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Bureaucratic Compliance or Technocratic Rigor? Determinants of Gender-Responsive Budget Prioritization in the Local Governments of Nepal

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Abstract

Gender-responsive budgeting (GRB) has been widely institutionalized in Nepal through constitutional commitments and policies. However, at the local level, gender priorities are often weakly reflected in actual budget allocations. This gap between formal adoption and fiscal practice raises a critical question: What determines whether gender issues receive substantive priority in local budgets? Using survey data from 1,011 elected representatives and administrative officials across 61 local governments in Nepal, this study examines the influence of bureaucratic compliance mechanisms, such as the existence of GRB guidelines and participation in training programs, and technocratic rigor, including the use of sex and caste-disaggregated data and ex post Gender Equality and Social Inclusion (GESI) audits on gender-responsive budget prioritization. The results show that technocratic rigor is a stronger predictor of gender issue prioritization than bureaucratic compliance. Local governments that use disaggregated data and conduct GESI audits are more likely to prioritize gender issues in their budget allocations. In contrast, the presence of GESI guidelines and participation in GRB-related training did not translate into higher levels of gender issue prioritization. These results indicate that the prioritization of gender issues in local budgeting depends less on formal policy provisions and training and more on the use of evidence and accountability mechanisms within routine public financial management practices.

Keywords: gender-responsive budgeting; public financial management; decentralization; local government; Nepal

1. Introduction

Over the past few decades, gender-responsive budgeting (GRB) has moved from the margins of feminist economics to a recognized instrument in public financial management systems. The GRB challenges the assumption that public budgets are neutral policy tools. Early feminist economists showed that budgets often overlook gender differences and can reinforce existing social and economic inequalities unless their gendered impacts are explicitly examined (Elson, 1998). In response, the GRB promotes the systematic inclusion of a gender perspective throughout the budget cycle, from planning and allocation to implementation and evaluation. The GRB does not involve separate budgets for women or isolated earmarks. Rather, it is a governance approach that aligns public spending and revenue decisions with the different needs of women, men, and marginalized groups across sectors (Budlender, 2000; Sodani & Sharma, 2008). As a fiscal reform, the GRB seeks to translate gender equality commitments into concrete budget decisions by adjusting institutional procedures, fiscal information systems, and accountability practices (Chakraborty, 2014; Elson & Sharp, 2010). In this sense, GRB focuses not only on what budgets finance, but also on how budget decisions are made.

The GRB has gained global relevance through its link to Sustainable Development Goal 5, which identifies gender-responsive public finance as both a target and a measure of progress toward gender equality (Balogun & Tomoloju, 2024; Ojo, 2024; Rubin & Bartle, 2022). Despite strong political endorsement, international experience shows a persistent gap between the formal adoption of GRB and its substantive impact on fiscal outcomes in practice. Although many governments have introduced GRB frameworks, their institutionalization remains uneven. Weak legal enforcement, fragmented accountability structures, and broader political economy dynamics within budget systems often limit their effectiveness (Galizzi et al., 2021; Steccolini, 2019). Much of the existing literature focuses on normative frameworks, policy justification, and institutional design. These studies offer valuable guidance on how GRB should function within public finance systems (Downes & Nicol, 2017; Rubin & Bartle, 2005; Stotsky, 2016). However, few studies have examined how gender considerations are translated into routine budgeting practices or whether they influence actual resource allocation decisions. Empirical research on the behavior of public officials, including elected representatives and bureaucrats, remains limited, especially regarding their incentives, capacities, and everyday decision-making within budget systems. This gap is particularly evident at the local government level, where administrative and technical capacity constraints and the/ absence of reliable gender-disaggregated data often limit gender analysis, despite budget decisions being made closer to citizens (Nair & Moolakkattu, 2018).

Nepal provides valuable context for examining the implementation gap in GRB. GRB in Nepal can be traced back to the fiscal year 2005/06, when the national budget statement (clause no. 139) proposed the formation of a Gender Responsive Budget Committee, which was subsequently established to support the implementation of GRB. The Ministry of Finance formally introduced the GRB system in the fiscal year 2007/08 (Ministry of Finance, 2008; Holton & Lewis, 2021). The reform gained further support under the 2015 Constitution, which affirms the principles of gender equality and social inclusion at all levels of government and devolves substantial fiscal and administrative authority to 753 local governments (Government of Nepal [GoN], 2015). The transfer of planning, budgeting, and service delivery responsibilities to provincial and local governments requires the localization of GRB through specific policy instruments. The most prominent of these is the GRB localization strategy. This strategy provides a framework for institutionalizing GRB at the provincial and local levels by integrating gender equality objectives into planning, budgeting, implementation, monitoring, and evaluation processes (GoN, 2016).

