



A world
free
from child
poverty

Milestone 5

Achieving the SDGs: ending extreme child poverty and halving it by national definitions



END CHILD
POVERTY
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Milestone 5

Achieving the SDGs: ending extreme child poverty and halving it by national definitions



KEY MESSAGES

- Establishing a clear national commitment to end child poverty in key documents can help ensure the SDGs on child poverty are truly committed.
- Implementing an integrated package of policies and programmes is essential to reach the goals. Approaches to building this package will vary greatly by context.
- Engagement in the budget process can be important to make sure that activities in the plans are budgeted and implemented.
- A plan is the start, not the end: monitoring if a country is on track to achieve the goals and feeding back on what changes are needed is crucial.

Through the SDGs, countries around the world have agreed to the goals of ending extreme child poverty and halving the proportion of children living in poverty in all its dimensions by national definitions. Towards achieving this goal this guide has taken a journey from building national support to focus on child poverty; establishing routine measurement; putting child poverty high on the national agenda through advocacy; and then influencing policies and programmes that will see child poverty reduced.

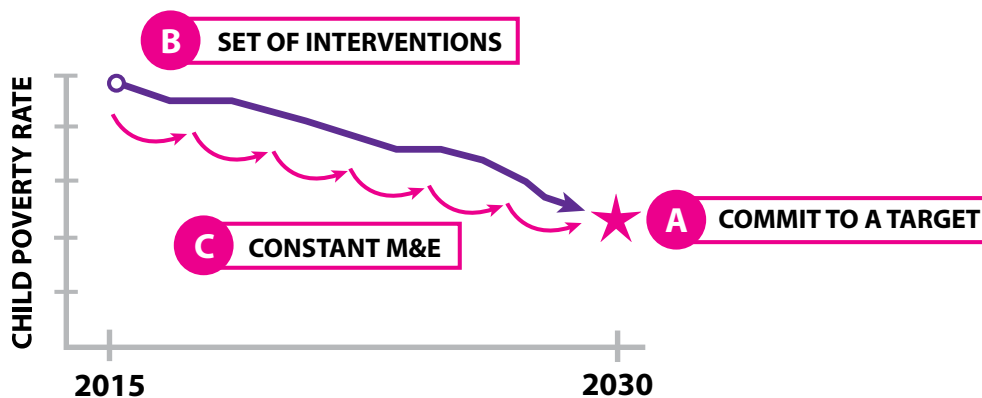
This milestone focuses on bringing this work together into a final series of steps: enshrining the SDGs on child poverty as a strongly nationally owned goal; implementation of a comprehensive package of interventions to reach the goals; and constant monitoring and evaluation to assess whether countries are on track and feedback to policy and programme changes. It pays particular attention to the roles of national plans of action which – while certainly not a panacea – are practical and proven means that can focus action towards ending child poverty. It is important to note that while

there is practice in this area, in many ways this milestone looks at the cutting edge of practice where there is less experience and fewer proven approaches. The SDGs have created new opportunities, and there is still much to learn in establishing child poverty as an integral and acted on part of national planning.

KEY STEPS TO ACHIEVING MILESTONE 5:

- A** ENSHRINING A NATIONAL COMMITMENT TO END EXTREME CHILD POVERTY AND HALVE IT BY NATIONAL DEFINITIONS.
- B** IMPLEMENTING OF A COMPREHENSIVE PACKAGE OF INTERVENTIONS.
- C** CONSISTENT MONITORING AND EVALUATION OF PROGRESS AGAINST THE GOALS, AND ADVOCACY TO MAKE NECESSARY ADJUSTMENTS.

Figure 5.1: Three key elements of results-focused approach to child poverty reduction



A. Enshrining a national commitment to end child poverty and halve it by national definitions

In practice, and appropriately, it is national priorities that drive national action.

While the SDGs have created a globally agreed mandate to monitor and respond to child poverty, with 169 targets, some targets and indicators may not receive equal attention. In practice, and appropriately, it is national priorities that drive national action. Accordingly, reiterating a national commitment to child poverty targets can help ensure focused and sustained action. This section first considers the importance and form of a national target, and then considers some of the ways targets can be integrated into appropriate national plans.

NATIONAL TARGETS ON CHILD POVERTY

Including a national commitment to end child poverty in a leading national framework or plan can:

- Help ensure that child poverty is actively acted on, rather than passively reported;
- Create a high level political opportunity to discuss the importance of child poverty and strategies to achieve the targets;
- Form a basis to advocate for increased action and funding; and
- Be the foundation for monitoring of progress towards the goals and reviews of how strategies need to be adjusted.

A pre-requisite for including these measures is agreed national child poverty measures (as outlined in Milestone 2). In circumstances where measurement is not already underway, including a target in a national plan may be a catalyst to establishing routine measurement. Following the SDGs it is important to include a 2015 baseline for the following indicators:

- Reducing to zero the proportion of children living under \$1.90 a day (where relevant).
- Halving the proportion of children living in monetary poverty by the national (monetary) poverty line.
- Halving the proportion of children living in multidimensional poverty by national definitions.

In addition to having the above targets on child poverty, some countries may choose to have more specified sub-targets, building on the child poverty profile. These may include:

- Specific targets for particularly disadvantaged groups (such as by age group, ethnicity, or linguistic groups);
- Sub-regional targets; and
- Targets or a specific focus on groups of children that may not be effectively captured by routine child poverty measures (such as children living in institutions, children living on the streets, migrant children and children with disabilities).



INTEGRATING CHILD POVERTY TARGETS AND PLANS OF ACTION IN RELEVANT NATIONAL PLANS

A crucial question is where to enshrine child poverty targets (as well as the plans of action that follow in the next section) to ensure traction. The best approach will be very context specific, but will often involve engaging with some form of national development plan. Such plans are certainly no panacea – not only do they require significant work but outcomes are uncertain, and even where including child poverty feels like a job done, there is a risk they will not get real traction.

Despite their challenges, such plans are a clear articulation of national political will at the highest level, and can offer unique opportunities.

But if there is a consensus on the role of national plans it is perhaps akin to Winston Churchill's views on democracy: they may be the worst approach to ensure progress, except for all the other ones. Despite their challenges, such plans are a clear articulation of national political will at the highest level, and can offer unique opportunities. National plans can provide a rare opportunity to trigger response to child poverty from different sectors, serve as a basis to justify increased budget allocation and be used to monitor implementation.

There are a variety of ways in which countries outline their national commitments and support them with clear proposed actions. From the perspective of integrating child poverty issues, two broad approaches can be considered: a general national development or poverty reduction plan; or a specific plan for child poverty or child rights.

For some countries where there is enough support and recognition of child poverty, a standalone strategy or plan on child poverty may work effectively. A country may also have a ministry with a focus on children who can lead and develop rights-based frameworks to end child poverty. In countries where the legislature is strong and supportive of child poverty, passing a Child Poverty Act or similar can provide a strong legal commitment.

However, there is a risk with standalone approaches that they are sidelined from processes that are truly driving national development. In other contexts, integrating child poverty targets and plans of action as part of National Development Plans and or Poverty Reduction Plans can more effectively mainstream child poverty as part of overall national planning.

What is feasible and most effective will vary by context. Table 5.1 looks in more detail at some characteristics and processes of the two approaches and Table 5.2 highlights two country examples.

