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Gender mainstreaming in the EU budget

February 2020

Gender equality is the principle that women and men, girls and boys, should have the same rights, freedoms and opportunities to fulfil their potential and contribute to society. It is one of the fundamental values enshrined in the EU treaties.

Gender mainstreaming is the practice of systematically considering gender when preparing, designing, implementing, monitoring and evaluating all policies and activities.

With negotiations to prepare the 2021-2027 multiannual financial framework currently under way, our audit aims to assess whether the Commission has made use of gender mainstreaming in the EU budget to promote equality between women and men.

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Background

Gender equality refers to the “equal rights, responsibilities and opportunities of women and men and girls and boys”¹. Equality means that women’s and men’s rights, responsibilities and opportunities will not depend on their gender identity². Gender is a social and cultural construct that marks a distinction between the attributes of men and women, girls and boys, and, accordingly, perceives men and women to have certain separate roles and responsibilities. Assumptions about gender and gender-based roles change over time and vary among different cultures³.

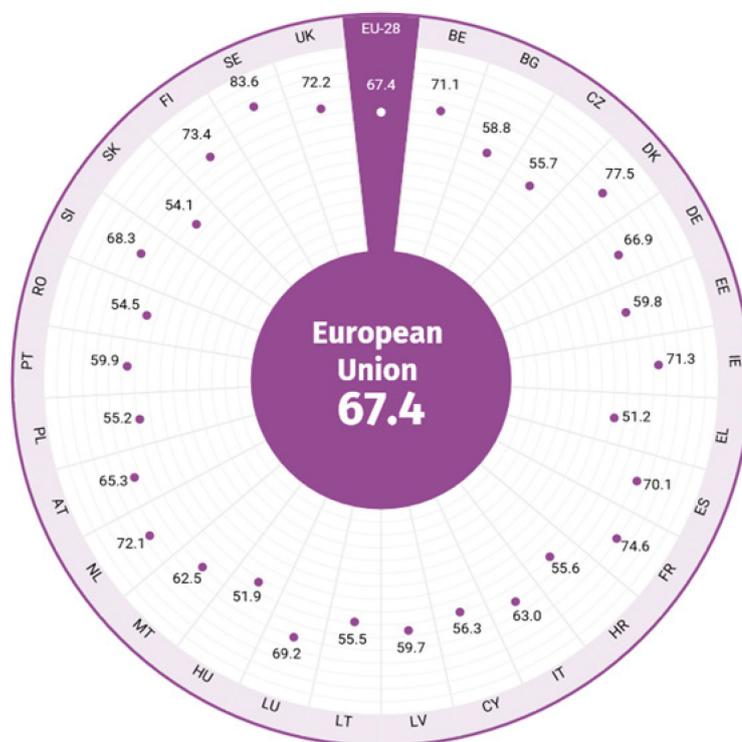
Gender equality is one of the fundamental values enshrined in the EU treaties. The Treaty of Rome introduced the principle of equal pay for equal work in 1957. The EU then renewed its commitment to equality in Articles 2 and 3 of the Treaty of the European Union, and Articles 21 and 23 of the Charter of Fundamental Rights of the European Union.

Women across the EU are increasingly well qualified and statistically outperform men in terms of educational achievement. Despite this, according to the Commission:

- female participation in the labour market remains lower than that of men: in 2017, the gender employment gap was 11.6 %;
- on average, women earn 16 % less than men across the EU, with the gender pension gap at 35.7 % and the earnings gap close to 40 %. The gender pay gap is a consequence of the division of the labour force into traditionally male and female-dominated occupations and sectors, the underrepresentation of women in top positions, persisting inequalities, and the (un)conscious bias women face at work, home and in society⁴.

The European Institute for Gender Equality (EIGE) has developed a gender equality index which tracks the EU’s progress on gender equality. In 2019, the gender equality index was 67.4 out of 100 – a 5.4 gain since 2013. However, progress is uneven across the EU. The two highest scoring Member States are Sweden (83.6 points) and Denmark (77.5 points). Greece (51.2 points) and Hungary (51.9 points), for example, are far further behind (see [Figure 1](#)).

Figure 1 – The 2019 gender equality index



Source: EIGE.

