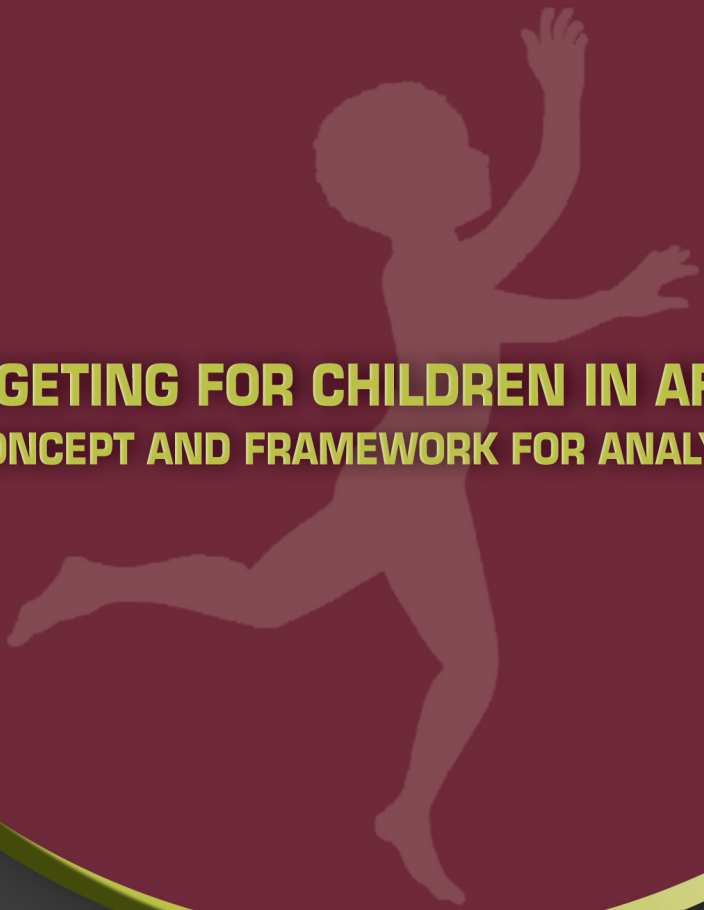


BUDGETING FOR CHILDREN IN AFRICA:
CONCEPT AND FRAMEWORK FOR ANALYSIS

The African Child Policy Forum

BUDGETING FOR CHILDREN IN AFRICA:
CONCEPT AND FRAMEWORK FOR ANALYSIS

Shimelis Tsegaye and Yehualashet Mekonen

The African Child Policy Forum (ACPF)

The African Child Policy Forum (ACPF) is an independent, not-for-profit, pan-African institution of policy research and dialogue on the African child.

ACPF was established with the conviction that putting children first on the public agenda is fundamental for the realisation of their rights and wellbeing and for bringing about lasting social and economic progress in Africa.

ACPF's work is rights based, inspired by universal values and informed by global experiences and knowledge. Its work is guided by the UN Convention on the Rights of the Child, the African Charter on the Rights and Welfare of the Child, and other relevant regional and international human rights instruments. ACPF aims to specifically contribute to improved knowledge on children in Africa; monitor and report progress; identify policy options; provide a platform for dialogue; collaborate with governments, inter-governmental organisations and civil society in the development and implementation of effective pro-child policies and programmes and also promote a common voice for children in and out of Africa.

© 2010 The African Child Policy Forum (ACPF)

This publication was made possible with the financial support of International Child Support (ICS).

TABLE OF CONTENTS

PREFACE i

EXECUTIVE SUMMARY iii

CHAPTER 1: BUDGETING FOR CHILDREN: WHY AND HOW? 1
1.1 The rational for public investment in children 1
1.2 Government budget as a tool of public investment in children 5
1.3 Can government budgets be more child-friendly? 7
1.3.1 Budget transparency and participation 12
1.3.2 Budget accountability: The budget regulatory framework 18
1.3.3 Challenges facing African budget systems 26
1.3.4 Concluding remarks 33

CHAPTER 2: MACROECONOMIC POLICIES AND BUDGETING: IMPLICATIONS FOR CHILD WELLBEING 37
2.1 Do macroeconomic policies affect childern?..... 38
2.2 Can children be protected agains macroeconomic shocks? 46
2.3 Concluding remarks 54