Table 5.1: Comparison of general and child specific plans

	General plans for economic development or poverty reduction	Child specific plans, legislation or frameworks
Overview	Broadly defines a country's agenda for economic development or overall reduction in poverty. This could include National Development Plans or Poverty Reduction Strategy Plan.	Documents with specific focus on child-related issues. Some may be strategies and action plans to directly address child poverty, while others may set up a national framework to protect child rights, or pass an Act or law on child rights or child poverty.
Stakeholders	<p>Lead agencies may include Ministry of Planning or Economic Development or Ministry of Finance. Some countries establish a separate Commission. Through the process, the Cabinet, sector ministries, parliament, private sector, civil society and youth are often consulted for both the overall plan and sector specific plans and budgets.</p> <p>A subnational planning and consultation process will involve the Ministry of Local Government, provincial or district administration, other local institutions/societies to develop subnational plans and budgets.</p> <p>Depending on context, UNDP, the World Bank and/or IMF are among the leading development partners throughout the process in many contexts.</p>	<p>The process could be led by the ministry responsible for children's issues, a council on children comprised of experts and representatives of concerned ministries.</p> <p>In some contexts civil society organizations and/or international organizations may also provide financial or technical support. Civil society and youth are also often consulted in their development.</p>
Process	<p>The process – from putting together a task force to the official adoption of the plan – may broadly include:</p> <ul style="list-style-type: none"> - Formulation of the taskforce, workplan, and thematic working groups. - Review of the previous plans and current situation. - Drafting of the targets, priority areas and strategy. - Consultation at national and subnational level through workshops. - Approval and dissemination of the plan. 	The plans and frameworks are formulated through a consultative process similar to the national development plans, involving ministries at national and subnational level, NGOs working on child rights, academia and in developing countries, and the development partners. Children and young people should also be involved.
Timeline	Approximately 2-5 years	Approximately 1-3 years
Opportunities	It presents an opportunity to bring sector-wide actions together to approach child poverty in a comprehensive way. Also, as a high-level strategy and document for the overall country, it could have dominant influence on the budget allocation, and many eyes ranging from civil society to development partners.	While approaches and languages may vary, specific plans on child poverty or child rights offer an opportunity to set specific outcome targets, bring cross-sectoral actors together, reflect voices of children and youth directly to policymaking and gain commitment from the government.
Challenges	These are highly political contested processes and mainstreaming child poverty in the crowded field with many actors and agendas can be challenging. Strong political support (see Milestone 3) can be essential, including making the case for the national benefits of investing in children.	Child-specific plans may not have the necessary force to bring all the line ministries together or drive necessary budget changes or on the ground implementation.
Resources	<p><i>Mainstreaming Poverty-Environment Linkages into National Planning Process</i> is a practical handbook that provides guidance on the entry points and potential activities to influence policy process. While the handbook emphasizes link to environment issues, the approaches could still be relevant for child poverty advocates.</p> <p><i>PRSP sourcebook</i> – while Poverty Reduction Strategy Papers (PRSPs) are no longer required for concessional loans or debt reduction from IMF or the World Bank, the sourcebook provides great insights on key elements of poverty reduction plans.</p>	European Commission recommendation on <i>Investing in Children: breaking the cycle of disadvantage</i> offers principles of long-term framework to address child poverty (although more relevant for mid- and high-income countries.)

Table 5.2: Country approaches to general and child-specific plans

	A general approach (South Africa)	Child-specific Act (UK)
The plan	National Development Plan 2030 - Our Future – Make it work	Child Poverty Act 2010
Leading Agency	National Planning Commission (NPC) under the Presidency (26 people, majority from outside government, with different expertise).	The Child Poverty Unit of the government supports ministers in meeting their child poverty targets. The Social Mobility and Child Poverty Commission was set up to independently monitor the progress of government and others.
Background	NPC was appointed by the President in 2010 and published a Diagnostic Report a year after, reviewing the achievements and shortcomings over the last 16 years. The NDP was developed based on a diagnostic after rounds of consultation with parliament, judiciary, provincial governments, unions, business and religious leaders.	The UK Government made a commitment in 1999 to halve child poverty by 2010 and eliminate it by 2020. During the first decade, the government implemented a wide range of policies, the child poverty agenda moved beyond party politics, and the Child Poverty Act was passed in 2010 with cross-party consensus (CPAG, 2016).
Key Elements	Three identified priorities are: - raising employment through faster economic growth. - improving the quality of education, skills development and innovation. - building the capability of the state to play a developmental transformative role.	The Act consists of three parts: Part 1: National targets, strategies and reports: outline the targets, set up of the Commission, and requires the government to publish regular updates. Part 2: Duties of local authorities and other bodies: specify the responsibilities and activities at local level. Part 3: Miscellaneous and general: general interpretation and financial provisions.
How child poverty is featured	- There is an explicit target to eliminate income poverty from 39% to 0% by 2030. - Under social protection, one of the objectives is for all children to enjoy services and benefits aimed at facilitating access to nutrition, health care, education, social care and safety. The child grants reach approximately 13.5 million children (more than two thirds of the total child population), there are no-fee schools, free health care for pregnant women and children up to 6 years of age, free or subsidized housing as well as free municipal services for poor families. -Promoting greater opportunities for youth is an integrated theme that runs throughout the plan.	The Act imposes a legal duty on current and future governments to move towards four UK-wide targets by 2020 as follows: <ul style="list-style-type: none"> • Relative poverty – for less than 10% of children to live in relative low income families. • Combined low income and material deprivation – for less than 5% of children to live in material deprivation and low income families. • Absolute poverty – for less than 5% of children to live in absolute low income families. • Persistent poverty – for fewer children to live in relative poverty for long periods of time (three years or more).
Challenges/ Ways Forward	Child poverty is included through actions and policies, but there is no explicit target on child poverty.	Highlighting that even legislation does not ensure sustainable focus, the Welfare Reform and Work Act 2016 has recently repealed most elements of the Child Poverty Act 2010 and has renamed the latter the Life Chances Act 2010. This includes removing the established targets to eliminate child poverty. The Secretary of State remains responsible to report to Parliament on new measures, such as: <ul style="list-style-type: none"> • The number of children in workless households • The Educational attainment of children on free school meals
Resources	National Development Plan of South Africa	Child Poverty Act 2010 The Child Poverty Unit Consultation on child poverty measures



HUNGARY

Child poverty targets in the National Social Inclusion Strategy

Experiencing one of the highest gaps between general poverty rates and child poverty rates in the EU, the Government of Hungary has made a commitment to address extreme poverty, child poverty and poverty among the Roma population by adopting the National Social Inclusion Strategy (2011-2020).

The framework – agreed before the SDGs were adopted – aligned to the targets to The Europe 2020 strategy, included a specific target on the share of children living at risk of poverty, defined by the share of households with children with a disposable income below 60 per cent of national median income.

Hungarian targets attached to the social inclusion goal of the EU 2020 Strategy

	Current data	Target	Reduction
At-risk-of-poverty rate of households with children	16% (872,000 persons) (225,000 households)	12.8% (698,000 persons) (180,000 households)	174,000 persons (45,000 households)
Rate of individuals living in households with very low work intensity (aged between 0 and 60)	10.3% (1,018,000 persons)	8.2% (814,000 persons)	204,000 persons
Rate of people living in severe material deprivation	17.9% (1,771,000 persons)	14% (1,417,000 persons)	354,000 persons

Source of data: EUROSTAT, Central Statistical Office

The plan also sets monitoring indicators to ensure progress, such as:

- the poverty rate before and after social transfers;
- proportion of children attending day care;
- number and rate of early school-leavers;
- difference between educational qualifications of parents and children;
- disaggregation of child poverty rate between Roma and non-Roma population, and by jobless households.

While the high priority given to child poverty in the National Strategy has received positive reactions among child poverty advocates, challenges remain in implementation and policy response. The EU Network of Independent Experts on Social Inclusion, for example, are concerned about the relatively short time frame of the projects in the plan and the low level of social benefits related to employment and childcare. Their report thus suggests increased investment and longer time frames, including increases in social transfer amounts and the use of impact assessments to assess the appropriateness of interventions.

