Words to action: The state of ODA funding for gender equality
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It's been another big year for gender equality and women's empowerment on the global development agenda. International events such as Women Deliver 2019 resulted in unprecedented commitments to women's empowerment, including a US$1.1 billion pledge from Canada for women's and girls' health. In June 2019, the G20 included a strong commitment to gender equality and women's empowerment in their G20 Osaka Leaders' Declaration, underlining its “importance in all aspects of our policies and as a cross-cutting issue at all upcoming summits”. Meanwhile, the US launched the Women's Global Development and Prosperity Initiative, a whole-of-government approach to promoting women’s economic empowerment.

However, to understand the progress being made on SDG 5 (‘Achieve gender equality and empower all women and girls’), it’s important to go beyond the headlines. How are the governments of Organisation for Economic Co-operation and Development (OECD) donors prioritizing gender equality in their development policy? How much money do they give? Which projects are they funding? What progress are donor countries making in funding gender equality?

In our 2018 report ‘Empowerment How?’, we examined gender equality policy and funding across the 14 donor countries covered by the Donor Tracker. Using the gender equality policy marker of the OECD’s Development Assistance Committee (DAC), which records official development assistance (ODA) that targets gender equality (see box), we found that, despite an increasing rhetorical policy emphasis on gender equality, insufficient funding levels remain a key challenge to achieving SDG 5. Collectively, the 14 donors spent only 4% (US$4.6 billion) of their total bilateral ODA in 2016 on projects whose ‘principal’ focus was gender equality.

This ‘Insights’ piece explores changes in policy and funding since that time. We analyze trends in DAC members’ ODA for gender equality in 2017 and compare them with the spending in previous years. We then take a closer look at six Donor Tracker donors, examining trends in the top four largest absolute funders – the US, Germany, EU Institutions (EU), and the UK – and two other donors, Sweden and Canada, which spend among the highest shares of their ODA on gender equality. We also highlight three ‘donors to watch’ – Japan, the Netherlands, and South Korea – which have recently launched notable gender equality-related initiatives.

The OECD DAC gender marker: A quick guide

The DAC gender equality policy marker records development assistance activities that target gender equality as a policy objective.

The marker has three possible scores:

1. **Principal**: gender equality is the main objective of the project/program;

2. **Significant**: gender equality is an important and deliberate, but not the main, objective of the project/program;

3. **Not targeted**: project/program does not target gender equality.

This Insights piece considers all ‘Principal’ and ‘Significant’ funding to be ‘gender-focused’.

Source: OECD DAC, Handbook on the OECD-DAC Gender

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1. The 14 countries covered by the Donor Tracker are: Australia, Canada, EU Institutions, France, Germany, Italy, Japan, Netherlands, Norway, Spain, South Korea, Sweden, UK, and US.
Donors’ overall spending has increased, but funding for projects that specifically target gender equality is stagnating, hindering critical progress towards SDG 5

We find that:

- In 2017, the 30 DAC members spent US$39.0 billion on overall bilateral allocable ODA in gender-equality related projects (projects in which gender equality is either a ‘principal’ or at least ‘significant’ objective; see box). This is 6% (US$2.2 billion) higher than spending for the same in 2016 and double the amount given in 2009 (US$19.7 billion), the first year of reliable data based on the OECD DAC gender equality policy marker.

- The largest DAC donors to gender equality projects in 2017 were the US (US$6.5 billion), Germany (US$6.0 billion), the EU (US$5.6 billion), and the UK (US$5.5 billion), the same top donors as in 2016. Together, these four donors alone accounted for 60% of total funding.

- The share of total bilateral ODA that DAC donors spend on gender equality (including both significant and principal funding) is increasing over time. This share of funding has increased from 27% of total DAC ODA spending in 2009 to 35% in 2017 (see Figure 1).

- The top three donors when comparing gender equality spending to their overall ODA, were Sweden (which spent 84% of its bilateral ODA on the issue in 2017), Ireland (83%), and Canada (80%). The three donors that spent the smallest share of bilateral ODA on gender equality in 2017 were Slovenia (15%), South Korea (10%), and Poland (2%).

- A concerning trend in funding for gender equality initiatives emerges from the data; the 6% (US$2.2 billion) increase in gender-related funding in 2017 was entirely driven by funding for projects that integrate gender equality as just one of multiple significant goals. By contrast, funding for projects with gender as the principal goal dropped by 5% between 2016 and 2017 (from US$4.9 billion to US$4.7 billion). Spending on projects with gender equality as a principal goal accounted for only 4% of donors’ total bilateral ODA in 2017.