Despite this strong policy and institutional framework, GRB localization in Nepal remains uneven. Constitutional provisions, GRB guidelines, and Gender Equality and Social Inclusion (GESI) frameworks offer formal support; however, their translation into actual budget allocations varies widely across local governments. This uneven implementation is further influenced by the fiscal capacity of local governments, which is shaped by intergovernmental transfer arrangements and may constrain the effective implementation of GRB at the subnational level. Many municipalities struggle to systematically assess gender-based needs before allocating resources. In practice, gender-responsive planning often proceeds without adequate local analyses (Bhul, 2022). The intersectional nature of inequality in Nepal, shaped by caste, ethnicity, geography, and disability (Lawoti, 2005; Gellner, 2007), adds further complexity to local gender-responsive planning. Addressing these overlapping disadvantages requires detailed and disaggregated data. However, the availability and use of reliable sex-disaggregated data at the local level are limited (Gupta & Sigdel, 2024). When credible data are absent, budgetary decisions may become largely symbolic. In such cases, compliance with GRB procedures may increase without meaningful improvements in targeting or outcomes. This context raises a central question: Is gender-responsive budget prioritization driven mainly by bureaucratic compliance or by the rigorous use of evidence in budgeting processes?

Against this backdrop, this study examines the determinants of gender issues prioritization in local governments in Nepal. The analysis is based on data from the Local Governance, Gender-Responsive, and Socially Inclusive Public Finance Management: Knowledge, Attitudes, and Practices survey. The dataset includes responses from 1,011 elected representatives and administrative officials across the Bagmati, Madhesh, and Sudurpashchim Provinces (Nepal Administrative Staff College, 2022). This study assesses whether the prioritization of gender issues in budget allocation is shaped mainly by bureaucratic compliance mechanisms, such as the presence of GRB guidelines and participation in training programs, or by technocratic rigor, measured using sex and caste-disaggregated data and the conduct of ex post GESI audits in budget decision-making.

This study makes two contributions to the literature on public administration, public financial management and development. First, it provides empirical evidence of the role of data use in shaping GRB outcomes. This supports theoretical arguments that identify the availability and use of disaggregated data as a key constraint on effective GRB implementation. Second, it assesses whether capacity-building initiatives alone can influence fiscal behavior when accountability mechanisms are weak.

The remainder of this paper is organized as follows. Section 2 reviews the relevant literature on GRB. Section 3 describes the data sources, variables, and methods used for the analysis. Section 4 presents and discusses empirical results. Section 5 concludes by summarizing the main insights and their implications.

2. Literature Review

2.1 Gender-Responsive Budgeting

GRB has evolved over the past four decades from a marginal political initiative into an established component of public financial management. Its origins are often traced to Australia in the mid-1980s, where feminist bureaucrats introduced the Women's Budget Statement to incorporate gender analysis into routine fiscal processes (Eisenstein, 1991; Sharp, 2002). This initiative demonstrated that gender equality objectives could be advanced through internal administrative mechanisms and external advocacy. It highlights the role of state actors in embedding gender analysis within standard budgeting and governance procedures (Sharp & Broomhill, 2013; Ng, 2016). After the 1995 Beijing Platform for Action gave global recognition to gender mainstreaming, GRB spread across diverse political and institutional settings worldwide. Some countries, such as Austria, have adopted constitutionally mandated frameworks, while others, including India and the Philippines, have relied on administrative or executive initiatives (Budlender et al., 2002; Rudra, 2018). Comparative research shows that this diffusion has not produced a single model for the same. Instead, GRB has developed in different forms shaped by institutional arrangements, policy priorities, and broader political and economic contexts (Klatzer & Stiegler, 2011). Across these variations, GRB is understood as a process that integrates gender analysis throughout the budget cycle, from policy design and resource allocation to monitoring and evaluation, rather than as a separate or segregated budget for women (Bhadra, 2016; Budlender et al., 2006; Sodani & Sharma, 2008).

To implement this mainstreaming approach, the GRB relies on analytical tools that trace public spending from allocation to impact (Elson & Sharp, 2010). Therefore, GRB's effectiveness is linked to the availability and use of instruments such as gender-aware policy appraisal and benefit incidence analysis. These tools depend on reliable, disaggregated data. However, the literature identifies persistent gaps in the availability and use of sex-disaggregated data, which constrain the practical application of GRB (Koirala, 2023; Sodani & Sharma, 2008). Without credible data, it is difficult to identify different needs across groups or assess the effects of budget decisions (Stephenson, 2019). Weak data systems reduce GRB from an evidence-based fiscal instrument to a large procedural exercise. This constraint is especially pronounced in decentralized governance settings, where data systems are often fragmented and vary in quality across different jurisdictions.