INVOLVING CHILDREN AND YOUTH IN THE NATIONAL DEVELOPMENT PLANNING PROCESS

Participation of children and youth in policymaking processes is not only their right as set out in the CRC, but can greatly contribute to improving policy outcomes. The direct experience of children and youth can bring their real experiences to the attention of policy makers, increasing both the focus on child poverty and the quality of responses in final documents.

Children and young people can also play a role in implementation, particularly in community-level projects, or contribute to monitoring and planning by assessing the achievements and remaining challenges. Moreover, various projects have seen benefits to the involved children and young people themselves, through increased confidence, motivation, skills and knowledge.

Save the Children has engaged children and youth in the PRSP processes in Vietnam and Honduras through various large-scale consultations. In Vietnam, more than 400 children and young people participated in three phases – pre-planning, feedback to the draft plan and progress review of the PRSP. Their voices had concrete impact on the outcome document. For example, since some participants raised the issue of unregistered migrant families in the capital who lacked healthcare, education and social welfare services, the procedures around the migrant population were changed. In Honduras, 3,000 children and young people were invited to express their views and experience on child labour, which contributed to child poverty being prioritized in the PRSP and to link child labour policies to poverty reduction strategies.

As in any consultation processes, the environment and the procedures need to be carefully designed for an effective conversation. Experiences suggest the importance of informing the participants fully about the process, goals and the context; giving sufficient time for participants to freely express their views; including the most marginalized children in the discussion; preparing adults to respect children's views; and following up with the participants about the outcomes and next steps.

Further reading:

O'Malley (2004) *Children and Young People Participating in PRSP Process*. Save the Children

DFID-CSO Youth Working Group (2010) *Youth Participation in Development: A Guide for Development Agencies and Policy Makers*

B. Implementing a comprehensive package of interventions.

Building a comprehensive package to address child poverty

Milestone 4 outlined a range of policies and programmes that can address multidimensional and monetary child poverty. While some of the tools outlined can give information on the impact of particular approaches, the next question is: what is the mix of policies and programmes that can see the end of extreme child poverty and child poverty by national definitions halved by 2030?

As outlined in Milestone 4, while there is a strong relationship between multidimensional and monetary poverty, there are also significant differences in the responses that can address them. Accordingly, the package of policies and programmes that can address them will also vary.

There are essentially two approaches to identifying a comprehensive package of policies and programmes in each area. **The first are participatory approaches that bring stakeholders together to discuss and collectively agree on how an appropriate package can be an effective way to make sure expertise and ideas are not missed, as well as build ownership.** The methods of bringing this information together into an overall and agreed package will vary, but could include stakeholder workshops including policy makers as well as experts on children and child poverty (including children and young people).

Milestone 1 and Milestone 4 (as part of the problem tree analysis) outline methodologies for bringing stakeholders together. The tools described in this guidance, particularly in Milestone 4, can provide the analytical inputs to be the foundation of discussions, including:

- **The child poverty profile**, for both monetary and multidimensional poverty, provides a clear sense of the children facing the greatest challenges: if they are part of certain groups, if they live in certain parts of the country, and – in the case of multidimensional child poverty – if there are particular deprivations driving their poverty. (Milestone 4, pages 148-156)
- The **drivers of child poverty** can also identify key policy areas that need to be addressed and included in a comprehensive policy and programme approach – this includes statistical and ‘problem tree’ type approaches. (Milestone 4, pages 157-160)
- **Information on the impacts** of particular policies and programmes, including national and international evidence. (Milestone 4, pages 179-183)

- The **mapping of existing policies and programmes** can provide an overview of what is in place and where there are gaps. (Milestone 4, pages 164-168)

The second approach is to use an evidence-based statistical exercise to simulate and design a set of interventions that would see extreme child poverty ended and halved by national definitions.

As **multidimensional child poverty measurement** is a statistical exercise in bringing together key deprivations it is conceptually possible to simulate the changes in particular deprivations, that would see multidimensional child poverty halved. However, there is currently little if any practice in this area and, perhaps more importantly, even where done the simulation would show which deprivations need to be reduced but not how they would be reduced by particular interventions (see Box 5.1).

As **monetary child poverty** focuses on a single aspect of child poverty which can be directly addressed by some interventions, simulating policy responses to addressing it is more feasible and practiced. The example from the United Kingdom outlines a practical approach to this, and the Georgia case study (see Box 4.7 on pages 194-5) outlines another example addressing a similar problem.

It is important to note, however, that simulations tend to focus on policy responses to monetary child poverty that have quantifiable impacts such as cash transfers and tax credits. Longer-term investments, such as investment in the health and education of future parents, could have significant impact, but are much more difficult to model as the impact does not occur immediately. Similarly, social welfare services could also be critical to address some aspects of child poverty, yet predicting their direct impact on income is extremely challenging, if not impossible. Likewise, methodologies to assess the impact of childcare or labour market policies are still not established. These are technical constraints to modelling and thus should not result in exclusion of long-term interventions or social support in the package.

Regardless of the approach in designing a package to address child poverty, there are some common considerations:

- Including the package of policies and programmes in key national documents such as national development plans outlined in the previous section can help establish commitment and action. The level of detail that can be included will depend on the plan.
- While recognising the significant distinctions between the package of interventions to address multidimensional and monetary poverty, they may be best integrated under a holistic national approach to address child poverty.
- Even where an optimal package can be designed, political considerations – as outlined in Milestone 3 – will be crucial in determining what in practice can be most effectively moved forward.
- Monitoring, evaluation and feedback (covered in the last section of this Milestone) is crucial. However thoughtfully a package is created, any set of interventions need to be reviewed and adjusted over time.

BOX 5.1

Building a package for multidimensional child poverty – to simulate or guesstimate?

Child poverty profiling can point to geographic areas where multidimensional child poverty is high, where progress is stalling, groups of children that are being left behind and deprivations which may be driving multidimensional child poverty. Triangulating this information and assessing whether sectoral responses are responding to this situation of child poverty is a realistic means to create a targeted package of policies to address multidimensional poverty which can be periodically assessed based on progress. In Mexico, for example, the multidimensional poverty indicator is linked directly to progress in sectors and triggers shifts in government focus to see multidimensional poverty reduced.

But is there an approach to simulate the progress different actions would have towards halving multidimensional child poverty by 2030? This is an area where we are not aware of global practice. A way to approach this would be to look forward and simulate options for which deprivations would have to fall, by how much and in what areas to see child poverty halved.

This offers some interesting options, but with some important caveats. Firstly, such an analysis could create potential conflict between its conclusions and other SDGs which specify targets for deprivations included in a multidimensional child poverty analysis. Secondly, while it can identify the reductions that are needed in each deprivation, it doesn't address which interventions would achieve them. As Milestone 4 outlined, these can be complex questions, although in some sectors approaches are well evolved in simulating down to the level of the programmes that could achieve success.

So for achieving the SDG of multidimensional poverty as a whole, the simulation of policy packages remains, for now, more an aspiration than a practised reality. Building a platform of action in concert with other sectors based on the multidimensional child poverty profile may remain the common approach, a new approach to simulation may emerge.

