

THE LAW ON BUDGET APPROPRIATIONS OF THE BUDGET OF THE REPUBLIC OF KOSOVO 2023 FROM A GENDER PERSPECTIVE

INTRODUCTION

Gender responsive budgeting (GRB) ensures that funds are budgeted and spent towards addressing the potentially differing needs of diverse women, men, boys, and girls, as identified through gender analysis. According to Kosovo [Law No. 05/L-020 on Gender Equality \(LGE\)](#), GRB is mandatory for all public institutions, including municipalities, ministries, and other budget organisations. The Government has an interest in implementing gender budgeting in the context of its commitments to implement the UN Sustainable Development Goals (SDG), precisely [indicator 5.c.1](#); the EU Gender Action Plan (GAP) III; the Supplementary Public Expenditure and Financial Accountability Framework ([PEFA](#)) for the assessment of gender responsive public financial management ([GRPFM](#)) in the context of ongoing public finance reforms; and, most importantly, as a best practice in financial management, towards better public spending. Kosovo operates under conditions of scarcity, which makes it necessary that every euro of public revenue collected be strategically allocated to activities targeting the most pressing needs for people's well-being. Implementing GRB can contribute to more effective, efficient, accountable, and transparent spending of government resources, including towards achieving gender equality. Therefore, this Commentary discusses the Law on Budget Appropriations for 2023 from a gender perspective, analysing the extent to which it attends to the needs of diverse women, men, girls, boys, as well as furthering gender equality. It also examines how the government has applied GRB tools in preparing the Budget.

OVERVIEW: BUDGET TRENDS AND GENDER MAINSTREAMING IN THE LAW

Transparency and Accountability

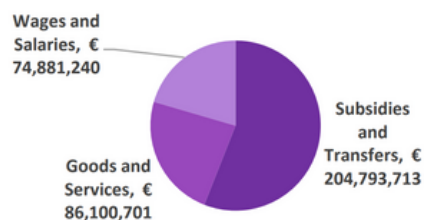
After the Government approved the draft budget for 2023 in October, the Assembly of the Republic of Kosovo approved it as of its second reading in December. Although public consultations are mandatory for all legislation,^[1] the draft law on Budget was never made available for public consultation. KWN sent an official request to review and comment on the draft law, but received no response from the Ministry of Finance, Labour, and Transfers, nor from the Office of the Prime Minister.

Overview of the budget trends and resource allocations

Overall, budget expenditures in 2023 are expected to be around €3.2 billion, marking an increase of 17%, or about €464 million compared to 2022. There has been a significant increase in subsidies and transfers and goods and services. In the main categories of current expenditures, the highest budget increase is reflected in the category of subsidies and transfers with around €205 million, a 23% increase. When it comes to social welfare, calculations suggest that there has been an increase of €38 million to the budget for healthcare, and a €39 million increase for pensions and social policies.

It is difficult to quantify the percentage of Kosovo's budget allocated towards gender equality. Kosovo uses line budgeting rather than programmatic budgeting, which makes it difficult to assess funds for particular programmes, including programmes towards gender equality. Nor do any defined procedures exist for measuring the resources allocated explicitly for furthering gender equality.

Graph 1. Planned recurrent expenditures based on budget category



1. Law No.04/L –025 on Legislative Initiatives and Regulation (Grk) No. 05|2016 on Minimum Standards for Public Consultation Process.

Gender-mainstreaming

According to the Kosovo Law on Gender Equality, gender-mainstreaming is the “inclusion of a gender perspective into every stage of the process, planning, approval, implementation, monitoring and evaluation of legislation, policies or programs and budgets, in all political, economic and social areas, considering the promotion and advancement of equal opportunities between men and women”.^[2] Proper gender-mainstreaming requires gender analysis and Gender Impact Assessments (GIA) which are a requirement as part of the Regulatory Impact Assessment as per the [Better Regulation Strategy 2.0](#), and the [Kosovo Gender Equality Program 2020-2024](#). However, it is not clear that any GIA was conducted to inform the Budget. Regarding intersectionality, the budget does not include any analysis of the potentially differing needs of diverse women and men, including men and women of different ages, ethnicities, abilities, and geographical locations. No specific budget line or sub-line seems to address the special needs of people with disabilities, though this is ostensibly included within some line items.

A review of the budget law suggests some attempts to gender-mainstream it, albeit insufficient. There was no mention of women/men, female/male, nor boys/girls. Gender equality is only mentioned as one of the objectives for the general public governance sector;^[3] as one of the objectives of the order, law, and public safety sector;^[4] and as an objective of the social protection sector.^[5] No budget lines are clearly earmarked to contribute to achieving these objectives. It is important to note that for the second time,^[6] the budget included performance indicators for all sectors. Performance indicators are important to measure the success of certain objectives set by the government and the budget allocated for those, as well as to develop accountability. Although a requirement of national legislation including LGE, international frameworks, and best GRB practices such as PEFA, PEFA GRPFM, and UN SDG 5.c.1, no performance indicators relate explicitly to gender equality.