Gender equality is a critical factor in economic growth. According to the EIGE, improving gender equality would lead to an increase in EU GDP per capita of between 6 and 9.5 %, or around €2-3 trillion by 2050. The economic benefits of an improvement would already be apparent by 2030, when GDP per capita would have increased by up to 2 %⁵.

Gender mainstreaming

Gender mainstreaming is, according to a definition proposed by the EIGE, “the systematic consideration of the differences between the conditions, situations and needs of women and men in all policies and actions”. It involves considering gender when preparing, designing, implementing, monitoring and evaluating policies, regulatory measures and spending programmes, with a view to promoting equality between women and men, and combating discrimination.

Mainstreaming does not exclude the possibility of pursuing women-centred policies and programmes. Indeed, the Organisation for Economic Co-operation and Development (OECD) recommends adopting a dual approach to narrowing equality

gaps through both gender mainstreaming and specific targeted action to promote gender equality⁶.

Article 8 of the Treaty on the Functioning of the European Union (TFEU) lays the groundwork for gender mainstreaming insofar as it binds the EU to eliminate inequality and promote equality between men and women through all of its activities. Member States also committed to gender mainstreaming in the Declaration and Platform for Action⁷, adopted in 1995 at the Fourth International Conference on Women in Beijing, and under the 2030 Agenda for Sustainable Development (see **Box 1**).

Box 1: Sustainable Development Goal 5 – Achieve gender equality and empower all women and girls

The 2030 Agenda for Sustainable Development includes 17 Sustainable Development Goals (SDGs) and 169 related measurable targets. Gender equality plays a key role in the Agenda, as both a stand-alone SDG (Goal 5) and a horizontal theme cutting across other goals:

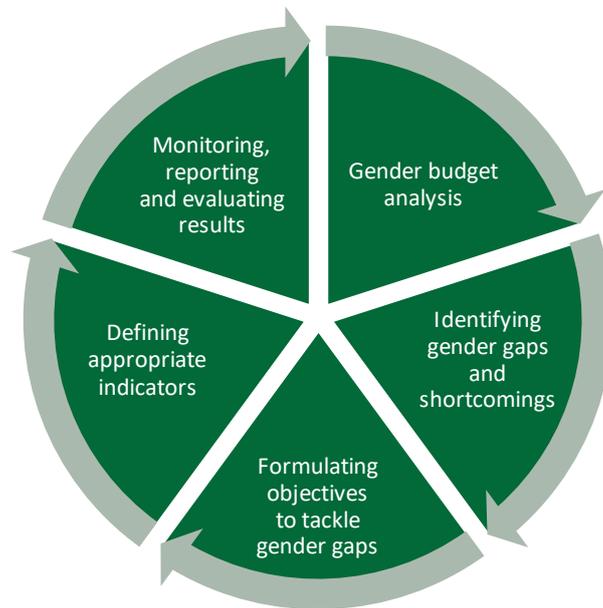
Target 5.c - Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.

Indicator 5.c.1 - Proportion of countries with systems to track and make public allocations for gender equality and women's empowerment.

The application of gender mainstreaming in the budgetary process is called “gender budgeting”. This is, according to the Council of Europe, “a gender-based assessment of budgets, incorporating a gender perspective at all levels of the budgetary process and restructuring revenues and expenditures in order to promote gender equality”⁸.

Figure 2 shows the key elements for integrating a gender perspective into the EU budgetary process.

Figure 2 – Key elements for integrating a gender perspective into the EU budgetary process