Further resources: approaches to simulating which policies and programmes would achieve success in sectors include:

The Simulations for Equity in Education project, a collaboration between UNICEF and the World Bank, which helps countries identify cost-effective strategies for reaching children who are excluded from or underserved by education systems. The centrepiece of the initiative is the user-friendly Excel model that projects costs of interventions to reach different groups of excluded children and improvements in school outcomes as a result of those interventions. http://www.unicef.org/education/bege_SEE.html

EQUIST, a web-based strategic planning, modeling and monitoring tool to support health systems strengthening in developing and middle-income countries. It was developed to assist the global health community in determining equity issues affecting maternal, newborn and child health (MNCH) in a more systematic and evidence-based way. The tool guides users to work through options for reducing MNCH disparities, design cost-effective health strategies that will lead to more resilient health systems, and develop equity-focused policies and operational plans for improving the coverage of quality MNCH services. The tool can be used to analyse financial barriers to utilization of health services. <http://www.equist.info/>



United Kingdom

Simulation of different policy packages to meet the child poverty target

The child poverty study in the UK examined the cost-effectiveness of several policy options against the child poverty goal, as well as the preferred combination of them as a package (for details about the analysis of individual policy options, see Milestone 4, page 210).

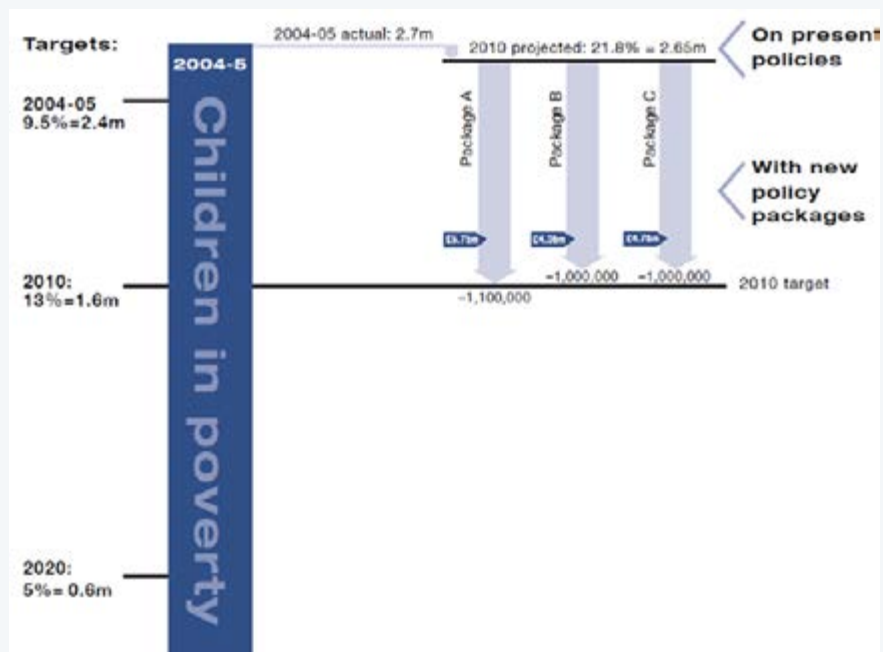
The modelling exercise first projected that the existing policies were clearly insufficient to meet the targets and that raising the child element of Child Tax Credit is the most cost-effective single policy measure to meet the target. Yet, concerned with the distortions that an unbalanced investment in one particular option could create, different policy packages were modelled.

Package A raises the child tax credit, child benefit and working tax credit. Package B raises only the Child Tax Credit but uses two different elements to extend support to large families. Package C combines raises in the Child Tax Credit with increases in the Child Benefit for large families.

The modelling shows that all three packages can achieve the targets under the cost of £ 4-5 billion or 0.3 per cent of GDP, and among them package B might be most cost-effective. The paper thus argues that financing a policy package to halve child poverty rate by 2010 goal is feasible with political commitment.

It is important to note that the child poverty targets have since then been replaced and the recommendations of the analysis have not been taken up.

Projected fall in child poverty 2004-10



Public finance for children: ensuring plans are budgeted and implemented

To move from developing a package of policies and programmes to address child poverty to seeing them implemented, it is essential they become part of government budgeting. In some circumstances, advocacy and support for reducing child poverty may create sufficient political traction for budgets to change. In other situations, focused and detailed engagement on the budget process may be required.

There are extensive methods, tools and experiencing in public finance for children (PF4C). This section will give an overview of these approaches, address challenges in budgeting long-term plans and frameworks and outlines some key entry points for budget engagement. It draws from the global learning programme under development by UNICEF and Oxford Policy Management (which is not yet publically available) as well as other published guidance referenced throughout the section.

UNDERSTANDING THE BUDGET PROCESS

Figure 5.2 provides a general overview of the budget process, common across many countries. The preparation of budget follows national strategic planning and underlines the importance of including child poverty in a national development plan.

FIGURE 5.2: The Budget Cycle



SOURCE: PIJUAN AND PICANYOL, 2016, ADAPTED FROM WORLD BANK (1998)

The budget preparation process can then be broken down into three smaller steps.

- First, the Ministry of Finance (MoF) calculates the total amount of resources available for the upcoming budget and then defines expenditure ceilings for the line ministries in consultation with the President or Prime Minister and cabinet.
- Then, the work is handed over to the line ministries to prepare and submit draft estimates, describing how they plan to allocate the funding within the given ceiling, following the guidelines provided by the MoF.

- Finally, in the frequent cases where the requests of the line ministries request exceeds the provided ceiling there are negotiations between the line ministries and MoF. Following the negotiation, the finalized budget is consolidated into the budget law for submission to and approval, which is given by Parliament in most countries.

For more information on the budget process and engagement in the cycle, see *How to engage in Budget Cycles and Processes to Leverage Government Budgets for Children* (Brown 2016).

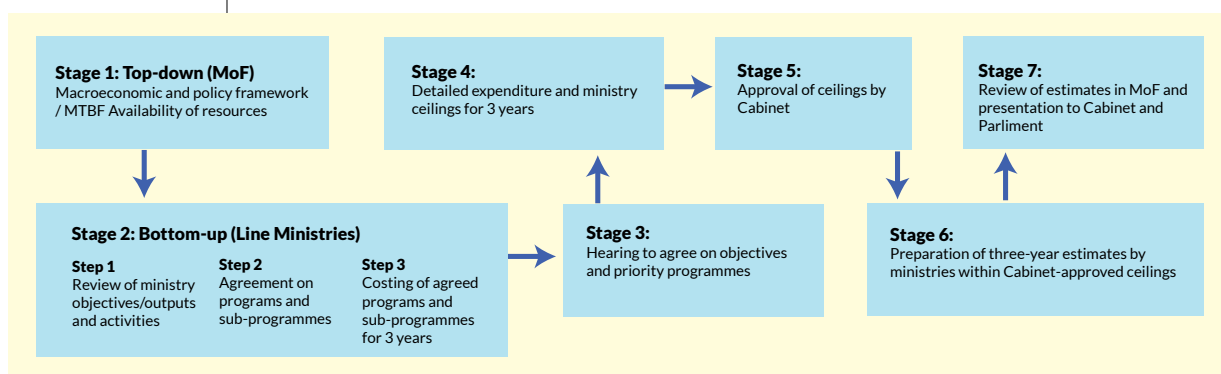
THE CHALLENGES OF BUDGETING LONG TERM PLANS

In practice, securing the budget to implement a child poverty reduction plan or strategy can be challenging. To start with, the preparation of the budget does not start from scratch. Spending prior to the adoption of a new national plan usually provides a baseline, meaning that additionally financing requirements can be crowded out by ongoing demands and activities.

This challenge is accentuated by the ways plans and budgets are structured. National plans generally set out targets at outcome levels (for example, reducing the child poverty rate) and then specific programmes to achieve the targets. Budgets, however, are very often organized along administrative and input lines such as salaries, fuel and travel (known as output-based budgeting). While output-based budgets can achieve broad programme goals, they may be less amendable to change towards higher level objectives and are not easily aligned to monitoring evaluation and alteration based on if the programme objectives are being met.