CHAPTER 3: BUDGET ANALYSIS FROM A CHILD RIGHTS PERSPECTIVE 56
3.1 Budget and its link with government child-friendliness 57
3.2 How does the budget process affect child wellbeing? ... 58
3.3 Budgets for children: what do they entail? 60
3.4 Analysing budgets for children: The framework 62
3.4.1 Availability of resources 63
3.4.2 Adequacy of budget expenditures 66
3.4.3 Prioritisation of children's issues 68
3.4.4 Progress in budget allocation 69
3.4.5 Equity of budget allocation 70
3.4.6 Efficiency and effectiveness of budgets 72

3.5 The performance index for budgeting for children 79
3.6 Challenges and limitations of budget analysis 80

CHAPTER 4: CONCLUSIONS AND RECOMMENDATIONS 81
4.1 Conclusions 81
4.2 Recommendations 82

REFERENCES 84

LIST OF FIGURES

Figure 1.1 Rate of return on investment at different stages of child development 3

Figure 1.2 Elements of budgeting for children 9

Figure 3.1 The dimensions of the Child-friendliness index 58

Figure 3.2 The budget process and its impact on child wellbeing outcomes 59

Figure 3.3 Categories of budget for children 60

Figure 3.4 Trend of GDP per capita for selected countries (2000-2008) 65

Figure 3.5 Spending on education and health as percentage of total government expenditure..... 67

Figure 3.6 Percentage of government expenditure on education, health and military as percentage of GDP for selected African countries, 2008 69

Figure 3.7 Trend data on percentage of government expenditure that went to education and health sectors for selected countries, 2001-2008 70

Figure 3.8 Percentage of children aged 6-9 years attending school by disability status for selected African countries, 2005-2008 71

Figure 3.9 Net primary enrolment ratio for boys and girls in selected African countries, 2007 72

LIST OF BOXES

Box 1.1 Mortgaging children's future: unsustainable foreign debt 11

Box 1.2 How open are budgets in Africa? 12

Box 1.3 "Tips for Trevor": unfettered public access to budget information in South Africa 13

Box 1.4 Transparency and information flow improving service delivery for children: a case from Uganda 14

Box 1.5 Overcoming skill deficits in budget analysis 19

Box 1.6 Budget accountability reporting in Namibia 21

Box 1.7 Extra budgetary funds: A thorn in the flesh of budget comprehensiveness in Africa 23

Box 1.8 Mismatch between policy priorities and available resources 27

Box 1.9 "Comprehensive and Comprehensible" budget documents: South Africa's example 30

Box 1.10 Capacity is not about infrastructure alone 31

Box 1.11 Leaking purses and pipes 32

Box 2.1 Teacher recruitment in Kenya at the behest of the IMF 39

Box 2.2 Liberalisation and healthcare 42

Box 2.3 A grant that follows the child 49

Box 2.4 Lesson from Botswana's orphan support programme 50

Box 2.5 User-fees as barriers to access to services 51

Box 3.1 Child focused budget categories 61

LIST OF TABLES

Table 3.1 Revenue (in billions of US Dollars) for selected African countries, 2008 64

Table 3.2 The framework for budget analysis 75

PREFACE

To inform the writing of the African Report on Child Wellbeing 2011, a number of technical papers on budgeting and related topics were written by ACPF experts and other renowned scholars who are knowledgeable on the subject. This publication entitled *"Budgeting for Children in Africa: Concept and Framework for Analysis"* is one of such papers.

We believe that this publication, along with the others, will contribute to the body of knowledge and inform the work of researchers, policy makers, as well as governments and non-government organisations that deal with children's issues in Africa, and elsewhere.

As part of its effort to carry out informed advocacy on the rights and wellbeing of children in Africa, The African Child Policy Forum (ACPF) decided to produce a report on a specific theme every other year. The first of these reports was the 2008 African Report on Child Wellbeing that mainly focused on measuring child-friendliness of African governments. This report is a major contribution in promoting good governance and child wellbeing, as well as being an important source of information on children in Africa. It has also informed programmatic development of a number of organisations in Africa and elsewhere.

The second report in the series, The African Report on Child Wellbeing 2011 is on the theme 'budgeting for children'. This theme was chosen, *inter alia*, in appreciation of the fact that childhood – being a stage of vulnerability – always carries with it a sense of urgency which demands immediate and concrete action on the wellbeing and rights fronts, wherein the budget is the linchpin.

"Budgeting for Children in Africa: Concept and Framework for Analysis" reviews pertinent and emerging issues related to budgeting for children from a child rights perspective. The paper also concentrates on the management of practice and the task of putting policy into practice to make a difference in the lives of children in Africa.

