

Op-Ed

Expenditures and Fiscal Space Analysis



In Albania, as elsewhere, women and girls perform the vast majority of unpaid work, including caring for children and other family members. Ignoring or devaluing unpaid care work can lead to unfair policy priorities that do not account for the savings this work provides or its disproportionate impact on women and children. To promote gender equality, the Albanian Government should invest as many of their resources as possible in optimizing the rights and opportunities of women and girls, including children. This requires it to establish a social protection floor and utilize a gender-sensitive and rights-based approach to budget allocation. Fundamentally, economic and social policy measures must be embedded in broader efforts to mainstream gender in the Government's responses to issues including unpaid care work and the coronavirus (COVID-19) pandemic. In addition, clear allocations should be made to sectors and agencies that are relevant to women and children.

This policy brief on financing a social protection floor for vulnerable women, girls and children in Albania presented an analysis of the national budget while reflecting on relevant policies and investments. It evaluated whether the existing national budget policies, social expenditures and allocation of resources are adequate and explored the scope of fiscal space for expanding financing. This analysis provided insights on whether public resources are being allocated appropriately to meet the needs of women and girls, children, adolescents and families with children, and whether the programmes implemented in the childcare sector are adequately funded.

The Government of Albania is working to improve its public financial management (PFM) for gender equality. However, the streamlining of macroeconomic and fiscal forecasts and enhancement of the strategic content in the budget preparation process for gender equality is long overdue. The reform of PFM for Albania is crucial to improving the financial planning and governance of gender-related social programmes, especially those addressing unpaid care and childcare. The highest priority is to turn unpaid care work into more of a strategic venture. Although overall, gender-sensitive spending execution has improved, more funding is required to provide a social protection floor.

The Government can advance the realization of gender equality and children's well-being by developing country-specific, gender-responsive social protection financing grounded on an evidence-based analysis of aspects of unpaid care work that are identified as lacking. This requires a unified framework for a universal care system.

By establishing such a framework, the Government would facilitate the implementation of this universal care system through prioritizing budgetary allocations to ensure gender equality and child development, particularly for those who belong to vulnerable groups, including people in the informal economy. An overarching question guiding the macroeconomic policymaking process should be: what do we want these policies to do vis-à-vis social protection? More specifically, what do we want them to do for women and children?

Public expenditure can be regarded as an institutional instrument for advancing gender equality (especially in unpaid care work) and child development. The Government of Albania can implement a social protection floor as part of its financial commitment. To do this, the utilization of funds must be better understood, including evaluating whether the money is being allocated appropriately and whether sufficient amounts are being spent on universal care services that are important for gender equality and children's well-being. The information required to answer these questions is currently not available, and further inquiry should be prioritized. The evidence from this analysis provides additional justification for governments to employ focused social protection mechanisms to resolve gender inequality and promote sustainable development.