Technical rigor alone does not guarantee substantive results. A growing body of institutional scholarship shows that the effectiveness of GRB depends on bureaucratic settings and political incentives. The GRB is often presented as a tool for improving transparency and efficiency in public finance (Chakraborty, 2014; Galizzi et al., 2018). However, evidence indicates that formal mandates and technical guidelines do not automatically lead to meaningful changes in institutions. Regulatory frameworks are important; however, they do not ensure gender-equitable resource allocation in practice (Galizzi et al., 2021; Steccolini, 2019). When implemented mainly through top-down directives, the GRB can become depoliticized. Marx (2024) warns that highly technocratic approaches may reduce gender equality to administrative compliance. In such cases, public officials may meet procedural requirements without engaging in the broader transformative goals of gender equality. Where mechanisms for civil society participation are weak, GRB may reproduce existing power structures rather than challenge them.

These tensions between technocratic requirements and bureaucratic realities are particularly evident at the subnational level. Local governments are often seen as well-positioned to implement GRB because of their proximity to communities and their potential to address local gender inequalities more directly (Nair & Moolakkattu, 2018). Simultaneously, recent scholarship on the local dimension of GRB highlights important constraints. Evidence shows that local governments often function with limited technical capacity while facing political pressures that influence budgetary decisions (Bhul, 2022; Shrestha et al., 2024). Where reliable data systems and analytical skills are weak, local actors may rely on procedural compliance. In such cases, resources are allocated according to prescribed guidelines rather than based on substantive gender analyses. This dynamic points to a central question: at the local level, is the prioritization of gender issues shaped mainly by technocratic capacity or by bureaucratic pressure to comply with formal mandates?

2.2 Gender-Responsive Budgeting in Nepal

The foundations of GRB in Nepal can be traced to the early 1990s, when gender mainstreaming entered national development planning through collaboration between the National Planning Commission (NPC) and the United Nations Development Fund for Women. In 1994, gender analysis was applied to major sectors of the Eighth Plan, including agriculture, energy, tourism, labor, and industry. This effort led to the development of a gender auditing module, which was later incorporated into the Ninth Plan (1997–2002) (Sodani & Sharma, 2008). These early initiatives were important for embedding gender analysis into state planning processes. It also marks a shift in the policy focus. Rather than concentrating only on women-specific projects, policymakers began examining how mainstream development expenditures and revenue policies shape gender inequalities across sectors.

Subsequent studies supported by the United Nations Development Fund for Women expanded the gender analysis to the national budget. These reviews examine allocations, expenditures, and taxation across several fiscal years. The findings highlight the gender-differentiated effects of fiscal policies and show that existing budget practices do not adequately address women's needs (Sodani & Sharma, 2008). This preparatory phase created the analytical and institutional foundation for the formal adoption of the GRB by the Ministry of Finance in the fiscal year 2007/08 (Ministry of Finance, 2008). In Nepal, the GRB was part of the government's commitment to international gender equality frameworks, including the Convention on the Elimination of All Forms of Discrimination against Women and the Beijing Platform for Action.

The aim was to embed these commitments within the annual budget process (Koirala, 2023). The 2015 Constitution further strengthened this direction by guaranteeing equality, equity, and social justice (GoN, 2015). The GRB was not designed as a separate or women-specific budget. Instead, it was framed as an approach that integrated gender perspectives throughout the budget cycle, including planning, allocation, implementation, and monitoring.

Institutionally, the GRB in Nepal operates within a centralized framework led by the Ministry of Finance as the nodal agency. A high-level gender-responsive budget committee was established within the Ministry to monitor and track budget allocations and public expenditures from a gender perspective, assess their impact on women and men, and provide policy guidance for implementation across sectoral ministries (Bhul, 2022). Gender focal points were also designated in ministries and departments to strengthen GESI coordination. A major step in consolidating this framework was the issuance of gender-responsive budgeting guidelines in 2012. These guidelines provides detailed directions for integrating gender considerations into planning, budgeting, implementation, and monitoring processes (GoN, 2012). It clearly states that public budgets are not gender-neutral and require systematic gender analysis supported by indicators, expenditure classification, and monitoring tools. The guidelines also outline the key conditions for effective implementation, including political and institutional commitment, appropriate legal and procedural arrangements, coordination across sectoral agencies, and the availability of sex disaggregated data.

Nepal's GRB framework establishes criteria for evaluating and classifying government programs based on their gender sensitivity. Programs are assessed using five qualitative indicators: increase in women's efficiency/capacity (20%), women's participation in plan/programme formulation and implementation (20%), women's share of the benefit (20%), support for women's employment and income generation (20%), and qualitative improvement in women's time use and reduction of workload (20%) (Ministry of Finance, 2008; GoN, 2012). Based on this assessment, budget programs are categorized as directly gender-responsive, indirectly gender-responsive, or gender-neutral. This classification system has been integrated into key public financial management platforms. These include the Budget Management Information System, Line Ministry Budget Information System, and Sub-National Treasury Regulatory Application. Through these systems, gender-responsive budget allocations are recorded and reported across federal, provincial, and local governments (Bhul, 2022).