It is hoped that this publication will not only fulfill the vital function of providing up to date information, but that it will also enable us, in partnership, to evaluate and coordinate Africa-wide efforts to increase budget allocations to sectors that greatly affect and impact on the rights and wellbeing of children in Africa.

David Mugawe
Executive Director

EXECUTIVE SUMMARY

The colourful enunciations in the host of human rights instruments endorsed by most governments remain hollow promises if they are not backed up by appropriate public spending. Governments must make concrete investments in children to demonstrate commitment to their rights and wellbeing.

Budgeting for children is a system where children's best interests come first, and where child-friendly social and economic policies and procedures are put in place.

Public investment through the budget

There are four generic arguments in favour of public investment in children: the rights argument, the economic argument, the social argument and the political argument.

The rights argument sees the obligations of states as duty bearers to *respect*, *protect* and *fulfil* children's rights. The social and political perspectives, on the other hand, revolve around the bearing and rearing of children as a contribution to societal continuity and the consolidation of democratic governance and social stability.

The economic argument in favour of investment in children can be seen from two angles: investment in children and its impact on future quality and productivity of the labour force; and investment in mothers and would-be-mothers and implications for child wellbeing.

The budget is the most important instrument at the disposal of governments to invest in children and influence income distribution and poverty.

The budget is the most important instrument at the disposal of governments for investing in children and influencing income distribution and poverty. It is a genuine barometer that reflects their policy priorities.

As a system, the budget refers to the whole set of institutions from policy inception through to implementation, with all the actors on the way. In most

cases, the budget process is *cyclical* and annual, and associated with the functional stages of formulation, enactment, execution and evaluation. It is also a key process for societies to make tradeoffs between enjoying the benefits of their economy now and investing in the future. This makes budget critical for improvements in child wellbeing.

Children constitute a powerless segment of the population; they have limited access to economic resources and little capacity to influence budget decision making.

Therefore, it is important that governments make deliberate efforts to address children's concerns, interests and aspirations in their budgets. This concept is termed *budgeting for children*[1].

Budgeting for children is a deliberate act of addressing children's issues in the budget – both as a process and as an outcome. In a very generic sense, budgeting for children can be defined as a system of putting child wellbeing and child rights at the centre of the budget process, including in the budget decision making process, taxation policies, budgetary allocations and implementation. Budgeting for children is not the creation of a separate budget, nor does it require parallel structures. Rather, it is a system where children's best interests come first, and where child-friendly social and economic policies are employed with proper targeting procedures.

Budgeting for children is as much concerned with child wellbecoming as with child wellbeing. The latter term is used to describe a future-oriented focus of child wellbeing, namely preparing them for productive and happy adulthood. An important link between child wellbecoming and budgeting is found in present debt burdens and the future implications of the repayments of those debts. The financing of budgets often generates debt burdens that take away resources from areas essential to the interests of children. It also creates a future burden for children, as debt payments fall due when they become taxpayers.

[1] The term ***budgeting for children*** is adopted by The African Child Policy Forum (ACPF) in keeping with its conviction that political commitments are critically important for the realisation of children's rights.

Another important consideration in the discussion of budgeting for children is the mutually reinforcing links between the attributes of a sound budget system and good governance and democratisation. In fact, a public expenditure management system can be seen as both cause and effect of the overall governance and democratisation climate in a country.

Transparency is also an important feature of budget making, empowering millions of citizens to become auditors. The principles of transparency and accountability may be hard to achieve, primarily because of the inherently political and elitist nature of the budget process. There is also an element of bargaining in budget preparation, where choices must be made between conflicting interests. An important facet of accountability is the role played by the legislature in representing the people.

In the African context, the role of legislature in budgeting has been undermined by several factors, including poor research capacity, the absence of powers of amendment, a weak committee system and the timing of the budget process. This has in many respects undermined the degree of legislative influence on the budget.

Once the budget has been implemented, the final phase is budget auditing – an important aspect of accountability. Usually there is an independent office responsible for auditing the government budget. The purpose of the audit is to ensure that funds were raised as stipulated in the revenue statement, and, most importantly, that due processes were observed in spending by the relevant ministries. In most cases there are considerable delays in the publication of the report by the auditors.