- Some donors saw marked increases in their spending on projects with gender equality as a significant goal. Notably, Italy increased its spending by 82% from 2016 (from US$216 million to US$393 million) and Canada by 36% (from US$1.4 billion in 2016 to US$1.9 billion in 2017). Other donors decreased spending; the largest cuts came from Iceland (down by 29%), Australia (down by 27%), and France (down by 11%).

- As a share of total allocable bilateral ODA flows, funding for projects with gender equality as a significant goal has steadily increased in the same way that total volumes have. It reached 31% – its highest level yet – in 2017, up from a low of 21% in 2010.

- The US is by far the largest donor to projects whose principal goal is gender equality, with an expenditure of US$1.5 billion in 2017. It spends much more than the second and third-ranked DAC donors, Sweden and the UK, who spent US$533 million and US$514 million respectively. However, the US cut funding by 25% (US$506 million) in its principal project funding between 2016 and 2017, the biggest decline of any of the eight donors who made cuts in 2017. 19 out of 30 DAC donors increased their principal spending that year – including Denmark (up by 173%), France (158%), and Italy (76%) – but it was not enough to offset the US-driven shortfall in overall funding. The remaining three donors did not report any contributions to activities with gender equality as a principal goal.

- The largest donors to projects with gender equality as a principal goal as a share of total bilateral funding were Sweden (which spent 19% of its bilateral ODA on principal projects in 2017), the Netherlands (17%) and Spain (also 17%). The smallest three donors were Greece and Hungary, which recorded zero spending on such projects, and the Slovak Republic (0.3%).

- Donors concentrate their gender-equality funding on a few sectors: More than half of total spending by all DAC donors in 2017 went to four sectors: government and civil society (19%), health and population (18%), humanitarian aid (13%), and education (11%).

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2. The DAC gender equality policy marker applies to bilateral allocable assistance and exclude core contributions to multilateral organizations. Bilateral allocable assistance includes the following types of aid: sector budget support; core support to NGOs; support to specific funds managed by international organizations; pooled funding; projects; donor country personnel and other technical assistance; and scholarships in the donor country. It excludes general budget support, core contribution to multilateral organizations, imputed student costs, debt relief, administrative costs, development awareness, and refugee costs in the donor country – where donors’ intention is considered as impossible to identify.
Challenges remain with regards to data collection and reporting. According to the OECD DAC, donors are marking an increasing amount of bilateral assistance as ‘unallocated’—up from 25% in 2007 to 37% in 2017. Unallocated ODA is not scored against the gender marker, making analysis of spending on gender equality increasingly difficult.

Analysis is further complicated by the failure of donors to screen all allocated assistance with the gender equality policy marker. In 2017, US$3.3 billion (3%) of bilateral allocable assistance was not screened against the marker; a significant improvement from 9% in 2015, but still too wide a margin. Unscreened data poses a significant challenge to data precision on gender-targeting in ODA-spending.

What does this mean for financing gender equality in development?

It’s encouraging to see that funding for gender equality as a ‘significant’ objective has grown steadily over time. Funding projects that include gender equality as an objective ensures that a gender equality lens cuts across all the SDGs.

However, much remains to be done. It’s time to turn rhetorical support for gender equality into financial support. Donors urgently need to scale up funding for projects whose principal objective is the promotion of gender equality and women’s empowerment. More funding is critical to ensure that gender equality is taken seriously as a stand-alone development goal, rather than as an add-on to existing aims. Donors should commit to increasing long-term spending that explicitly targets gender inequalities so that no woman or girl is left behind.

A closer look at six key donors confirms gap between rhetoric and funding

We selected six donors based on funding rankings; as the top four donors to gender equality, the US, Germany, the EU, and the UK play an important role in providing the resources to achieve SDG 5. We also analyze two of the largest relative donors, Sweden and Canada, as they spearhead the global gender equality agenda by deliberately applying a feminist lens to their development policies.
**Figure 2: Bilateral ODA with focus on gender equality, top 20 DAC donors, 2017, US$ billions**

- **United States**: 6.5
- **Germany**: 6.0
- **EU Institutions**: 5.6
- **United Kingdom**: 5.5
- **Japan**: 3.1
- **Sweden**: 2.4
- **Canada**: 1.9
- **Netherlands**: 1.3
- **Australia**: 1.1
- **France**: 1.0
- **Norway**: 0.8
- **Switzerland**: 0.6
- **Belgium**: 0.6
- **Denmark**: 0.5
- **Italy**: 0.4
- **Ireland**: 0.3
- **Spain**: 0.3
- **Finland**: 0.3
- **Korea**: 0.2
- **New Zealand**: 0.2