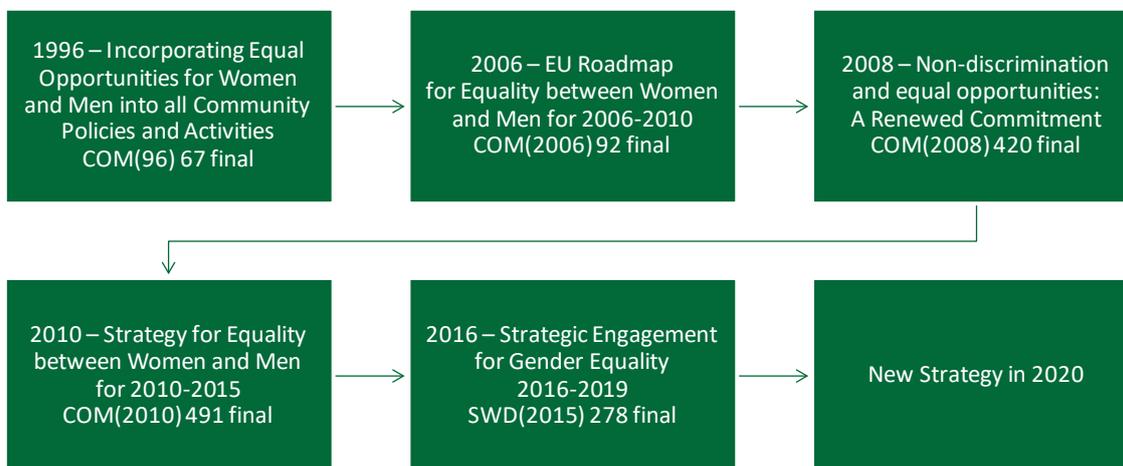
Source: ECA, based on the EIGE’s “Gender budgeting. Mainstreaming gender into the EU budget and macroeconomic policy framework”, 2018.

The current framework

The Commission’s commitments and strategies

Over the last 15 years, the Commission has issued a number of communications, roadmaps and strategies promoting gender equality (see [Figure 3](#)).

Figure 3 – The Commission’s commitments on gender equality



Source: ECA.

In 1996, the Commission committed to gender mainstreaming in all its policies and activities, while continuing with the implementation of targeted measures.

In 2016, the Commission reaffirmed its commitment to pursuing gender equality, including through gender mainstreaming, targeting five key action areas: equal economic independence for women and men; equal pay for work of equal value; equality in decision-making; dignity, integrity and ending gender-based violence; promoting gender equality beyond the EU⁹. The Commission also noted in its staff working document that gender budgeting (as defined by the Council of Europe) is not applied systematically to all parts of the EU general budget.

In 2019, new Commission President Ursula von der Leyen placed gender equality high on her political agenda. She created the post of Equality Commissioner and tasked the Commissioner in charge of this portfolio with devising an EU gender equality strategy within her first few months in office¹⁰.

This new strategy is being developed at the same time as negotiations are under way for the 2021-2027 multiannual financial framework.

Gender equality and the EU budget

There are many ways in which to adopt a gender perspective during the budgetary process.

The multiannual financial framework

The EU budget mainly funds investments over the medium- to long-term. It is adopted under a seven-year spending plan, known as the multiannual financial framework (MFF), which sets priorities and allocates resources across policy areas and funding programmes.

When negotiating the 2014-2020 MFF, the European Parliament, the Council and the Commission agreed in a joint declaration to apply, as appropriate, “gender-responsive elements” in the budgetary procedures for the 2014-2020 budgetary period, “taking into account the ways in which the overall financial framework of the Union contributes to increased gender equality (and ensures gender mainstreaming)”¹¹.

However, the spending review of current programmes that accompanied the Commission’s proposal for the 2021-2027 MFF¹² found that gender equality had not been mainstreamed across the EU budget in the same way as climate change or biodiversity. Instead, the principle had been pursued through specific programmes, mainly those tackling employment and social issues.

In December 2019, the Finnish Council Presidency stated: “Gender equality and gender mainstreaming should be taken into account and promoted throughout the preparation, implementation and monitoring of relevant programmes.”¹³

Gender mainstreaming in specific programmes

The regulations

The regulations governing specific funding programmes are important for gender equality because they determine whether¹⁴:

- gender equality is set as a programme objective;
- funding will be earmarked for gender equality;
- there is an obligation to consider gender equality during implementation, monitoring and evaluation.

The legal requirements with respect to gender equality vary, however, from one programme to another.

Box 2 sets out more detailed information on the regulations governing the European Structural and Investment (ESI) Funds, the main 2014-2020 investment programmes under shared management.

Box 2: Gender-specific rules for the European Structural and Investment (ESI) Funds

The five ESI funds are the EU budget's main investment programmes for 2014-2020: they comprise the European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund (CF), the European Agricultural Fund for Rural Development (EAFRD); and the European Maritime and Fisheries Fund (EMFF).

Regulation (EU) No 1303/2013 lays down the common provisions (CPR) for all five funds. In addition, there are fund-specific regulations¹⁵.

Article 7 of the CPR provides the legal basis for gender mainstreaming. It states that Member States and the Commission must ensure that equality between men and women is promoted and a gender perspective adopted throughout the preparation, implementation, monitoring and evaluation of all programmes.