Meanwhile, some budget lines are gender positive without explicitly mentioning gender equality or women. An example is the budget line “Gender Affairs” in the budget for some of the municipalities. However, only 44% of municipalities have this budget line. Among those municipalities, the total amount allocated to these budget lines is €275,893 in 2023 compared to €207,234 in 2022, with an average amount of €16,229 per municipality in 2023 compared to €13,816 in 2022. This is mostly budgeted in the category of wages and salaries and goods and services, primarily covering the positions of gender equality officers. Meanwhile, gender equality officers have observed that they lack resources for implementing their responsibilities towards furthering gender equality within their respective municipalities. None of the municipalities have clear budget lines established explicitly for addressing gender-based violence, nor activities for the purpose of advancing gender equality, though these may be included within other budget lines. Another important budget line that relates to gender equality is the appropriations for the Agency for Gender Equality (AGE) which amount to €354,173, compared €230,388 in 2022. This increase of the budget for AGE is seen in the budget categories of Goods and Services and Wages and Salaries due to the increase in the number of staff from 19 in 2022 to 20 in 2023.

A very important GRB tool as per the requirements of the UN SDG 5.c.1 Indicator is budget circulars. The Kosovo budget circulars provide a framework on how the budget should be drafted and how the GRB Annex should be submitted, to inform budget appropriations for the upcoming year. Considering that Kosovo uses line-item budgeting, these annexes are essential for transparently linking line item budgets to programmes, objectives, and indicators towards gender equality. According to data from by the Ministry of Finance, Labour, and Transfers, 37 of 38 municipal budget organisations (97%) and 45 of 51 (88%) central budget organisations submitted the gender-responsive budgeting annex as part of their 2023 Budget requests, as required by Budget Circulars issued by the Ministry. This is an improvement compared to the 70% for 2022. However, without proper gender analyses within these annexes, municipalities and ministries cannot identify accurately the needs and priorities of diverse women and men to ensure that budget requests will address their needs.

2. Article 3, par. 1.13.

3. “Promoting and protecting human rights and ensuring gender equality through women’s empowerment as well as promoting and protecting the rights of communities”

4. “Preventing and combating domestic violence, violence against women and gender-based violence”

5. “Increasing social well-being through restructuring, expansion in raising the quality of protection and social and family services, with a special focus on groups in need and gender equality”

6. Performance indicators were introduced for the first time in the Law on Budget Appropriations of the Budget of the Republic of Kosovo 2022.

These annexes were not mentioned at all in the budget law. Nor is it clear whether the information in the budget has drawn from these data. Moreover, these annexes have not been published anywhere, as per the requirements of SDG 5.C.1., so they could not be reviewed or analysed by the public or gender equality experts to assess their quality.

Combatting gender-based violence

Kosovo has included the Council of Europe Convention on preventing and combating violence against women and domestic violence (the "[Istanbul Convention](#)") within its Constitution. Shelters are experienced providers of key services required by the Istanbul Convention, which institutions cannot provide. Therefore, KWN has constantly advocated for more money to be allocated for shelters to implement the Istanbul Convention requirements, including in terms of quality of services. In 2021, following KWN's advocacy, €1,000,000 was allocated for the budget line "Basic Expenditures for Shelters" compared to €880,000 in 2020. The Government allocated the same amount for 2022. For 2023, this amount was increased to €1,500,000. While this represents a considerable increase compared to previous years and it covers the shelters' basic operating costs, it may not be enough for comprehensive rehabilitation and reintegration services foreseen by the Istanbul Convention. This financing needs to be consistent, as a permanent budget line.

Meanwhile, the Government did not accept KWN's [recommendations](#) to increase the budget for Centres for Social Welfare as crucial actors in supporting cases, which are sorely under-resourced to carry out their [duties](#). Kosovo still needs to establish services for addressing all forms of gender-based violence in accordance with the Istanbul Convention, especially services for survivors of sexual violence, including sufficient social workers, adequate training for all institutions assisting cases, rape crisis centre(s), and sexual violence referral centres. It is not clear that any budget allocations have been made for these essential services or for the SOS hotline required by the Istanbul Convention. A shelter for women victims of violence is planned to be constructed in Ferizaj by 2025, and the amount allocated for this is €80,000. However, this amount is a projection for the upcoming budgets for 2024 and 2025, and not for 2023.