The transition to a federal governance structure after the promulgation of the 2015 Constitution marked a new phase in Nepal's GRB trajectory. The devolution of planning, budgeting, and service delivery responsibilities to provincial and local governments required the localization of the GRB through specific policy instruments, most notably the gender-responsive budget localization strategy. This strategy sets out a framework to institutionalize GRB at the provincial and local levels by embedding gender equality objectives within planning, budgeting, implementation, monitoring, and evaluation processes. The GRB is defined as an approach that incorporates gender analysis into resource estimation, allocation, expenditure, and reporting, rather than as a separate or women-specific budget. The guidelines reaffirm that public budgets are not gender neutral and require programs to be classified as directly gender responsive, indirectly gender responsive, or gender neutral. This classification must be supported by gender indicators, sex disaggregated data and outcome-based monitoring. The strategy also highlights key institutional arrangements, including GRB committees, designated focal persons, capacity-building efforts, coordination across government tiers, and alignment with existing public financial management systems (GoN, 2016).

The GESI Strategy (2021–2023) also identifies the GRB as a central instrument for integrating GESI into subnational planning and budgeting processes. The strategy promotes the use of the GRB to conduct gender and inclusion-disaggregated analyses of public expenditures and revenues, assess the differential effects of budgets on women and excluded groups, and guide more responsive resource allocation (GoN, 2021). This calls for institutional support to enable provincial and local governments to develop and apply GRB-related policies, tools, and systems. These include GRB statements, medium-term expenditure frameworks, and analyses of budget impacts on time use. The strategy highlights capacity building, data disaggregation, and regular budget reviews as essential elements of effective GRB implementation. Thus, the GRB is framed as part of a broader effort to mainstream GESI within governance systems rather than as a standalone budgeting initiative.

The GESI Policy establishes an institutional framework for mainstreaming gender and social inclusion across government planning, programming, budgeting, and monitoring processes. It emphasizes the use of disaggregated sex and inclusion data, indicators, and monitoring tools to assess how public resources affect women and marginalized groups (GoN, 2010). Similar provisions appear in GESI policies adopted by many local governments, reinforcing the integration of gender and social inclusion principles at the subnational level. National planning instruments, including the Fifteenth Plan (FY 2019/20–2023/24) and the Sixteenth Plan (FY 2024/25–2028/29), do not present the GRB as a separate budgeting framework. However, these plans create a policy environment that supports their implementation. Both plans identify gender equality, social justice, and inclusion as cross-cutting priorities and stress the alignment of plans with budgets, result frameworks, and medium-term expenditure planning (NPC, 2020, 2024). These plans also call for gender mainstreaming across sectors, the use of disaggregated data, and outcome-oriented public spending to reduce inequality and promote equitable development in the country.

Despite these policies and institutional frameworks, recent literature identifies a gap between the formal adoption of GRB and its substantive influence on budget priorities, especially at the local level. Studies have shown that subnational governments often comply with GRB guidelines, classification rules, and reporting formats. However, many lack the technical capacity, analytical tools, and reliable sex-disaggregated data required for rigorous gender-based needs assessments (Bhul, 2022; Koirala, 2023; Ghimire, 2023). Budget preparation often relies on standardized templates and externally driven reporting systems. These practices limit the extent to which allocations reflect locally identified gender priorities and do not necessarily translate into meaningful changes in actual budget allocations and expenditure outcomes (Bhul, 2022). Persistent gaps in reliable gender-disaggregated data further constrain gender analysis and the monitoring of GRB implementation and its outcomes

(Koirala, 2023). The intersectional nature of inequality in Nepal, shaped by caste, ethnicity, geography, and disability, adds complexity to gender-responsive planning in the absence of granular and context-specific data. These conditions raise a central question: does GRB in Nepal function mainly as a bureaucratic compliance mechanism, or does it operate as a technically grounded instrument capable of reshaping fiscal priorities? This tension between formal institutionalization and substantive budget influence provides an analytical starting point for examining the determinants of the prioritization of gender issues in Nepal's local governments.

3. Methodology

3.1 Data Source and Context

This study is based on data from the Local Governance, Gender-Responsive, and Socially Inclusive Public Finance Management: Knowledge, Attitudes, and Practices survey conducted in 2022. The cross-sectional survey was implemented through a collaborative initiative led by the Nepal Administrative Staff College with technical support from the Ministry of Finance and UN Women. The survey was designed to assess the institutional capacity of Nepal's local governments within its federal system. This dataset is distinctive in its focus on the supply-side dimensions of local governance. Data were collected from elected representatives and Chief Administrative Officers. This design enables the direct analysis of institutional behavior and decision-making processes that shape budget formulation and resource allocation at the local level.

