

Engendering Development

POVERTY REDUCTION THROUGH GENDER-DISAGGREGATED ANALYSIS OF PUBLIC EXPENDITURES: THE CASE OF CAMBODIA

Why this is a Promising Approach:

- The impact of public expenditure programs on poverty reduction can be enhanced by analyzing gender-disaggregated data in public expenditure reviews, especially by conducting a gender-disaggregated benefit-incidence analysis.
- In Cambodia, gender-disaggregated benefit-incidence analysis helped identify how to cost-effectively increase female enrolment rates in lower secondary education through scholarship programs, improvements to rural roads, and sanitary facilities in schools.
- Cambodia's Integrated Fiduciary Assessment and Public Expenditure Review (IFAPER) recognized that good follow-through is required to ensure that the results of a gender-disaggregated benefit-incidence analysis are used effectively. The IFAPER recommended that all ministries develop realistic gender-disaggregated targets for reaching beneficiaries and systems for reporting success in reaching those targets.

Public expenditure reviews can help governments target their expenditures to promote pro-poor growth and assist poor and vulnerable groups. This targeting will be most effective when it is informed by gender-disaggregated data analysis. Using a recent example from Cambodia, this note illustrates the advantages of including gender-disaggregated data analysis—especially benefit-incidence analysis—when conducting a public expenditure review and designing public expenditure programs.

Benefit-incidence analysis is a useful technique for assessing how public spending is targeted and who benefits from it. It links information about subsidies and transfers from the government's fiscal accounts with the distributional profile of service utilization in a given sector. This information can be readily obtained from household surveys, such as the Living Standards Measurement Survey. Gender-disaggregated benefit incidence analysis can take many forms, from a simple comparison of male and female beneficiaries to a sophisticated econometric analysis. It can thus be used flexibly, depending on data availability, which can be a serious problem in countries such as Cambodia.

Cambodia's 2003 "Integrated Fiduciary Assessment and Public Expenditure Review" (IFAPER) included gender-dis-aggregated benefit-incidence analysis. The IFAPER's analysis identified the barriers to public service access faced by women and girls, especially in education and agriculture, and proposed ways of addressing these barriers.

Gender Impact of Educational Subsidies

Although public subsidies are often assumed to be gender neutral, benefit-incidence analysis of education expenditures can reveal disparities in the extent to which males and females benefit from public

spending on education. Public education is usually a major component of government expenditures. However, the subsidies given to school places will only benefit those children who attend publicly-subsidized schools. If households typically enroll more boys than girls, there will be a gender difference in benefit incidence: although not intended as a goal of government policy, more of the government subsidy will go to boys than to girls. If girls continue to enroll in smaller numbers than boys at the higher levels of education, then switching the focus of government expenditures from tertiary towards primary schooling, or providing scholarships to encourage girls to continue beyond primary school would ensure girls gain access to a greater share of the education subsidy in the future. The benefit incidence of public spending for one group (such as girls) therefore depends on two factors: the use of publicly-funded services by that group and the distribution of government spending. If the goal is universal primary education, the relative weight of the subsidies for girls needs to be increased in order to provide services such as transportation or toilet facilities, which will subsequently encourage higher enrolment rates among girls.

Gender and Education in Cambodia

Household surveys conducted in Cambodia helped to inform the policy conclusions reached in the IFAPER. In Cambodia, girls' enrolments drop significantly at the end of primary school, resulting in a large gender gap in lower secondary school. Survey results suggested that three factors help explain the disproportionate dropout of girls. First, although the direct costs of education are equal for boys and girls, parents generally perceive higher opportunity costs and lower benefits from educating their daughters. Poor families who cannot afford

to educate all their children therefore prefer to educate their sons.

Second, because rural transport systems are poor, the longer distances from home to secondary than to primary school are a significant constraint to school attendance for girls, who tend to lack access to live-in or boarding school facilities and to bicycles. The well-established system in which boys live in religious institutions (temples) while attending secondary school is not available to girls.

Third, few schools have toilet facilities and even fewer have separate facilities for boys and girls. This situation creates problems of modesty, particularly for adolescent girls.

Gender-Disaggregated Benefit-Incidence Analysis in Cambodia's Public Expenditure Review

The IFAPER's benefit-incidence analysis, together with an analysis of gender roles and household choices based on household surveys, suggested three ways to cost-effectively address the constraints identified above: provide scholarships for girls, improve rural transport, and build school toilets. As a result of this analysis, scholarship schemes are being piloted, a rural roads program is underway, efforts are being made to provide toilets in existing school facilities, and newly constructed schools in Cambodia are now expected to have toilets.

The use of gender-disaggregated benefit-incidence analysis, together with household survey data, allowed Cambodia's IFAPER to identify appropriate priorities for resource

allocation and ways to manage expenditures more effectively. In Cambodia's education sector, action on the findings of the IFAPER was facilitated by the Education Ministry's parallel, program-oriented budgeting system (which is linked to the planning process and to the Medium-term Expenditure Framework, based on 12 priority programs) and their strong database on beneficiaries.

The positive results of gender-disaggregated analysis are not limited to the education sector. The Cambodia IFAPER was also able to inform expenditure allocations in the agriculture and health sectors, where benefit-incidence analysis examined alternative financing mechanisms (such as Health Equity Funds), and studied the effects of user fees on service utilization. For example, in agriculture, research showed that women in Cambodia make up the majority of farmers, but are a minority among beneficiaries of public services, accounting for only 20-30 percent of participants in extension programs. Agricultural research and extension do not focus on the activities of female farmers, even though men and women specialize in different tasks. Safety concerns impede women's access to extension services, which often require traveling to district centers, and the overwhelmingly male extension service staff find it socially difficult to engage in face-to-face communication with female farmers. These patterns imply that men are benefiting disproportionately from the government's agricultural subsidies and services.

The gender-disaggregated benefit-incidence analysis conducted for Cambodia's IFAPER also contributed to the creation of better follow-up information and benchmarks. The IFAPER recommended that all ministries develop realistic gender-disaggregated targets for reaching beneficiaries and set up systems for reporting success in reaching those targets. Implementation of these recommendations will be an important step for optimizing the poverty reduction impact of public spending in Cambodia.

Further reading:

- World Bank/Asian Development Bank World Bank/Asian Development Bank (2003). "Cambodia-Enhancing Service Delivery through Improved Resource Allocation and Institutional Reform. Integrated Fiduciary Assessment and Public Expenditure Review."

<http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/EASTASIAPACIFICEXT/CAMBODIAEXTN/0,,contentMDK:20182403~pagePK:141137~piPK:217854~theSitePK:293856,00.html>

- Lionel Demery, "Gender and Public Spending: Insights from Benefit Incidence"
www.worldbank.org/wbi/publicfinance/documents/gender/Demery.pdf

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