There are ways to address these challenges. First, the Medium Term Budgeting Framework (MTBF) is one of the most widely implemented public finance management tools of the last 20 years, designed precisely to balance the bottom-up needs from annual expenditure needs by sectoral ministries with the long term strategies outlined in national development plans. Under the MTBF, the expenditure ceilings, the cost estimates and the reconciliation process are all done for medium-term rather than for annual spending. This makes it easier to finance the multi-year policies and programmes specified in the national plans or strategies. Figure 5.3 outlines the general process of MTBF and a link to more detailed guidance is provided below.

Figure 5.3: An Illustrative Process of MTBF



SOURCE: PIJUAN AND PICANYOL (2016)

Secondly, towards addressing the challenges of output based budgeting there is a growing push towards programme based budgeting. Under this approach, the budget is classified first by the outcomes, then by the outputs or services to achieve the outcomes, finally followed by the necessary inputs to deliver the outputs. An example budget will look like Table 5.3.

Table 5.3: An example of programme budgeting

Programme	Basic Education
Outcomes	Universal basic education by 2018
Objectives	98% basic enrolment by 2016 60% teachers skilled in new curriculum
Output	400 classrooms rehabilitated 900 teachers trained in new curriculum
Activity	Organize 10 teachers training
Input	People, equipment, money

Source: Pijuan and Picanyol (2016)

While a number of countries have adopted a MTBF and are making a shift towards programme budgeting, it should be noted that changing the budget management process and system can be a lengthy process and, so far, there is no conclusive evidence that the adoption of such framework immediately improves the spending efficiency or macroeconomic stability. For more details of such reforms, including lessons learnt and systematic reviews, please see:

ODI (2015) *[Linking Policies and Budgets: Implementing Medium Term Expenditure Frameworks In a PRSP Context](#)*

PFM Results Blog, *[Getting Performance Budgeting Right](#)*

ENTRY POINTS TO INFLUENCING THE BUDGET

The budget preparation process is a crowded stage with many stakeholders, agendas and competing interests, and having strong partners and advocates for programming to address child poverty is crucial. These should include partners in relevant line ministries driving programmes towards their budget submissions, as well as MoF as they work with sectors to reach a final budget.

Depending on the particular national process other actors will also be crucial. Having strong support from parliamentarians in situations where they review and approve the budget – including through particular committees such as the Budget Committee, relevant sector committees and forums or committees particularly focused on children – can lead to positive outcomes. Civil society organizations are also crucial actors in the budget process in many context in terms of monitoring and advocacy.

Building relationships with budget partners in government and outside and engaging in budget negotiations can benefit greatly from being able to provide relevant inputs and analysis. The facing page outlines three key areas where combination of evidence generation and policy advocacy may help increase attention and resource allocation to address child poverty.

1. Measuring the share of budget allocations that focuses on child poverty.
2. Making an investment case for child poverty.
3. Monitoring and tracking if budgeted items to address child poverty were spent as intended.

1. Measuring the share of budget allocations that focuses on child poverty

Reviewing and analysing past budget allocations may be useful in demonstrating any funding gaps and making case for increased allocation. While the monitoring and reporting of general spending is in place in many countries, a cross-sectoral analysis to identify how much is spent to improve child outcomes often does not exist. This is a pressing problem as children's issues may receive lower priority and visibility in budget making processes as they lack representation.

Public finance management tools can help identify, measure and routinely report expenditure. For instance, Child-focused Public Expenditure Measurement (C-PEM) looks in detail at budget information, classifies spending by programme area, and tracks the spending through the budget cycle to report:

- (i) The size of child-focused expenditure: for example, the total amount child focused expenditure as per cent of GDP or total government spending or spending per child per year.
- (ii) Composition of child-focused expenditure: for example, percentage of total expenditure by function (such as by child rights or by ministry).
- (iii) Comparisons within and across countries: for example, comparing the size and composition across sub-regions in the country, or across comparable countries.

As such, conducting expenditure monitoring will help ensure that financial resources are directed to achieve child related objectives in national plans, as well as provide overall information on child expenditure that can be used for advocacy more broadly. In Ecuador, for example, national priorities articulated in the national strategy for equality and poverty eradication, were aligned with information from the national budget (see case study on page 238).

For more information on C-PEM, ***Child-focused Public Expenditure Measurement: A Compendium of Country Initiatives*** provides an overview of the methodology as well as 13 case studies, including an example from a high-income country.

2. Making an investment case for child poverty

As stressed throughout the guide, policies and programmes to address child poverty is not only a short-term relief for families living in poverty – they are also an important investment for the future and the society. They tackle various constraints that hold families from engaging in productive activities and support children's development in all its dimensions.

Making an ‘investment case’ by comparing the estimated cost and potential return can make an convincing argument to increase the budget allocation to child poverty related activities, most efficiently during the planning and budget preparation cycle. There is no single format to developing an investment case – the content will depend on what evidence is available and what the policymakers want to hear. However, investment cases are most likely to include evidence and arguments that have been introduced throughout the guide (Table 5.4).

Table 5.4: Making an investment case for child poverty

Key components of an investment case	Relevant milestones/sections	Example from ‘Ending child poverty right now’ by the US Children’s Defense Fund
Making the Case	M1 – 7 reasons why child poverty matters M2 and 3 – Child poverty measurement and advocacy	Chapter 1. Poverty Hurts Children and Our Nation's Future
Package of Interventions, with potential simulated impacts	M4 – How much impact will programmes and policies have on the child poverty rate?	Chapter 2. How to Reduce Child Poverty Right Now
Calculating the Estimated Costs	M4 – What are the costs of creating a new programme or scaling up the existing one?	Chapter 3. Combined Impacts and Costs
Comparing the estimated Cost and Returns	M4 – Are the programmes/policies cost effective?	
Policy Recommendations	M3 – What are the solutions? M5 – Building a comprehensive package to address child poverty	Chapter 4. Conclusion and Recommendations

Given the complexity of calculating costs and returns, investment cases have been made on particular aspects of multidimensional child poverty or on monetary child poverty. The examples listed below from different areas may help understand the logic and methodologies that can then be applied to country-specific approaches:

- In the first chapter of ***The Investment Case for Education and Equity***, the wide-reaching social and economic impact of education is examined.
- ***Evidence-based interventions for improvement of maternal and child nutrition: what can be done and at what cost?*** looks at the impact and costs of ten evidence-based nutrition interventions.
- The ***Copenhagen Consensus Center’s*** publications provides a list of priorities ranked according to their costs and benefits and potential for combating the world’s greatest challenges.
- ***Ending Child Poverty Now***, a report by the Children’s Defense Fund in the US, makes a compelling case to act on child poverty by showing the package of intervention, its combined effects and costs.

3. Monitoring if budgeted items to address child poverty were spent accordingly

The previous two activities have focused on engagement at national policy-making. While it is critically important to influence the decision making at the central level, there may be a gap between what is planned at national level and how the money was actually spent in districts or communities.

Different tools have been developed and used to provide track the execution of budget and funds at different administrative levels. Public Expenditure Tracking Survey (PETS), for example, is a tool to trace the flow of resources from the origin to the destination to monitor if the budget was spent as planned. PETS can show leakage of funds, delays or breakdown of actual spending among other items where there is sufficient administrative and accounting resources. Such results can improve service delivery by providing actual functioning of public systems to the public and to the MoF. If there are particular sectors or public service areas where conversion of inputs to outputs may be problematic, quantitative service delivery surveys can help analyse the financial resources as well as quality of outputs at particular points of delivery. For more information on both tools, see:

- Gurkan et al. (2014) Implementing Public Expenditure tracking Surveys for Results: Lessons from a Decade of Global Experience
- Gauthier et al. (2012) Public Expenditure Tracking Surveys and Quality Service Delivery Survey Guidebook.