The Care Economy

Evidence suggests that investing in a sustainable and gender equitable economic recovery, including investments in social infrastructure and protection, can create more new jobs and enhance wellbeing for more people, including both women and men.[7] Investing in the care economy will enable more women to work by enhancing care availability, improve children's educational outcomes, create jobs, contribute to economic growth and increase state revenues. Kosovo has committed to expanding childcare options through its National Development Strategy (NDS) 2030, which identifies among its aims increasing the number of kindergartens and private care institutions. Moreover, in the context of European Union (EU) Accession, Kosovo must take steps to decrease women's unemployment, improve preschool attendance, decrease informality, and combat discrimination against women, all of which are intertwined with increasing childcare availability.[8] The amount budgeted for 2023 for pre-school education and kindergartens is mostly budgeted in the category of wages and salaries; a small amount is budgeted for goods and services and utilities. The budget has increased only slightly in capital investments, such as for the continued construction of kindergartens for children in Mitrovica, Vushtrri, Klina, Glogoc, Prizren, Lipjan, and Ferizaj.

KWN also has recommended the establishment of a clear, permanent budget line specifically for financing the Personal Assistance Scheme, distributed to personal assistants who become certified as assistants.[9] At present, they work for less than minimum wage and substantial unpaid overtime, which represents a labour rights violation. Women tend to be disproportionately affected, given that women tend to be caretakers. A review of the Budget suggests that no steps have been taken towards allocating sufficient resources for personal assistants.

[7] KWN, [Who Cares? Demand, Supply, and Options for Expanding Childcare Availability in Kosovo](#), 2016.

[8] KWN, ["Expanding Choices through Family-Friendly Policies"](#), 2021.

[9] KWN, ["Gender-responsive Financing of Personal Assistants for Persons with Disabilities in Kosovo"](#), 2022.

PROPOSED ACTIONS AND RECOMMENDATIONS

KWN recommends that the Government of the Republic of Kosovo:

- Support AGE and the Ministry of Finance, Labour and Transfers to finalise the GRB concept document and relevant legal framework for GRB in close consultation with experienced women's rights organizations as working group members. Institutionalising GRB in the public finance management system must be part of current, ongoing public administration and public finance reforms, towards implementing the LGE, PEFA GRPFM, UN SDG 5.c.1, and EU GAP III.
- Ensure future laws on Budget Appropriations are in line with the LGE, which foresees gender-mainstreaming of all policies and programmes as well as the application of gender-responsive budgeting. This includes ensuring that appropriate GIA is conducted to inform the budget and that it includes intersectional gender analysis, attending to the needs of diverse women and men with different abilities, ages, ethnicities, and geographical locations, among other social and demographic differences.
- Publish together with the budget a Gender Budget Statement and the obligatory GRB annexes, making them publicly accessible as per PEFA GRPFM and UN SDG 5.c.1 guidance. Ensure that these have clear objectives and budget performance indicators relating to gender equality for diverse budget lines and sectors, linking the budget to Kosovo's commitments to gender quality in various programmes and strategies. This will enable clearer, more transparent monitoring and reporting on how the budget is contributing to furthering gender equality.
- Invest in the care economy, which can create thousands of new jobs.[10] Creating new childcare options creates more employment opportunities, allows more women to join the labour force due to increased availability of care services, improves children's educational outcomes, and contributes to state revenues. Improving care availability for the elderly, ill, and persons with disabilities also can create jobs and transform unpaid work into paid employment.
- Establish a permanent budget line for shelters for gender-based violence (including sexual violence), as well as allocate sufficient resources for rehabilitation and reintegration services based on accurate costing and evaluation of prior years' costs, using best practices in GRB. Distribute the funds in a timely manner so all shelters have consistent, sufficient resources to implement the Istanbul Convention. Ensure adequate resources are allocated for a Rape Crisis Centre, treatment for survivors of sexual violence, and an SOS hotline, as per the Istanbul Convention.
- Increase the budget allocated for Centres for Social Work in the budget category of Wages and Salaries by about €456,000 a year to employ at least two more social workers in each municipality, who would focus only on handling cases of gender-based violence.
- Establish a clear, permanent budget line specifically for financing the Personal Assistance Scheme, distributed to personal assistants who become certified as assistants.[11] Based on a gender analysis, estimate the actual budget needed considering actual time required from personal assistants, so as not to contribute to labour rights violations. Increase the amount budgeted per personal assistant from the current €150 for personal assistants of paraplegic and tetraplegic persons and €125 for blind persons to match at least the minimum salary (currently €170) and ideally the average salary (€484). Plan for likely future inflation.

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[10] KWN, *Who Cares? Demand, Supply, and Options for Expanding Childcare Availability in Kosovo*, 2016.

[11] For an analysis, see: KWN, *Gender-responsive Financing of Personal Assistants for Persons with Disabilities in Kosovo*, 2022.