3.2 Sampling Strategy and Data Collection

The survey applied a multistage stratified sampling design to ensure representation across the socio-political and ecological diversity of federal Nepal. In the first stage, provinces were purposively selected to capture variations in governance contexts. Three of the seven provinces were included in the study. Madhesh Province represents the southern plains and is characterized by a high population density and complex caste-based social hierarchies. Bagmati Province represents the central hill region, with relatively higher human development indicators and stronger administrative access than other provinces. Sudurpashchim Province represents the far-western region, which is marked by geographic remoteness and distinct socioeconomic constraints. This stratification allows the analysis to reflect regional differences in state capacity, administrative conditions and social norms.

In the second stage, 61 local government units were selected within the three provinces using probability proportional to size sampling. To reflect the differences between urban and rural governance settings, the sample was stratified into 26 urban municipalities and 35 rural municipalities. In the third stage, respondents were selected from each local government. The sample included the Mayor or Chairperson, Deputy Mayor or Vice-Chairperson, Ward Chairpersons, and the constitutionally mandated Women and Dalit Executive Members. All ward chairpersons, women executive members, and Dalit representatives in the selected units were included to ensure the representation of both formal leadership roles and marginalized voices within local governance structures. The initial sample comprised 1,140 participants.

Fieldwork was conducted between March 10 and April 12, 2022. Data were collected through face-to-face interviews using structured questionnaires. The survey employed Computer-Assisted Personal Interviewing (CAPI) through the KoBoCollect platform. Built-in logic checks were used during data entry to improve accuracy and reduce non-sampling error. The final dataset included responses from 1,043 respondents from 61 urban and rural municipalities. This represents an overall response rate of 91.52 percent.

3.3 Measures

3.3.1 Dependent Variable: Budgetary Prioritization

The dependent variable measures the extent to which gender issues are prioritized in local budget allocations. It is based on the survey question: "In this local government, to what extent do gender issues receive priority during budget allocation?" Responses were recorded on an ordinal scale: (1) To a large extent, (2) To a lesser extent, (3) Not at all, and (4) Don't know/Can't say.

Preliminary frequency analysis revealed a highly skewed distribution. Only 2.8 percent of respondents selected "Not at all." To address sparse cell counts and enable estimation viabinary logistic regression, the variables were recoded into dichotomous measures. Responses indicating "To a large extent" were coded as 1 (High Priority), representing substantively meaningful gender-responsive budgeting. Responses of "To a lesser extent" and "Not at all" were combined and coded as 0 (Low or Insufficient Priority). The category "Don't know/Can't say" was excluded because of its limited analytical value for assessing budget prioritization.

Of the 1,043 total responses, 32 fell into the "Don't know/Can't say" category. Therefore, the final analytical sample for this variable consisted of 1,011 observations.

As the analysis is based on self-reported perceptions, the findings may be influenced by social desirability bias, which may lead respondents to overreport compliance with GRB practices.

3.3.2 Independent Variables

The independent variables were organized into two broad categories: bureaucratic compliance and technocratic rigor. Bureaucratic compliance is measured by the presence of formal GESI guidelines and participation in GRB-related training programs. Technocratic rigor is measured using sex and caste disaggregated data in planning and budgeting processes and the conduct of ex post GESI audits.

Existence of GESI Guidelines

The first independent variable captures the presence of formal GESI guidelines at the local government level. Respondents were asked: "Has this local government prepared GESI guidelines?" The response options were (1) Yes, (2) No, and (3) Don't know/Can't say. The variable was coded as binary, where '1' indicated Yes and '0' indicated No. Responses of "Don't know/Can't say" were excluded from the analysis because they did not provide clear information about institutional practice. This variable indicates whether a formal regulatory framework for GESI exists at the local level.

GRB Capacity Building

The second independent variable captures participation in gender-responsive budgeting capacity-building. Respondents were asked: “Have you participated in GRB-related capacity-building training since assuming office (or within the past three years)?” Responses were recorded as (1) Yes or (2) No and recoded as a binary variable (1 = Yes, 0 = No). This variable proxies for the availability of human capital and technical knowledge relevant to GRB implementation.

Use of Disaggregated Data

The third independent variable assesses evidence-based planning practices using sex and caste disaggregated data. Respondents were asked: “Does this local government use sex and caste disaggregated data while preparing plans, programs, and budgets?” Response options were (1) Always, (2) Sometimes, (3) Never, and (4) Don’t know/Can’t say. For analytical purposes, the responses of ‘Always’ and ‘Sometimes’ were combined and coded as 1, while ‘Never’ was coded as 0. Responses of ‘Don’t know/Can’t say’ were excluded. This recoding distinguishes the active use of disaggregated data from its absence in planning and budgeting processes.

GESI Audit

The fourth independent variable captures accountability mechanisms through GESI-focused audits. Respondents were asked: “Does your local government conduct an analysis (audit) of the annual budget from a GESI perspective?” Response options included (1) Yes, (2) No, and (3) Don’t know/Can’t say. The variable was coded as binary (1 = Yes, 0 = No). ‘Don’t know/Can’t say’ responses were excluded from the analysis. This variable serves as a proxy for ex-post accountability in GESI-responsive budgeting.