Finally, directly engaging with the local communities so that they are empowered to engage in monitoring and tracking of public expenditure could be effective in both reflecting the direct experiences of the families with children living in poverty and creating a transparent and accountable governance mechanisms. The potential benefits of establishing an accountability circle at community levels cannot be understated – it can potentially change how policies and programmes are planned, executed and monitored. At the same time, such activities may require extensive resources and time in order to change behaviors, knowledge and attitudes of both local authorities and community participants. Following guidance and case studies can provide further instructions and examples on how to support community-level activities to monitor and track public expenditure.

- Berthin (2011) A Practical Guide To Social Audit As A Participatory Tool To Strengthen Democratic Governance, Transparency, And Accountability.
- Aiyar and Samji (2009) Transparency and Accountability in NREGA: A Case Study of Andhra Pradesh.
- Green (2012) From Poverty to Power: How active citizens and effective states can change the world – see case study of Andhra Pradesh.



ECUADOR

Moving towards equality and the eradication of poverty with a national plan and budget classifiers

Ecuador has shown strong progress in recent years in prioritizing poverty and equality through establishing official multidimensional poverty measures, adopting a national strategy for equality and the eradication of poverty, and development of a budget classification system, which all have a strong focus on children and adolescents.

DATA NEEDS AND EXPERTISE

- *skills to coordinate with the government and other development agencies.*
- *data, research and analytical skills on poverty and equality.*

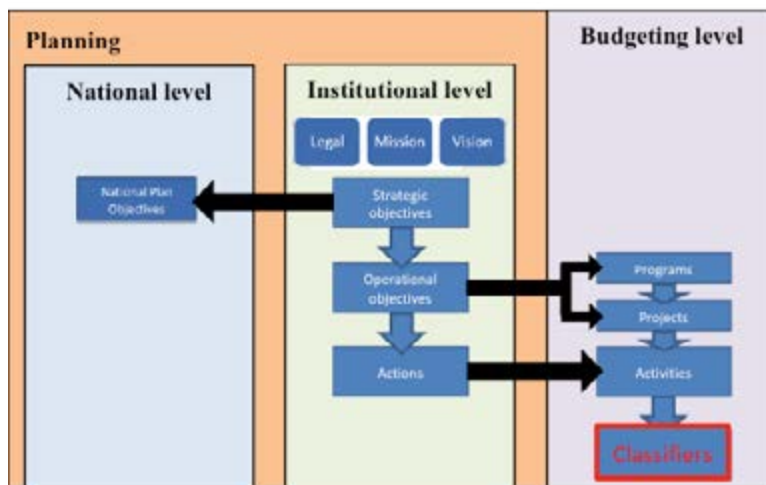
STAKEHOLDERS

- *Interinstitutional Committee for the Eradication of Poverty*
- *Ministry of Social Development*
- *Ministry of Social and Economic Inclusion*
- *Ministry of Finance*
- *Legislative Partners*
- *National Statistical Office*
- *UNDP*
- *UN Women*
- *UNICEF*
- *ECLAC*

THE APPROACH

1. The Secretariat of National Planning and Development (SENPLADES) undertook a study, Atlas of social and economic inequalities, to assess the poverty and disparities in the country. UN agencies participated in the consultation process and provided inputs to the analysis, where UNICEF highlighted many aspects of child poverty, including education, health, child labour, child abuse and social protection. The study was published in 2013 and provided an evidence base to prepare the National Development Plan 2013–2017.
2. UNICEF, together with the Economic Commission for Latin America and the Caribbean (ECLAC), conducted a child poverty analysis using a regional multidimensional methodology. It showed that 15 per cent of children lived in extreme poverty, and 40 per cent lived in poverty.
3. In 2014, the National Strategy for Equality and Eradication of Poverty was adopted by the Interinstitutional Committee for the Eradication of Poverty. The strategy takes a human rights approach to poverty and states the clear responsibility of the government to eradicate poverty and inequality. A multidimensional indicator was used to analyse different aspects of poverty, which included indicators related to accessing infant development programmes, elementary and high schools, coverage of social protection among children and youth, child labour and immunization.
4. The strategy sets out actions under three categories: necessity goods, productive revolution (work and employment) and protection across people's lifespans. Towards alleviating child poverty, some interventions and targets under necessity goods aim to apply the constitutional rights for all to have access to basic goods and services such as housing, health, education and water/sanitation. Under integral protection of lifespans, social protection and care services, including early childhood development, the eradication of child labour, and the expansion of social protection are included. In partnership with the National Technical Secretariat for Poverty Eradication and SENPLADES, UNICEF also supports the implementation of the poverty reduction policies, for example by raising awareness and strengthening capacities at local level.
5. In 2014, the MoF incorporated the child component to its classification system to allow an analysis of the size of social spending by categories. The classification system aims to link the planning and budgeting process (see Figure 5.4 below), and categorizes the expenditure by objectives and activities, according to the framework developed by the MoF.

Linking planning and budgeting



Source: Consejo Nacional para la Igualdad Intergeneracional (2014)

6. The classifiers are also built into the financial management information system at the activity level. This allows routine measurement and analysis of the total amount of expenditure that was spent to reduce inequities among age groups, and the area of child rights where the expenditure occurred.
7. A recent report on the use of the budget shows that the information resulting from the budget classifiers is useful for equity reports, and policy discussion and policy decision-making, but that there is still an important gap in terms of underreporting of information when using the budget classifiers by the line ministries. Both UNICEF and UN Women plan to support the Ministry of Finance and other partners to strengthen capacities in the use of budget classifiers at national level, and promote its use by local governments.
8. In 2016, Ecuador has officially launched its national MPI. In its indicators, the index includes child rights dimensions such as 'non attendance to primary and secondary education' and 'child work and adolescent employment' as well as indicators on water and sanitation. UNICEF and UNDP supported the exchange of related MPI experiences of Colombia and Mexico.

FURTHER RESOURCES:

CEPAL and UNICEF (2014) Pobreza Infantil en el Ecuador

Cummins (2016) Child-focused public expenditure measurement: a compendium of country examples

Ministry of Finance (2014) Clasificador de Orientación de Gasto en Políticas de Igualdad en Infancia, Niñez y Adolescencia

C. Consistent monitoring and evaluation of progress against the goals, and advocacy to make necessary adjustments.

Not only is there perhaps no such thing as a perfect plan, but in reality the one certainty is things do not work out as expected. Over the period of the SDGs, some approaches will flourish while others may flounder, and a range of unforeseen shocks or opportunities may arise. All this points to the crucial importance of monitoring progress towards the goals and adjusting plans to keep on track.

This section focuses on three non-exclusive approaches to achieve this, including engaging on national monitoring and evaluation frameworks, creating and supporting autonomous bodies to oversee progress, and public advocacy to maintain political focus on achieving the goals. At the heart of these approaches are two simple questions: Is the country on track to achieve child poverty goals of the SDGs? And if not, what changes are needed?

APPROACH 1: SDG REPORTING AND MONITORING AND EVALUATION OF NATIONAL PLANS TOWARDS THE CHILD POVERTY GOALS

National development plans or action plans generally include a monitoring and evaluation framework, although how evaluations or reviews are carried out in practice, and the role such reviews in influencing the plan, may vary enormously.

Where child poverty is explicitly included in the plan, it can be very helpful that child poverty indicators are included among the key monitoring indicators to help ensure that any review or evaluation, at either mid- or end-point, explicitly considers the plans functioning with respect to achieving the child poverty goals. Where child poverty has not been adequately included in a National Plan, reviews and evaluation can be important moments to stress that the plan's framing is missing this vital consideration.