One of the main limitations of budget systems in Africa is the weak link between policy planning and budget planning. Under such circumstances, strategic priorities are unlikely to be properly reflected in actual expenditure, and operational performance will be adversely affected. Furthermore, the

The main limitation of budget systems in Africa is the weak link between policy planning and budget planning.

lack of linkage between policy decisions and available resources can be explained by the absence of a Medium Term Expenditure Framework (MTEF).

The capacity of budget implementing agencies is another important factor in translating budgetary allocations into budgetary outcomes. The problem of limited capacity is observed at all stages of the budget process and worsens particularly at the execution stage. With a view to addressing these challenges, some governments have made attempts at budget reform. Countries like Mali and Uganda have even made moves towards performance-oriented budgeting. Tanzania adopted an even more ambitious new Public Finance Act in early 2001 that embodies the concepts of output-oriented budgeting. These initiatives did not, however, take into account the existing infrastructure and capacity limitations.

Macroeconomic polices

Monetary and fiscal policies can have both positive and negative impacts on child wellbeing. These factors also determine the amount of resources that can be mobilised by governments for the benefit of children (the fiscal space), to be channelled though public spending. They also have a considerable bearing on the level, growth rate and mix of activities in the private sector, which eventually determines child wellbeing, via the provision of child-related services by the private sector, and the level and distribution of earned-income in the household sector.

The impact of macroeconomic policies on children can be further illustrated by inflation and unemployment. Inflation affects different countries, social sectors and age groups in quite different ways. Low inflation and realistic exchange rates, for example, benefit the poor, while high inflation hampers growth and leaves the poor unable to protect their consumption levels. Through a child's parents, unemployment demonstrates how a government's macroeconomic choice can affect children. The child's very survival may be threatened by their parents' unemployment, as it might trigger family disintegration, which in turn increases incidence of child labour, rising school drop-out rates, and even juvenile delinquency. A child-friendly macroeconomic policy must, therefore, take into account these adverse effects of inflation and unemployment.

User fees are major barriers to access for healthcare and education services. The problem with user fees is that the poorest and most vulnerable people may not be able to pay them, and will therefore not have access to basic services. Implementing measures to waive user fees for health and education services for the lowest poor quintile and social grant beneficiaries facilitates greater accessibility.

The primary purpose of budget analysis from a child rights perspective is to examine if governments are utilising the maximum of their available resources to meet their obligations to children.

There is also a strong need to improve policies related to social safety nets or "social shock-absorbers" when crises do occur. Such policies should be implemented with consideration of children. Unconditional cash transfers are becoming increasingly common in Africa and can compromise child wellbeing. The advantage of unconditional cash transfers over other methods like free food distribution, is that they can be run with modest overhead costs; however, conditional cash transfers have been considered inappropriate for Africa, where school and health facilities – to which most conditionalities are attached – are already few and far between.

The survival of children may be threatened by their parents' unemployment, as it might trigger family disintegration and increases incidence of child labour, school drop-out and juvenile delinquency.

Analysing budgets from a child rights perspective

Understanding what governments are actually doing, as opposed to what they say they intend to do, requires a detailed review of their budgets. For operational purposes, budgets for children refer to the portion of the national budget that goes to programmes and sectors that mainly target children. Four categories of budgets that are consistent with the four pillars of the CRC and ACRWC have been identified: child development, healthcare, education and social protection. The analyses of budgets for children are therefore based on these categories.

Budget analysis is undertaken from a number of perspectives. In terms of administration, analysis is carried out to identify legal, policy and institutional gaps in the budget process, and contributes towards enhancing efficiency. From a very technical perspective, analysis can look at budget figures, review allocation items and come up with new classifications. From a human rights perspective, analysis assesses the national budget in terms of its sufficiency, equity and effectiveness in progressively realising the rights, and fulfilling basic needs, of all citizens, including children.

A child rights perspective analyses the budget in terms of ensuring child wellbeing and the obligation of governments progressively to realise children's rights. The primary purpose of this perspective is to examine whether governments are fully utilising available resources to meet their commitments to children.

There are established principles of budget analysis; these set the areas of focus and provide the rationale for analysis. The seven basic principles or parameters that need to be considered while analysing budgets are *availability, adequacy, prioritisation, progress over time, equity, efficiency and effectiveness*. Though these parameters generally apply to all types of budget analyses, they are tailored to the rights-based approach. The budget analysis framework is therefore based on these parameters, and assesses government budgets against what is expected of them in order to progressively realise children's rights and wellbeing.

Budget analysis is a data-intensive exercise. In the African context, some of the most crucial data on budgets is non-existent, and accessibility and utilisation of the little available data is a major challenge. These limitations hamper the use of budget analysis as a tool in advancing the realisation of children's rights and wellbeing.

