

## Abstract

# Ten-Years Evaluation and Future Tasks of Gender Budgeting in Korea (2019)

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The Gender Budgeting System of Korea is a fiscal scheme that is designed to consider gender equality issues when injecting funds for government policies and evaluating performance, by factoring in gender equality perspective in all processes of the government's fiscal activities. Since the fiscal year of 2010, the National Finance Act of Korea has mandated the submission of the gender budget statement as an attachment of the budget proposal to the National

Assembly. The decade-old gender budgeting system has been widely credited to positive outcomes, including the establishment of legal and policy ground for promoting gender equality, the adjustment of budget allocation for programs that do not equally benefit both genders, the securing of funds for vital national agenda, among others. In the meantime, some have raised the need of modifying the system's implementation strategy as gender inequality has not been significantly reduced nationwide over the years. Against this backdrop, the purpose of this research is to analyze the features of Korea's gender budgeting system, which has been in place for the last 10 years, and develop an assessment model that takes major issues into account. Then, the study assesses the implementation of the budgetary system and comes up with policy improvement plans by investigating and examining those who are involved. In addition, the study intends to contribute to effectively incorporating gender equality perspective into all government budgeting phases, including budget compilation, execution and evaluation, through conducting shorter-term surveys depending on the government's budget settlement steps.

The research specifically sheds light on the following. First, the study looks into the purpose and features of the gender budgeting system. To be specific, exploration was made on the characteristics of the Korean scheme, comparing with that of other countries, the discussion and activities related to gender budgeting in international organizations over the past 10 years, other countries' gender budget statements, and trends of the system for the period from the fiscal year 2010 to 2019. The study also investigates guidelines for preparing gender budget statements; detailed instructions of the guidelines; forms of and contents in the statement; numbers of

programs and allocated budget amounts by department. Adding to this, it studies topics of investigation in the National Assembly gender budget and settlement review, gender budget related activities of civil society organizations, the gender budgeting settlement review by the Board of Audit and Inspection of Korea, the impact on gender equality based on gender budgeting, and others. Regarding the meaning of the numbers of programs and amount of allocated budget for programs by department, there are two interpretations. One is that those numbers represent direct spending for the purpose of gender equality, which can be explained as a measurement of a department's commitment to achieving gender equality. The other is that they exhibit the analysis scope of gender budgeting impact on gender equality. Therefore, if there is an increase in such numbers, it means that departments have a willingness to adjust the difference in benefits among programs through the expansion of the analysis scope of the budgeting's impact on gender equality, in hopes of mitigating such differences by managing performance goals and others and altering budget and policy processes.

Second, the study establishes an assessment model for evaluating the scheme and operation of the Gender Budgeting System and uncovers major accomplishments and issues on the basis of this model. Based on previous research, it lays out an evaluation model that consists of five-categories and 12-assessment indicators. Questionnaires were developed for each category and assessment, which were administered to renowned experts in the fields of the gender budgeting and fiscal management. The question sheet includes questions that not only ask for the evaluation of each assessment indicator but also for the appraisal of relative importance of each category and indicator. To assess relative importance, the analytic hierarchy process (AHP) is employed. Assessment reveals that for a

further advancement of the gender budgeting system, the organizational foundation is more vital than the legal one; however, what is most critical is applying a gender equality perspective to different fiscal management levels.

Third, in order to propose multi-dimensional improvement plans after a decade of the gender budgeting system, the study investigates those involved in executing the system, including experts and officials from the administrative and the legislative branch, and then performs analysis on the outcomes. For those working in the executive branch, it examines civil servant's awareness and evaluation of gender budgeting and settlement (sample comparison between those with such experience and those without), changes in the awareness and evaluation after preparing gender budget statements and balance sheets (among those with such experience), and ways of developing the system and navigating future directions. For those serving in the legislative branch, that is, aides of standing committee members and civil servants from the National Assembly Budget Office and National Assembly Research Service, the study explores their awareness of the support for deliberation of gender budgeting and settlement and its evaluation, changes in the awareness and evaluation after participating in the examination of gender budget statements and balance sheets (among those with such experience), and ways of improving the system and figuring out future directions. For experts from related fields and women activists from Gender Budgeting Network and other civic groups, this research sheds light on how to bring the system to a higher level and decide on future directions. The investigation tells that it is necessary to practically elevate the quality of the budgeting system by building a performance management system, enhancing capability, and reflecting on actual conditions of Korea.

In response to the results, the study proposes the following improvement steps. First, more structured legal grounds. Details related to the gender budgeting system should be included in the government's fiscal management plan and have legally applicable provisions. If that were done, guidelines for publishing gender budget statements would be shaped in accordance with the direction of national fiscal management and gender equality conditions, among others. By doing so, issues with target programs could be tackled to some extent. Second, stronger organizational foundations. It deems necessary to set up a gender budget examination and evaluation committee within the Ministry of Economy and Finance or the Ministry of Gender Equality and Family. In addition, Korea Women's Development Institute should be specified in the National Finance Act and accordingly be provided with proper organizational, functional and budgetary support. Furthermore, a gender budgeting and settlement information system should be constructed and operated in connection with dBrain, the Korean government's digital budget system. Third, more proactive feedback to budget compilation and allocation. To this end, the quality of evaluation and analysis conducted in accordance with the Gender Impact Assessment Act should be improved, and negative incentive should be imposed to if the gender impact assessment is not completed before budget compilation. At the same time, the direction of fiscal operation within the national fiscal management plan and the state of gender equality should be monitored, and analysis of the socio-structural gender inequality and demands from policy targets should be thoroughly conducted. On top of that, for better feedback on the scheme, based on the assessment outcomes reflected in the gender balance sheet, program groups that have performed poorly in terms of gender equality goals (performance

indicators) should conduct a special gender impact assessment in accordance with the Gender Impact Assessment Act. It is also necessary to choose a group of programs that is prioritized to accomplish national gender equality targets and strengthen gender equality impact analysis.

Fourth, improving the forms of gender budget statements and gender fund operation plans, which are legal documents. For gender impact analysis to be meaningfully conducted and those in charge in different departments to efficiently perform their tasks, benefit analysis by gender should be removed; rather, the gender impact analysis prepared under the Gender Impact Analysis Act should be attached. Another option is to include gender equality goals in the performance plan form, and only related programs should be gathered separately then submitted. Yet another is that, the impact analysis report on gender equality of target programs in the applicable fiscal year should be submitted with the gender balance sheet.

Lastly, better National Assembly functions on budget deliberation and confirmation. The investigation on details of gender budgeting and settlement process shows that while the National Assembly Budget and Accounting Committee made various suggestions about gender budgeting in the early days, it now rarely discusses it. In addition, the Gender Equality and Family Committee was pointed out as a player which takes a central role in operating the budgeting scheme. Under these situations, the function of the Budget and Accounting Committee confirming gender budgeting would be reinforced if a designated gender budgeting and settlement team is in place within the committee and produces a separate review report on gender budget statements and balance sheets.