Mainstreaming child poverty in monitoring and evaluation activities can require intense engagement, as it is easy for the issue to fall through the cracks without active involvement of the civil society, children and parents themselves, or the government agency responsible for child welfare.

There is a number of comprehensive guides to understand the fundamentals of monitoring and evaluation activities and how to engage in them. These include:

- ***Chapter 3: Monitoring and Evaluation of the PRSP Sourcebook*** gives guidance on how to set up a poverty monitoring system with the right set of indicators, how to design and conduct impact evaluations and how to assess the implementation of overall poverty reduction strategies.
- ***16 Tools for Programming for Policy Results*** takes a step-by-step approach to results-based management. The guide introduces the theory and tools that can help define expected results, develop monitoring plans and report on results and learnings.
- ***The official website of the SDGs*** provides the latest updates on the monitoring framework of the SDGs, including global reports on the progress towards the SDGs.



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MEXICO

Routine evaluation of national development plan and policies using poverty measures

Mexico's multidimensional poverty index was adopted and institutionalized by the Government. This key methodology and its delivered results have become the centre of policies related to tackling and evaluating poverty.

TIMELINE

- 15 years since the first attempt to institutionalize evaluation.

DATA NEEDS AND EXPERTISE

- Multidimensional poverty measured every two years nationally and at state level, and five years at local level.

STAKEHOLDERS

- High-level government stakeholders (Presidency, Ministry of Finance, Ministry of Public Administration and other ministries)
- Independent statistical body.

THE APPROACH

- 1. In 2000, the Government of Mexico institutionalized the evaluation of a federal subsidy programmes.** The new government addressed a concern among the citizens by mandating all federal programmes providing subsidies to complete an evaluation by an external and independent expert institution every year.
- 2. While the initiative helped advance the concept and practice of evaluation, the Government faced many challenges.** For example, the quality of evaluations varied across programmes, not all government officials had the capacity to supervise evaluation processes, and the use of the evaluation was minimal.
- 3. The General Law for Social Development established an independent Council for the Evaluation of Social Development Policy (CONEVAL) in 2004.** CONEVAL was given technical and administrative autonomy to undertake two major tasks: firstly to design the multidimensional poverty methodology that combines economic well-being and social rights, and secondly to regulate and undertake the evaluation of social policies.
- 4. The introduction of Mexico's multidimensional poverty methodology and national evaluation guidelines helped to enhance the quality of evaluations and increase the use of their results.** The National Evaluation Guidelines, published in April 2007, introduced a set of evaluation methods based on a log-framework. With the introduction of the multidimensional poverty methodology, all social programmes and policies were required to evaluate their impact based on this measure.
- 5. The National Development Plan 2013-18 was also measured against indicators and dimensions of the index.** The National Development Plan envisions creating an 'Inclusive Mexico' and includes specific mention and numbers of children in poverty. The plan uses indicators and dimensions of the index to measure progress against this goal. Every Minister of State is held responsible to achieving the goals under their responsible area.
- 6. Mexico's model has been adopted by other low and middle income countries.** Mexico's model and experience has been shared through visits and conferences, inspiring other developing countries to follow their model. Mexico has also been an active member of the Multidimensional Poverty Peer Network (MPPN), a South-South initiative supporting development of multidimensional poverty measures in over 40 countries.

APPROACH 2: PUBLIC ADVOCACY ON PROGRESS TO ADDRESS CHILD POVERTY.

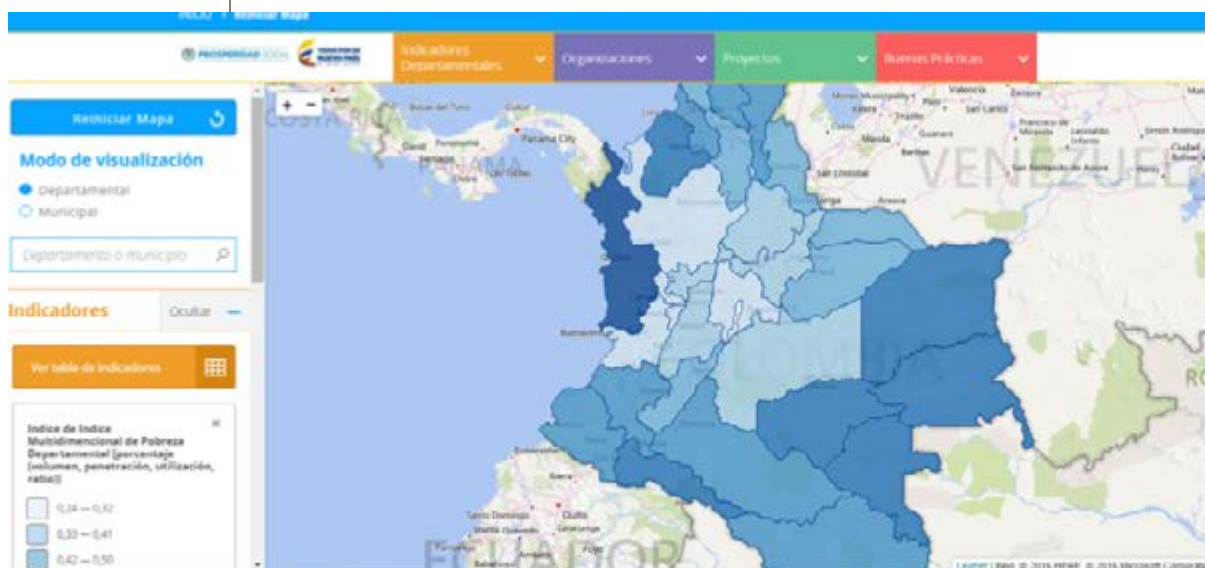
In many contexts, having public attention on whether a country is on track to achieve goals to address child poverty can compel policy maker interest and action. The process of building networks of allies and supporters often begins from the very beginning of working on child poverty, and in holding decision makers accountable for progress these networks is crucial.

There are many ways of building this visible advocacy support to monitor progress (see Milestone 3) and they can complement other approaches by publicizing conclusions from national processes including independent assessments on progress. One approach to gaining this visibility and focus is through creating a routine Child Poverty Report to assess progress. These reports have often been used to spark interest and measurement of child poverty, but as child poverty becomes an established tool their role can shift to monitoring progress, identifying what is not on track and actions needed to change. As discussed, many countries have SDG reports, which may both lend support to this formalised reporting as well as build and sustain interest of partners dedicated to addressing child poverty.

With approaches to communication changing rapidly, reports – particularly long and technical ones – may struggle to galvanise attention. Another approach that is being taken is to visualise data in an online open access map. Recent developments in technology have allowed complex data to be presented in graphical and interactive way, which can increase both accessibility and use – including through social media. One example is a poverty map, coloured by different colours according to different status of poverty which can be used to build awareness, strengthen accountability, as well as design interventions tailored to local needs.

In Colombia, the government has also launched a ‘social map’, reporting social indicators in each region as well as the investments by the government, private sector and NGOs to not only help highlight progress but also to coordinate various efforts towards poverty reduction (Figure 5.4). For more examples, see World Bank (2007) More than a Pretty Picture: Using Poverty Maps to Design Better Policies and Interventions.