Putting the pieces together: The Performance Index for Budgeting for Children

The various elements of budgeting for children are systematically summarised by the African Child Policy Forum (ACPF) into a composite measure – the Performance Index for Budgeting for Children. Budgetary performance is measured using indicators of government expenditure on sectors that mainly

target children, alongside other important considerations - including progressive realisation of children's rights and non-discrimination. The indicators used to construct the index are:

- Government expenditure on health as a percentage of total government expenditure
- Total public expenditure on education as a percentage of GDP
- Percentage of the budget for routine EPI vaccines financed by government
- Military expenditure as a percentage of GDP
- Percentage change in governments' expenditure on health since the year 2004.

These indicators are first converted into standardised performance score values, and then aggregated to yield the Performance Index for Budgeting for Children. Serving as a policy instrument, the index is used to compare the performance of African governments on their commitment to maximising the use of available financial resources in sectors that benefit children.

Key recommendations

The following recommendations are made on the basis of the analyses performed using the Performance Index for Budgeting for Children:

- Political commitment: There is a need for sufficient political commitment relating to pro-child laws, macroeconomic, social and tax-related policies, and adequate and equitable budgetary allocations
- Effective participation: The participation of children or their representatives in budget setting, monitoring and implementation processes must be ensured
- Clear standards for budget regulation: Decision-making processes should be guided by a budget regulatory framework that provides clear standards
- Budget openness and transparency: Budget documents should be made widely available to the public, and should provide disaggregated information to demonstrate the extent to which allocations reflect the needs, rights and wellbeing of children.

CHAPTER 1
BUDGETING FOR CHILDREN: WHY AND HOW?

Children have rights, and resources are required to translate their rights into wellbeing outcomes. The colourful enunciations in the host of human rights instruments endorsed by most governments remain hollow promises if they are not backed up by appropriate public spending. The gap between the formal recognition of rights and their actual implementation can be bridged through the redistribution of public resources (UNICEF 2005). In basic terms, Governments that are earnestly committed to the rights and wellbeing of their children "put their money where their mouth is".

> The volume and use of public resources assigned to ensuring compliance with the rights of children and adolescents are crucial indicators of the priority that states grant to these rights. Increased and more equitable social investment is key to the implementation of rights (UNICEF 2005).

1.1 The rationale for public investment in children

Four generic arguments in favour of public investment in children are commonly entertained in the literature: the rights argument, the economic argument, the social argument and the political argument. The rights perspective alluded to above can be discussed in terms of the obligations of states as duty bearers to respect, protect and fulfil children's rights (UNOHCHR 2001). Although these principles have generic applications, they can serve to demonstrate the public investment implications of the implementation of rights.

Under the "obligation to respect", the State is obliged to refrain from making investments aimed at expressly suppressing the rights of children or undermining the enjoyment of their rights (UNOHCHR 2001). Investing huge amounts of public resources in elaborate suppressive security structures with little impact on overall public security is a good instance of breach of this obligation.

The "obligation to protect" requires States to allocate resources, where applicable, to protect children against abuses by non-State actors (UNOHCHR 2001). For example, governments have to invest in community awareness creation campaigns or family training programmes against female genital cutting or child marriage, or they may have to take measures — in the form of pertinent criminal, civil, family or administrative laws, police and judiciary training or public sensitisation — to reduce the incidence of domestic violence.

Under the "obligation to fulfil", states are required to take positive action to ensure that child rights can be exercised though establishing schools and health centres, and hiring the appropriate personnel, etc. (UNOHCHR 2001). Some of these obligations are enshrined in human rights standards such as the International Covenant on Economic, Social and Cultural Rights (ICESCR) article 2(1), which asserts:

> Each State Party to the present Covenant undertakes to take steps, individually and through international assistance and co-operation, especially economic and technical, to the maximum of its available resources, with a view to achieving progressively the full realisation of the rights recognised in the present Covenant by all appropriate means, including particularly the adoption of legislative measures.

A similar provision is found in article 4 of the United Nations Convention on the Rights of the Child (UNCRC). According to General Comment No 5 of the UNCRC Committee:

> No State can tell whether it is fulfilling children's economic, social and cultural rights 'to the maximum extent of ... available resources', as it is required to do under article 4 [of the UNCRC], unless it can identify the proportion of national and other budgets allocated to the social sector and, within that, to children, both directly and indirectly (UN 2003, paragraph 51).

