funded through other investment priorities can be monitored later on.
- The number of projects claiming to do gender mainstreaming can be monitored later on.
- Gender mainstreaming is one evaluation criterion for funding a project.
- The gender distribution of project participants is monitored in all projects.

The challenge is that, at this point, it is not known how gender mainstreaming is actually accomplished in the projects that have specified that they do gender

mainstreaming. Because there is no national support structure for gender mainstreaming, regions are solely responsible for gender mainstreaming in the projects funded in their areas.

1.3 Gender budgeting at national level

Gender-sensitive budgeting is the term used by the Finnish government. It means gender mainstreaming in the preparatory process of the national budget. The gender perspective should be integrated into every phase of the preparatory process. Gender impact assessment is a method for gender sensitive budgeting.

The majority of the expenditures and financing under the national budget are based on laws. Therefore gender impact assessment of the budget laws (finance and expenditure laws) is one important tool for gender-sensitive budgeting. The general guidance for gender impact assessment for legislative drafting should be implemented. Gender impact assessment is not currently implemented throughout the legislative drafting process but, however, guidance is provided by the Ministry of Finance.

One element of gender-sensitive budgeting is that the ministries have to include in the budget proposal of each ministry a summary of those activities that have significant gender impacts.

Problems found in the current situation include that the practices for gender-sensitive budgeting are not implemented sufficiently and the link to the equality goals of the national equality policy is missing. The role of the Ministry of Finance has been too weak. A study project on gender sensitive budgeting (2018) concluded that the methods for gender impact assessment of the budget should be implemented, the statements of the ministries in their budget proposals should be more clear and developed, and gender sensitive budgeting should be supported by the Government.

2. Current issues

The preparations for the next funding period 2021–2027 of the ESIF are currently ongoing. The Managing Authority is coordinating the writing of the Operational Programme. Training and consultancy for the writers involved are provided to integrate the gender perspective into the analysis and guidance of the Operational Programme.

The Government Action Plan for Gender Equality is also under preparation. The plan will steer the national equality policy and also provide a basis for the ESIF preparations.

The Coalition of Finnish Women's Organisations (with 58 member organisations) has published together with 40 NGOs a report entitled *Beijing+25 NGO report. What is the Human Rights Situation of Women and Girls in Finland?* The report evaluates the implementation of the Beijing Platform for Action and provides recommendations for the government to improve the national equality policy. One recommendation is to increase the resources for gender mainstreaming. The government should commit to the development of gender-sensitive budgeting, too.

3. Transferability aspects

3.1 The Slovak Republic – Gender mainstreaming and gender budgeting in the ESIF

The principle of gender equality in the ESIF is supported in the Slovak Republic mainly by:

- the application of the horizontal principle (HP) of gender equality;
- specific national projects;
- specific calls for proposals.

For the coordination and implementation of the HP, there is a coordinating unit (HP Unit) with coordinators. The HP Unit is supported through the OP Technical Assistance and the salaries of the coordinators are provided by several projects. This is a good example for Finland, because there is no such support structure and resources for supporting the HP. The budgets for specific national projects and specific calls for proposals are very high compared to the resources in Finland.

It is said that the lack of knowledge on gender equality across public institutions, and particularly by managing authorities, causes the HP to be perceived merely as a formal principle to be followed. The current political climate has an impact in the same direction, creating a challenging environment for all gender experts. This sounds familiar and seems to be a challenge in many European countries.

NGOs often implement specific equality projects. High bureaucratic requirements, restricted expenditures on project management, required co-financing of a project itself and delays in cash flow are very challenging for NGOs and other small actors, too. This is a common problem, for example the NGOs of immigrant women in Finland are unable to use ESIF funding for these reasons.

3.2 The Czech Republic – Gender equality in the ESIF

The Partnership Agreement of Czech Republic takes up gender equality only in the context of “competitiveness of the economy” priority and the “functioning labour market” sub-priority. The focus in the funding system is exclusively on the promotion of gender equality within the labour market. It is assessed that work with other aspects would be needed, too. This seems to be a common problem. The Finnish OP is focusing very much on working life and the economy and, for example, violence against women, which is a serious problem, remains outside of its attention. A more effective connection between national gender equality strategies and the ESIF requires that the thematic scope for promoting gender equality in the ESI funds should be broader. This applies to both countries.

The amounts allocated to projects to promote gender equality in the Czech Republic are very much higher than in Finland. This serves as a reminder that the allocated resources in Finland could and should be higher, too. Resource provision to the Finnish

national equality policy is too restricted and gender equality should be supported more through the ESIF.

Childcare facilities are not funded through the ESIF in Finland, but childcare is a right of every child, and public services are arranged by the municipalities. The suggestion that a plan should be developed in the CR on how to support childcare facilities within a national budget seems to be right.

Lack of gender equality awareness and insufficient use of gender expertise seems to be a common problem. The recommendation to ensure more elaborate assessments of applicants' expertise and invest more resources to ensure a consistent level of expertise by giving guidance and support on the managing authority's side is an important recommendation to Finland, too.

3.3 Gender budgeting in Austria

The assessment of Austrian gender-responsive budgeting is very interesting and important when assessing the situation in Finland. The state structure and budgeting system are different, Austria being a federal state and having performance budgeting. However, there are relevant findings for Finland too. One interesting point is the introduction of gender budgeting as an integral part of budgeting reform, which has increased the acceptability of gender budgeting. Interesting is also the comprehensive approach of the Austrian design of gender budgeting with several elements and measures. This could be the vision for us, too. The missing link between gender equality objectives and budgetary resources seems to be a shared challenge. It is assessed that the lack of national equality strategy and coordination in Austria could cause this. However, in Finland we have a national strategy (Government Plan for Gender Equality) and coordination with ministries in gender mainstreaming and gender budgeting, but still this is a challenge for us, too. The case of the City of Vienna is also interesting. Gender budgeting has been developed in some Finnish municipalities, for example in Helsinki, Vantaa and Espoo.

4. Conclusions and recommendations

A challenging environment, lack of knowledge on gender equality and weak commitment to give support and resources seem to be common in several countries. Therefore, both at the national and European levels, strong political commitment and regulation are needed to keep promoting gender equality and gender mainstreaming obligatory. There is also a need for concrete tools for implementing specific actions, gender mainstreaming and gender budgeting. Concrete examples of what gender perspective means in the ESI funds at different levels should be given. Consultancy, counselling and training should provide opportunities to reflect one's own assumptions and work in the ESIF or national/regional administration. The highest risk is that gender equality, gender mainstreaming and gender budgeting remain formal principles in documents and are not realised in concrete actions.