3.4 Data Management and Analysis

Before estimation, the dataset was carefully cleaned and recoded to ensure consistency and suitability for regression analysis. Several survey items included a “Don’t know/Can’t say” option. These responses represented a small share of the sample, less than five percent across variables, and were excluded from the regression analysis because they did not provide clear information on institutional practice. All categorical independent variables were coded with clearly defined reference categories to support the straightforward interpretation of the regression coefficients. Across variables, the absence of a given institutional feature or practice, such as no guidelines, no training, no use of disaggregated data, and no GESI audit, was coded as 0 and treated as the reference category. This approach ensures that the estimated coefficients reflect the marginal effects of institutional and technocratic practices on gender-responsive budget prioritization.

3.5 Multicollinearity Diagnostics

Before estimating the regression model, multicollinearity among the independent variables was examined using Variance Inflation Factors (VIF) and tolerance statistics. The results presented in Table 1 show that multicollinearity is not a concern. All VIF values ranged from 1.027 to 1.184, which is well below the conservative thresholds commonly applied in social science research, such as 2.5 or 5.0. The tolerance values were above 0.85 for all predictors, indicating that each independent variable provided distinct explanatory information. These results suggest that the regression coefficients can be interpreted with confidence and are not distorted by the strong correlations among the predictors.

Table 1: Collinearity Diagnostics for Independent Variables

Variable	Tolerance	VIF
Existence of GESI Guidelines	.845	1.184
Participation in GRB Training	.906	1.104
Use of Disaggregated Data	.974	1.027
Practice of GESI Audit	.888	1.126

3.6 Model Specification

To examine the determinants of gender issue prioritization in local government budgeting, this study employs a binary logistic regression model. This method is appropriate because the dependent variable is dichotomous, coded as 1 for High Priority and 0 for Low or Insufficient Priority. The model estimates the probability (P) that a local government assigns high priority to gender issues in budget allocation. The log-odds of this outcome are specified as a linear function of the independent variables, expressed as:

$$\ln\left(\frac{P}{1-P}\right) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where:

P denotes the probability that the local government prioritizes gender issues in the budget to a "Large Extent" ($Y = 1$).

$(1 - P)$ denotes the probability that the local government accords "Lesser" or "No" priority ($Y = 0$).

β_o: represents the intercept

$\beta_1 \ldots \beta_5$: represent the regression coefficients associated with the independent variables.

ε denotes the error term.

The independent variables are defined as follows:

X_1 (Guidelines): Existence of GESI Guidelines (1=Yes; 0=No).

X_2 (Training): Participation in GRB Capacity Building Training (1=Yes; 0 = No).

X_3 (Data Use): Use of Sex-Disaggregated (1=Always; 0 = Sometimes/Never).

X_4 (Audit): Practice of conducting GESI Audits (1=Yes; 0=No).

The model estimates the log-odds of high prioritization of gender issues in budgeting as a function of bureaucratic compliance and technocratic rigor variables, including the existence of GESI guidelines, participation in GRB training, use of sex and caste disaggregated data, and the conduct of GESI audits.

The estimated coefficients (β) represent changes in the log-odds of high prioritization of gender issues associated with a one-unit change in each predictor. For ease of interpretation, the results are reported as odds ratios. An odds ratio greater than one indicates a positive association between the predictor and the likelihood of high prioritization of gender issues in budgeting, whereas an odds ratio less than one indicates a negative association.

4. Results

4.1 Descriptive Statistics

Table 2 presents the respondents' descriptive profiles and reports bivariate associations between bureaucratic compliance, technocratic rigor, and the prioritization of gender issues in local budget allocations. Bureaucratic compliance includes the presence of GRB guidelines and participation in training programs. Technocratic rigor includes the use of sex and caste disaggregated data and GESI audits. Among officials who reported consistent use of sex and caste disaggregated data, 60.5 percent indicated that gender issues receive high priority in budget allocation. This share declines to 46.1 percent among respondents who reported inconsistent or no use of such data. A similar pattern is observed for audit practices. In local governments that conduct GESI audits, 58.4 percent of respondents reported high prioritization of gender issues, compared to 41.5 percent in local governments without audits. The difference of 16.9 percentage points suggests that audit mechanisms may influence allocative decision-making. The presence of GESI guidelines was also associated with higher reported prioritization of gender issues. High prioritization of gender issues is more common in local governments with guidelines (59.2%) than in those without guidelines (48.4%). In contrast, the association between training and prioritization of gender issues was modest. Officials who participated in GRB-related training reported slightly higher prioritization of gender issues (54.7%) than those who did not (49.9%). The gap of 4.8 percentage points is notably smaller than the differences observed for data use and audit practices.