The CPR also includes requirements to support gender mainstreaming in each of the phases of the policy cycle, through the pursuit of gender equality by means of: a general ex ante conditionality¹⁶ on gender equality, ex ante evaluations, partnership agreements and monitoring committees, selection procedures and criteria, and annual implementation reports.

There are also additional fund-specific gender-related provisions:

- Article 7 of Regulation (EU) No 1304/2013 on the ESF reiterates the obligation to mainstream gender throughout the preparation, implementation, monitoring and evaluation of programmes. In addition, Member States and the Commission should also support targeted action under a dedicated ESF investment priority¹⁷, or indeed under any of the ESF investment priorities. Authorities managing ESF programmes are also obliged to provide a breakdown of data on indicators by gender where applicable.
- Article 7 of the EAFRD Regulation (EU) No 1305/2013 states that Member States may incorporate thematic sub-programmes within their wider rural development programme to address specific issues and target groups, including women in rural areas¹⁸.

Budgetary documents and reporting on results and impact

According to the Commission, the programme statements accompanying the draft EU budget currently report on gender equality as follows¹⁹:

- 33 out of 60 EU spending programmes contain some qualitative or quantitative information related to gender mainstreaming;

- 11 programmes provide financial estimates on the EU budget's contribution to gender mainstreaming;
- 24 programmes provide quantitative information, mainly on the number of projects addressing gender equality, or gender statistics for project teams, decision-making bodies and beneficiaries.

Reporting on results and impact is part of the budget cycle and reported in the Commission's Annual Management and Performance Reporting.

Roles and responsibilities

European Parliament

In recent years, the European Parliament has taken a strong stance on advancing gender equality and has emphasised the need to deliver on the high-level EU commitments. In 2017, it found that EU funding should be used far more proactively to achieve gender equality goals, and called for gender budgeting to be applied in all EU budget lines and future EU funding programmes, with clear targets, specified resources and systematic monitoring²⁰.

The Council

In the 2011-2020 European Pact for Gender Equality of 7 March 2011, the Council committed to considering gender equality in its impact assessments of new EU policies²¹. The pact emphasised the important economic dimension of gender equality, and reaffirmed the Council's commitment to fulfilling EU ambitions on gender equality, as mentioned in the Treaty²².

Commission

The **Directorate-General for Justice and Consumers (DG JUST)** leads on gender equality at the Commission. It coordinates the inter-service group on equality between women and men, which is responsible for monitoring and steering the integration of a gender equality perspective across all EU policy areas.

The **various directorates-general** responsible for individual EU funding programmes play a major role in incorporating gender concerns in programme implementation, and in monitoring and evaluating results. With programmes under shared management, the Commission is responsible for the overall legal framework, budget implementation

and supervision, while the Member States are in charge of operational implementation and dealings with final beneficiaries.

As the EU's statistical office, **Eurostat** provides the Commission and other EU bodies with statistical data, so that they can better define, implement and analyse EU policies. It also supplies data which the EIGE uses to prepare the gender equality index.

The **Directorate-General for Budget (DG BUDG)** prepares the Commission's budget proposals, including the programme statements.

The European Institute for Gender Equality

The EIGE is an EU agency that was founded in December 2006 in order to promote gender equality and fight sexual discrimination. This remit extends to the promotion of gender mainstreaming in all EU policies and resulting national policies.

More specifically, the EIGE's main activities are:

- research, data collection, and the development and maintenance of tools integrating gender equality into all EU policies, including the gender equality index (launched in 2013) and the Gender Statistics Database (launched in February 2016);
- reporting gender equality-related research to the Commission, the European Parliament, the Council and Member States, including findings from work related to gender mainstreaming;
- producing specialised publications on the progress of gender equality: factsheets, studies, surveys, research notes, briefing papers, guides and consolidated annual activity reports.

The EIB Group

The EIB Group, comprising the European Investment Bank (EIB) and the European Investment Fund, plays an important role as the lending arm of the EU. Alongside jobs and growth, and sustainability, gender equality is one of the key goals it pursues.

In 2016, the EIB Group approved a strategy on gender equality and women's economic empowerment. The 2018 EIB Group Gender Action Plan is a roadmap for its implementation²³.