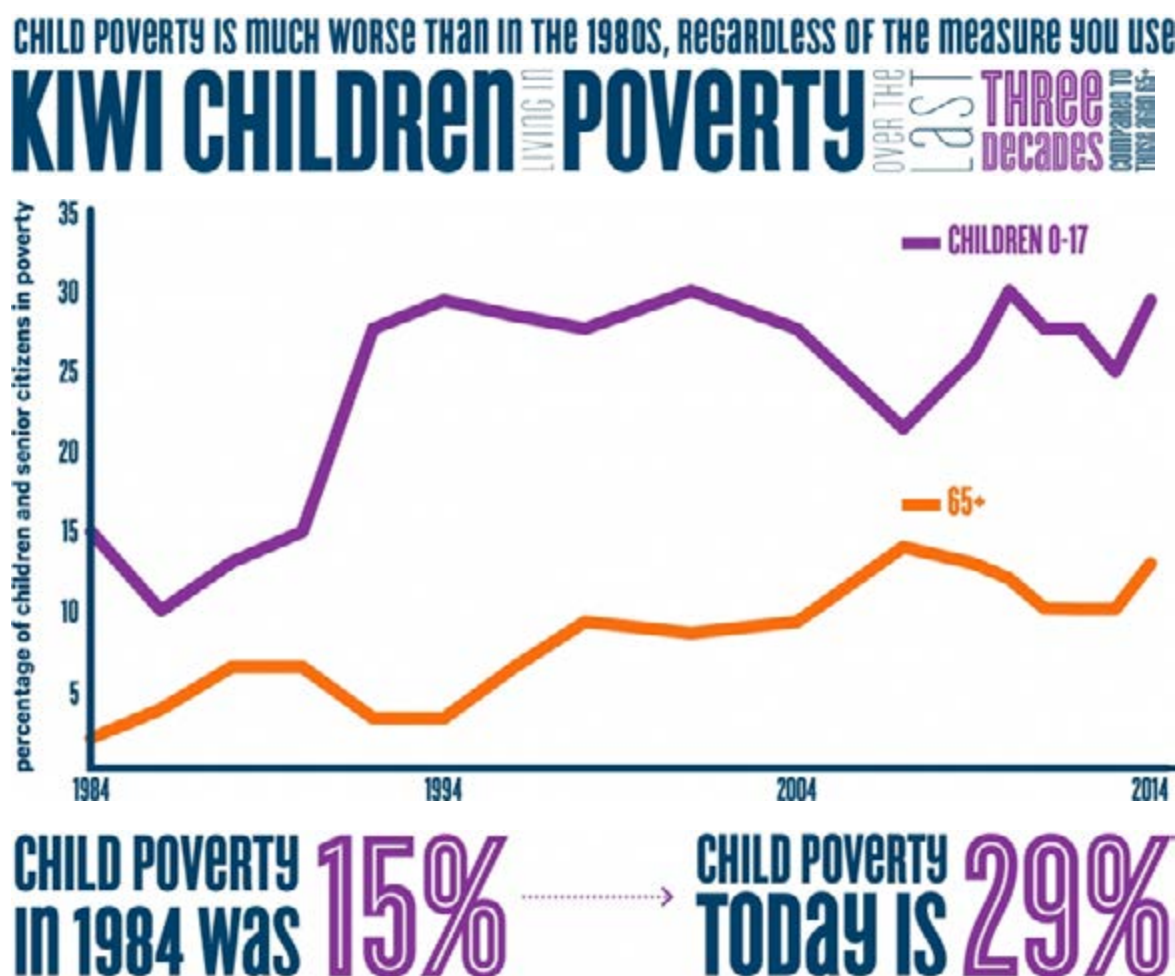
FIGURE 5.4: Map of Multidimensional Poverty Index on Mapa Social



SOURCE: SHELDON (2014)

Child Poverty Monitor is another approach from New Zealand that annually measures and reports on income poverty, material hardship, severity of poverty and persistent poverty. The project was launched following one of the recommendations by the Children’s Commissioner’s Expert Advisory Group and is managed by the Children’s Commissioner, the JR McKenzie Trust and Otago University. On the website, the annual child poverty statistics are presented with various numbers of infographics (Figure 5.5).

FIGURE 5.5: An Infographic of Child Poverty Trends in New Zealand



SOURCE: CHILD POVERTY MONITOR

APPROACH 3: CREATION OF AN INDEPENDENT BODY TO OVERSEE PROGRESS ON POVERTY REDUCTION

There are a number of challenges in assessing progress towards national goals, including making sure the work of monitoring and evaluation is done, that it is done independently and that it is credible and taken up by decision makers. One approach that has been taken by a number of countries to address these challenges is the creation of an independent body of experts to monitor and evaluate progress on poverty and child poverty reduction.

These bodies can have multiple benefits:

- **Transparency:** ensure that the process is transparent and independent and has no vested interests.
- **Clear responsibility:** assign clear responsibility to an organization or group of experts so the work is routinely carried out.
- **Credibility:** high quality and independent technical expertise can be credible and influential with both decision makers as well as those that influence them, including the public.

While the benefits of such independent bodies can be huge, the process of creating them can be lengthy, and requiring support from various actors. Pathways will of course vary by country. In Mexico, where all social programmes are required to be evaluated for their impact on poverty reduction, the General Law for Social Development led to the creation of CONEVAL as an autonomous constitutional organization which is an individual legal entity with technical and management autonomy. It now plays an essential role designing the multidimensional poverty methodology and in regulating and undertaking the evaluation of social policies to gain traction for evaluation findings (see box below).

In Colombia, where poverty reduction is a focus of the new National Development Plan, the National Statistics Department is responsible for calculation of the MPI-Colombia, and an independent board of national and international experts oversees the data. Further, a special ministerial cabinet commission was established by the President to ensure that targets in the National Development Plan are on track, using the MPI. The commission, composed of every minister or head of department responsible for the MPI-Colombia indicators, monitors advances in the plan and produces reports based on a traffic light system on annual basis. The reports trigger alerts when progress towards any indicator falls off track (MPPN 2016).

In some countries or regions, poverty observatories monitor the achievements towards poverty eradication. The Regional Poverty Observatory for Southern African Development Committee (SADC), for example, was launched in 2013 to harmonize the standards, methods and indicators among the member states, compare the results and analysis across countries and to help implementation of national poverty strategies.

The Poverty Observatory in Mozambique was launched in 2003 to institutionalize civil society participation in the monitoring and implementation process of the national poverty reduction strategy. The observatory brings together government ministries, civil society actors, academia, trade unions, religious groups as well as international partners and was later expanded at provincial levels. While challenges remain for improved and continued engagement, the Poverty Observatory provided opportunities for multi-stakeholder dialogue on poverty issues and a feedback loop into the implementation of the poverty reduction strategy (Francisco and Matter, 2007).

Conclusion

This last milestone has focused on the transition from implementing individual policies and programmes to address child poverty (Milestone 4), to comprehensive approaches to achieve the Sustainable Development Goals on child poverty. This includes integrating child poverty targets into national plans, ensuring they are funded and implemented, and the ongoing monitoring, evaluation and advocacy to help keep on track.

This is a big jump, and also largely a new one. With the poverty of children newly on the international agenda there is limited experience of this integration in national plans over a long time frame. There is much to be learnt, and as countries move towards achieving the SDGs on child poverty, this guide ends with a request for all those working to address child poverty around the world: to continue to update our collective knowledge and experience as we move together towards the goal of ending child poverty.

To stay up-to-date with the latest developments and share your experiences as the work to end child poverty continues, visit the website of the Global Coalition to End Child Poverty at <http://www.endchildhoodpoverty.org>

MILESTONE 5 CHECKLIST: INDICATORS OF SUCCESS

- ✓ Child poverty targets aligned to the SDGs included in national plans with a clear time frame.
- ✓ A funded national strategy or plan to achieve the targets, which includes a package of interventions to reduce child poverty and achieve the goals.
- ✓ Consistent monitoring, evaluation and advocacy to assess progress and hold decision makers accountable.
- ✓ Being on track to achieve the SDGs, and a world in 2030 where extreme child poverty is ended and child poverty, as defined nationally, is at least halved.



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