Table 2 : Descriptive Statistics and Bivariate Association with Budget Prioritization

Variables	Budget Priority Status	
	Low Priority	High Priority
	(Row %)	(Row %)
Existence of GESI Guidelines		
No Guidelines	231 (51.6%)	217 (48.4%)
Yes, Guidelines Exist	162 (40.8%)	235 (59.2%)
GRB Training		
No Training	362 (50.1%)	360 (49.9%)
Yes, Trained	131 (45.3%)	158 (54.7%)
Use of Disaggregated Data		
Sometimes/Never	199 (53.9%)	170 (46.1%)
Always	123 (39.5%)	188 (60.5%)
GESI Audit		
No Audit	138 (58.5%)	98 (41.5%)
Yes, Conducted	280 (41.6%)	393 (58.4%)

Note: 'Total Sample' indicates the number of valid responses for each category. 'Row %' represents the proportion of respondents within that category who accorded either Low or High priority to gender issues in the budget.

4.2 Logistic Regression Results

Table 3 presents the results of the binary logistic regression analysis of the determinants of the prioritization of gender issues in local government budget allocations. The findings show a clear difference between bureaucratic compliance mechanisms and technocratic rigor. Technocratic rigor, especially the use of sex and caste disaggregated data and the conduct of GESI audits, is a stronger predictor of gender-responsive budgeting than compliance measures such as the presence of formal GESI guidelines or participation in GRB training.

The strongest result relates to evidence-based planning. The use of sex and caste disaggregated data was a highly significant positive predictor of the prioritization of gender issues (OR = 1.842, $p < .001$). Local governments that consistently use such data are more likely to prioritize gender issues than those that do not. This suggests that disaggregated data make gender disparities more visible and support more targeted allocation decisions than aggregated data.

GESI audits were also a highly significant positive predictor of the prioritization of gender issues. This variable had the largest effect size in the model (OR = 2.051, $p < .001$). Local governments that conduct GESI audits are nearly twice as likely to prioritize gender issues in their subsequent budget allocations. This result underscores the importance of such accountability mechanisms. When expenditures are subject to review, local governments are more likely to align future allocations with gender criteria.

In contrast, participation in GRB training showed a statistically significant negative association with the reported prioritization of gender issues (OR = 0.619, p < .05). An odds ratio below one indicates that trained officials are less likely to report high prioritization than untrained officials. This pattern may reflect stricter evaluation standards among trained officials rather than weaker performance among untrained officials. The presence of formal GESI guidelines was not statistically significantly associated with the prioritization of gender issues (OR = 1.264, p > 0.05). This suggests that formal rules alone are insufficient to influence allocation decisions. The results indicate that administrative instruments have a limited impact unless they are linked to systematic data use and reinforced by accountability practices.

Table 3 : Logistic Regression Results for High Gender Budget Priority

Independent Variables	(S.E.)	-value	Odds Ratio	95% C.I.
Existence of GESI Guidelines *(Ref: No Guidelines)*	.234 (.190)	.217	1.264	.871 – 1.834
Received GRB Training *(Ref: No Training)*	-.480 (.192)	.013**	.619	0.45 – 0.902
Uses Disaggregated Data 'Always' *(Ref: Sometimes/Never)*	.611 (.178)	.001***	1.842	1.30 – 2.61
Conducts GESI Audit *(Ref: No Audit)*	0.718 (0.213)	.001**	2.051	1.351– 3.11
Constant	-.566 (.199)	.004	.568	

*Note: Dependent Variable: High Budget Priority (1 = Large Extent, 0 = Lesser/Not at all). N=1043; Significance levels: **

4.3 Discussion

This study contributes to both empirical and theoretical debates on gender-responsive budgeting by identifying the institutional conditions under which gender considerations translate into concrete budget prioritization at the local government level in Nepal. Existing research has documented the global spread of GRB frameworks and their formal adoption by state institutions (Chakraborty, 2014; Marx, 2024; Rudra, 2018). However, this study shows that formal policy adoption alone does not explain the differences in gender-responsive fiscal outcomes across local governments. The findings emphasize the importance of technocratic practices, especially the consistent use of disaggregated data and GESI audits. These practices shape how local officials assess needs and make allocation decisions and are further shaped by how local leaders perceive and engage with gender equality in practice. In this sense, the prioritization of gender issues depends less on the presence of formal rules and more on whether gender analysis is embedded in routine budgeting.