**Figure 3: Bilateral ODA with focus on gender equality, top 20 DAC donors, 2017**

As % of bilateral allocable ODA

- **Sweden**: 84
- **Ireland**: 83
- **Canada**: 80
- **Iceland**: 79
- **Belgium**: 65
- **Finland**: 59
- **Netherlands**: 58
- **New Zealand**: 55
- **United Kingdom**: 54
- **Czech Republic**: 50
- **Australia**: 49
- **Spain**: 49
- **Germany**: 41
- **Slovak Republic**: 40
- **Austria**: 39
- **Italy**: 37
- **Denmark**: 36
- **Switzerland**: 34
- **EU Institutions**: 32
- **Portugal**: 30

DAC average: 41%
UNITED STATES

Funding for gender equality dropped in 2017

The US is the world’s largest donor to gender equality initiatives in absolute terms, spending US$6.5 billion in 2017. However, gender equality spending only accounts for 25% of total bilateral allocable ODA, far lower than the DAC average of 41%. Funding for gender equality dropped by 4% in 2017, driven by a US$506 million reduction in funding for projects with gender equality as a principal goal.

Gender-focused spending was concentrated on health and population (48%) and government and civil society (13%) in 2017.

The US champions women’s economic inclusion but support for family planning is contentious

Current US efforts focus on the economic empowerment of women. In 2018, the US launched the ‘2x Women’s Initiative’, which aims to mobilize US$3.0 billion for women’s financial inclusion. The same year, the US Congress passed the Women’s Economic Empowerment Act to improve USAID programs focused on women’s economic empowerment globally.

The Mexico City policy, instated by President Trump in 2017, blocks US federal funding to overseas health organizations that provide any information on or access to abortion services (even if they use non-US funding for those services). Given that the US is the largest global health donor, the policy has wide implications. According to a report by the Kaiser Family Foundation, at least 1,275 foreign NGOs have been negatively affected by the policy.
GERMANY

Germany is the second-largest donor but only a small fraction of total spending goes to projects with gender equality as a principal goal

Germany spent US$6.0 billion in 2017 on activities that had gender equality as a principal or significant goal, making it the second-largest OECD DAC donor in absolute terms, after the US. Total gender-focused spending has increased over the past years, up from US$5.0 billion in 2015. However, the share of this funding going to projects with gender equality as the principal goal was only 3% in 2017.

In 2017, Germany allocated most of its gender-focused spending to government and civil society (18%), humanitarian aid (13%), and education (10%).

Germany takes a three-pronged approach to gender equality in development policy

Gender equality is a cross-cutting theme of Germany’s development policy, to be achieved through 1) gender mainstreaming, 2) pursuit of activities that strengthen women’s rights, and 3) effective use of development policy dialogues. This approach is outlined in Germany’s Development Policy Action Plan on Gender Equality for 2016 to 2020.

An emerging area of interest is the gender digital divide. Germany has committed to removing barriers to women’s participation in information and communication technology (ICT), recognizing the potential of technology to act as a ‘development enabler’.
EU

Total EU ODA allocated to gender equality is increasing, but share to ‘principal’ activities remains low

EU institutions contributed US$5.6 billion in ODA to development activities that support gender equality in 2017, coming in third as the largest absolute donor after the US and Germany. Projects with a focus on gender equality accounted for 32% of allocable EU ODA that year. The DAC average in 2017 was 41%, almost 10% above the EU’s share. Total spending has significantly increased since 2015 when it stood at US$3.3 billion.

However, of the 32% of the EU’s allocable ODA that was assigned to broadly gender-focused projects, only 2% of all allocable ODA went to activities with gender equality as the principal goal (DAC average: 6%).

In line with the themes of the EU’s second Gender Action Plan (GAP), covering the period 2016 to 2020, the largest recipient sector of gender-focused ODA in 2017 was government and civil society (20%), followed by agriculture and rural development (14%), and humanitarian aid (12%).

The EU emphasizes protecting women and girls from violence

The EU’s GAP contains three core themes relating to women’s and girls’ empowerment: 1) freedom from violence and access to justice and healthcare, 2) economic empowerment, and 3) access to education; and improved participation in decision-making.

The EU has carried its focus on the elimination of violence towards women and girls into the multilateral sphere, launching the Spotlight Initiative in partnership with the UN in 2017.
UNITED KINGDOM

Humanitarian aid received a huge boost in gender-focused ODA in 2017

In 2017, the UK contributed US$5.5 billion in ODA to gender-focused activities. Although this is an increase in absolute funding from US$4.2 billion in 2015, the share of bilateral allocable ODA going to activities with gender equality as a principal goal decreased from 8% in 2015 to only 5% in 2017 (DAC average was 6%).

The themes of the UK’s 2018-2030 Strategic Vision for Gender Equality are reflected in its sector share of gender-focused funding. The largest share of ODA to gender equality in 2017 went to humanitarian aid (20%), followed by health and population (19%), and education (13%). Funding for humanitarian aid doubled from 2016, at which time it was the fourth-largest sector.