Focus of the audit

Our audit aims to assess whether the Commission has made use of gender mainstreaming in the EU budget to promote equality between women and men. In particular, we will examine whether:

- the framework to promote gender equality is appropriate;
- the MFF and the annual EU budgets integrate a gender perspective, and
- the Commission can demonstrate results of the main EU funding programmes on gender equality.

Since we identified the issues underlying these areas of enquiry before the audit work commenced, they should not be regarded as audit observations, conclusions or recommendations.

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Audit previews provide information in relation to an ongoing audit task. They are based on preparatory work undertaken before the start of the audit and are intended as a source of information for those interested in the policy and/or programme being audited.

If you wish to contact the team in charge of this audit, please do so through the following e-mail address:

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- ¹ European Institute for Gender Equality (EIGE), *“Glossary & Thesaurus”*.
 - ² Female, male or transgender (“person who has a gender identity different to the gender assigned at birth and who wishes to portray gender identity in a different way to the gender assigned at birth”, EIGE, *“Glossary & Thesaurus”*).
 - ³ UNICEF, *“Gender equality – Glossary of terms and concepts”*, 2017.
 - ⁴ European Commission, *Roadmap: Gender equality strategy – 2020-2024*, Ref. Ares(2020)267703, 16 January 2020.
 - ⁵ EIGE, *“Economic Benefits of Gender Equality in the European Union. Overall economic impacts of gender equality”*, 2017.
 - ⁶ OECD, *Toolkit for Mainstreaming and Implementing Gender Equality - Implementing the 2015 OECD Recommendation on Gender Equality in Public Life*, 2018.
 - ⁷ UN, *The Fourth World Conference on Women, Beijing Declaration and Platform for Action*, adopted at the 16th plenary meeting, 15 September 1995.
 - ⁸ Council of Europe, *“Gender budgeting: practical implementation, Handbook”*, 2009.
 - ⁹ European Commission, Staff Working Document *“Strategic Engagement for Gender Equality 2016-2019”*; SWD(2015) 278 final; 16 December 2015.
 - ¹⁰ European Commission, Mission letter from Ursula von der Leyen, President-elect of the Commission, to Helena Dalli, Commissioner-designate for Equality, 10 September 2019.
 - ¹¹ European Parliament legislative resolution of 19 November 2013 on the draft Council regulation laying down the multiannual financial framework for the years 2014-2020, Annex 2 *“Declarations”*, Joint Declaration (P7_TA(2013)0455, OJ C 436, 24.11.2016, p. 51).
 - ¹² European Commission, Commission Staff working document *“Spending review”* accompanying the document communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions: *A Modern Budget for a Union that Protects, Empowers and Defends, The Multiannual Financial Framework for 2021-2027*, SWD(2018) 171 final, accompanying the document COM(2018) 321 final, 2 May 2018.
 - ¹³ Finish Council Presidency, *“Negotiating Box with figures”*, 2 December 2019.
 - ¹⁴ EIGE, *“Gender budgeting. Mainstreaming gender into the EU budget and macroeconomic policy framework”*, 2018.
 - ¹⁵ Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006.

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- ¹⁶ The purpose of ex-ante conditionalities is to ensure the effectiveness of the policy.
- ¹⁷ Regulation (EU) No 1304/2013 of the European Parliament and of the Council of 17 December 2013 on the European Social Fund and repealing Council Regulation (EC) No 1081/2006.
- ¹⁸ Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005.
- ¹⁹ European Commission, programme statements accompanying the 2020 draft EU budget; https://ec.europa.eu/info/strategy/eu-budget/documents/annual-budget/2020_en
- ²⁰ European Parliament resolution of 14 March 2017 on EU funds for gender equality (2016/2144(INI)).
- ²¹ Special report No 14/2019: “Have your say!”: Commission’s public consultations engage citizens, but fall short of outreach activities.
- Special report No 16/2018: Ex-post review of EU legislation: a well-established system, but incomplete.
- Special Report No 3/2010: Impact Assessments in the EU institutions: do they support decision making?
- ²² Council conclusions of 7 March 2011 on European Pact for Gender Equality (2011-2020). (2011/c 155/02).
- ²³ EIB Group Gender Strategy, “Protect, Impact, Invest: The EIB Group Strategy on Gender Equality and Women’s Economic Empowerment”, 13 December 2016.

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