Feminist economists have long argued that public budgets are often presented as technical and neutral instruments; however, in practice, they tend to be gender-blind and may reproduce existing inequalities unless their impacts are explicitly examined (Budlender, 2002; Elson, 1998; Himmelweit, 2002). The strong positive association between the consistent use of sex and caste disaggregated data and the prioritization of gender issues in local budgets provides empirical support for this argument. In Nepal, gender disadvantage intersects with caste, ethnicity, geography, and spatial inequality (Gellner, 2007; Lawoti, 2005). Simultaneously, limitations in the availability and use of disaggregated data restrict local governments' capacity to identify differentiated needs across social groups (Gupta & Sigdel, 2024; Ghimire, 2023). In this context, disaggregated data are not merely technical tools. This makes inequality visible and shapes how officials define problems and allocate resources (Stephenson, 2019). When disparities are documented through routine planning instruments, they are less likely to be dismissed as anecdotal or political claims. This visibility increases institutional pressure to align budget allocations with the demonstrated needs.

The findings highlight the important role of accountability mechanisms, particularly GESI audits, in shaping budget priorities. The strong positive association between audits and the prioritization of gender issues aligns with research emphasizing that monitoring and accountability are central to effective gender-responsive budgeting (Galizzi et al., 2018). In Nepal's federal system, where substantial discretion over development spending has been devolved to subnational governments (GoN, 2015, 2017), local budgeting faces the risk of uneven allocation due to limited technical capacity, weak gender needs assessment, and gaps between formal GRB mandates and everyday planning practices (Shrestha et al., 2024). GESI audits appear to reduce such discretion by linking gender commitments to administrative and reputational repercussions. When expenditures are subject to review, local officials face stronger incentives to consider gender criteria during budget preparation. These findings support the view that GRB is more likely to influence fiscal outcomes when embedded in enforceable institutional arrangements rather than being treated as a voluntary or symbolic requirement (Marx, 2024).

In contrast, the absence of a statistically significant effect for the presence of GESI guidelines indicates an ongoing implementation gap within Nepal's GRB framework. Although detailed guidelines and classification systems were introduced after the formal adoption of the GRB in 2007/08 and later reinforced under federalism (GoN, 2012, 2016), these instruments do not appear to be sufficient to shape budget allocations on their own. This pattern reflects the gap between formal compliance and substantive influence. Local governments may adopt prescribed procedures and reporting formats; however, this does not necessarily lead to rigorous gender analysis or meaningful changes in allocation decisions (Bhul, 2022; Koirala, 2023). In this context, guidelines and checklists tend to function as procedural requirements rather than drivers of redistribution unless supported by reliable data systems and reinforced through credible accountability mechanisms.

One of the most analytically revealing findings is the negative association between participation in GRB training and reported levels of the prioritization of gender issues. This does not necessarily suggest that capacity-building initiatives are ineffective. A more plausible explanation is that training changes the way officials evaluate budget performance. Prior research shows that gender responsiveness is often defined narrowly and equated with small allocations targeted at women rather than shifts in mainstream spending patterns (Budlender, 2000; Sodani & Sharma, 2008). Training may challenge this limited view by promoting a broader understanding of GRB that focuses on structural change, economic empowerment, and intersectional equity. As a result, trained officials may apply stricter standards when assessing whether budgets truly prioritize gender issues and may be less inclined to describe existing allocations as high priority. In this sense, capacity building may reshape expectations rather than directly altering allocations. The observed association may also reflect selection effects or differences in the institutional roles of officials who receive training.

These findings challenge the linear models of GRB implementation that assume a simple progression from policy adoption to capacity building and then to improved budget outcomes. The evidence indicates that GRB in Nepal's local governments depends on how gender equality goals are embedded in routine public financial management practices. When evidence generation and accountability mechanisms are weak, GRB becomes largely symbolic. When these elements are institutionalized, gender considerations are more likely to influence fiscal policies. This insight contributes to wider debates in development studies, public administration, and public finance management by showing that the effectiveness of GRB under decentralization depends less on formal commitment and more on how knowledge, discretion, and oversight are structured within budget governance systems.

5 Conclusions and Implications

The GRB seeks to make public finance more inclusive and accountable by ensuring that budget decisions respond to the differentiated needs of women and marginalized groups. The findings of this study indicate that its effectiveness in Nepal's local governments depends less on the formal adoption of policies and guidelines and more on how budgeting institutions function in practice. The prioritization of gender issues is not determined by the presence of GRB frameworks, manuals, or training programs. It depends on whether institutional processes make inequalities visible and whether decision makers face clear expectations to respond to them. Where sex and caste disaggregated data are consistently used and expenditures are reviewed through GESI audits, gender concerns are more likely to shape budget allocations. In contrast, when GRB is pursued mainly through procedural compliance or symbolic adherence to guidelines, it seldom influences fiscal priorities meaningfully. These findings suggest that barriers to effective GRB are not only technical but also institutional and behavioral. Addressing these issues requires more than just additional guidelines or expanded training. Embedding evidence use and accountability within routine budgeting practices is required. When inequalities are systematically documented, examined, and linked to decision-making, GRB has greater potential to move beyond form and produce substantive change. Reforms that strengthen data systems, reinforce accountability, and align institutional incentives are therefore more likely to deepen the substance of GRB than approaches that focus primarily on formal compliance.

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