Gender mainstreaming of development activities is enshrined in law in the UK; focus on girl’s education

The UK has enshrined in law the requirement to consider gender equality in all development activities. This is implemented by the Department for International Development (DFID) whose Strategic Vision has five core themes:

1. improved economic empowerment;
2. increased participation in decision making and peacekeeping;
3. girl’s education;
4. sexual and reproductive health and rights; and
5. eliminating gender-based violence.

The UK has combined its focus on education and humanitarian support by pledging US$250 million to girls’ education in humanitarian crises at the 2018 G7 Summit.
SWEDEN

Swedish places greater emphasis on gender as a principal goal than other donors

Sweden’s funding for gender equality has been steadily rising since 2015. From 2016 to 2017, funding for all gender-focused activities increased by 16% to an all-time high of US$2.4 billion. Notably, it is the largest donor to gender equality as a share of total bilateral allocable ODA. Sweden’s funding for projects with gender equality as a principal goal accounted for 19% of its bilateral allocable spending in 2017, much higher than the DAC average (6%).

Sweden’s gender-focused spending mostly funds government and civil society (25%) and humanitarian aid (20%).

A ‘feminist foreign policy’ guides Sweden’s entire foreign policy strategy

Sweden’s entire foreign policy is conceptualized through a feminist perspective. Within development cooperation, Sweden highlights sexual and reproductive health and rights (SRHR) as one of six objectives and prioritizes women’s and girls’ participation in preventing and resolving conflicts. It also focuses on access to better gender-disaggregated statistics, a cause to which Sweden has committed SEK1.0 billion (US$117 million).

Sweden co-launched the global ‘SheDecides’ movement in 2016 to promote SRHR in response to planned US funding cuts. Sweden upholds a commitment to gender equality within organizations as well: in 2018, it froze funding to UNAIDS following allegations of sexual harassment against its director.
CANADA

Canada’s funding for gender equality has skyrocketed, but lags behind on principal target

Canada’s Feminist International Assistance Policy (FIAP) commits 80% of Canada’s bilateral ODA to projects with gender as a significant objective, and 15% to gender equality as a principal objective by 2021-2022.

Canadian development assistance to gender equality increased by 35% (US$508 million) to US$1.9 billion in 2017, the first year of reporting under the FIAP. Most of the increase (US$496 million) went to projects with gender equality as a significant goal, which accounted for 78% of allocable bilateral spending. Comparatively little (US$63 million) went to projects with gender equality as a principal goal; these projects accounted for just 3% of bilateral spending, well below the 15% principal target for 2021-2022.

Priority sectors for gender-focused spending include humanitarian aid (29%) and health (22%).

Canada’s Feminist International Assistance Policy emphasizes health and inclusive growth

Launched in 2017, the FIAP emphasizes sexual and reproductive health and rights (SRHR) and inclusive humanitarian assistance. Canada currently leads the ‘Call to Action on Protection from Gender-Based Violence in Emergencies’, a global initiative aiming to better address gender-based violence in crisis.

In June 2019, Prime Minister Justin Trudeau announced a CAD1.4 billion (US$1.1 billion) annual commitment to support women and girls’ health for ten years, with CAD700 million (US$539 million) dedicated to SRHR per year.
DONORS TO WATCH

*Keep an eye on exciting initiatives by Japan, the Netherlands, and South Korea*

Japan ranked fifth after the UK in absolute spending on gender-focused ODA in 2017, spending US$3.1 billion. Japan has used its presidency of the G20 in 2019 to emphasize the importance of women’s empowerment in promoting development. Leadership committed to “continue support for girls’ and women’s education and training, including providing quality primary and secondary education, improved access to STEM (Science, Technology, Engineering and Mathematics) education” in the Osaka Leaders’ Declaration.

The Netherlands allocated almost 20% of all allocable ODA in 2017 to activities with gender equality as their principal goal (DAC average: 6%). Nearly 60% of its bilateral health ODA went to reproductive health care, and in 2017-2018, the Netherlands supported a total of 820 CSOs promoting women’s rights.

South Korea’s funding for women’s empowerment is low compared to other DAC donors (US$167 million in 2017, ranking 19th), but it has announced new initiatives worth watching: 1) the ‘Action with Women and Peace’ initiative launched in 2019 to support women in peace and security, and to tackle gender-based violence, along with an inaugural international conference of the same name, and 2) enhanced collaboration with the United Nations Population Fund (UNFPA).

**Source for all charts:** OECD CRS, Aid projects targeting gender equality and women’s empowerment. Gross disbursements, in constant 2017 prices. Includes funding for projects with gender equality both as a significant and principal goal.