The social perspective centres on the bearing and rearing of children and its contribution to societal continuity. If the integrity of society

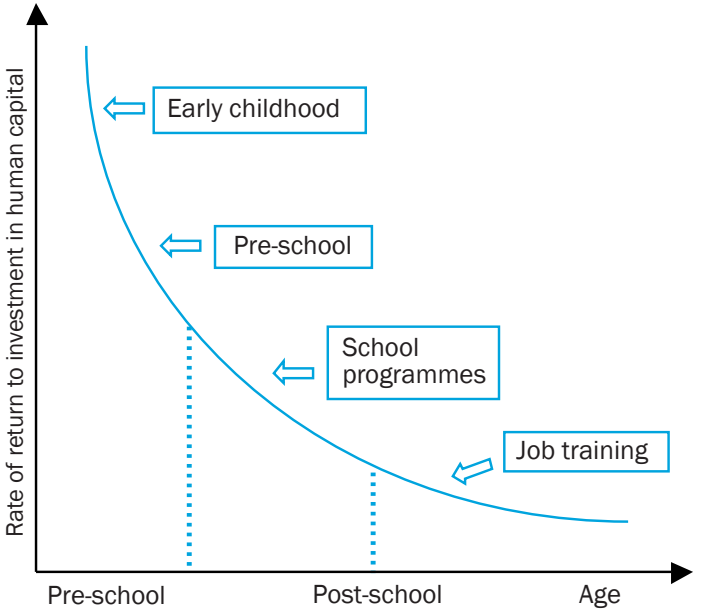
The social perspective of public investment in children centres on the notion that bearing and rearing of children contributes to societal continuity and renewal of human capital for society.

depends on a stable population, children can be viewed as the source of renewal of human capital for society. This perspective becomes even more relevant in the context of Africa, where children are considered "the trees that perpetuate the forest" of society. Many cultures require that children be protected and nurtured otherwise "without them, society will die" (Kaime 2009:39).

From this perspective, childrearing becomes less a form of private consumption and more a vital public service that generates positive social-consumption benefits.

The economic argument in favour of investment in children can be split into two separate arguments. The first argument relates to investment in children and its impact on long-term economic competitiveness, and future quality and productivity of the labour force. This is strongly demonstrated through early childhood development.

Figure 1.1 Rate of return on investment at different stages of child development



Source: Heckman and Masterov (2007)

Early childhood development is the first step in the process of human capital development, and has a very high rate of economic return (see Figure 1.1) and contribution to reducing poverty and inequality (UNESCO 2000; Grantham-McGregor *et al*. 2007).

Conditions during this stage affect and set trajectories for health, behaviour and learning for children throughout life. Evidence from psychology and neuroscience, for instance, indicates that early childhood experience has a greater impact on brain architecture and physical and mental health than experience in later life (Mustard 2006).

Deficiencies during childhood in areas such as nutrition may result in irreversible physical and cognitive defects. It has been rightly suggested "countries should invest more resources early, when outcomes are more malleable and foundations for success are laid" (OECD 2009:16). Stunting, for example, is irreversible after a child is two years old (UNICEF 2006).

In the words of Nobel laureate James Heckman (2006):

> ...early childhood development is more productive in improving human development than is the formal school system... Waiting even until kindergarten or primary school may be too late to improve learning.

The second aspect of the economic argument relates to the investment in mothers and would-be-mothers, and its implications for child wellbeing. Evidence indicates that the under-5 mortality rate falls by about half for mothers with primary school education (UNICEF 2006). Every extra year that girls spend in primary school lowers the risk of subsequent child mortality by 8 per cent (Save the Children 2005).

Women with some formal education are more likely to delay marriage and childbirth, ensure their children are immunised, be better informed about nutritional requirements for themselves and their children, and adopt improved birth spacing practices (Save the Children 2005). The political argument in favour of investing in children revolves around contribution to the consolidation of democratic governance and social stability. Social investment and sustained human development, on

Under-5 mortality rate falls by about half for mothers with primary school education. Every extra year that girls spend in primary school lowers the risk of subsequent child mortality by 8 per cent.

the other hand, widen opportunities for broad sectors of the population, opening channels for social mobility and generating stable processes of social integration (AU 2007).

If public investment in children is so potently justifiable, the next question would be: what are the instruments at the disposal of governments for investment in children?

1.2 Government budget as a tool of public investment in children

The budget is the single most important instrument at the disposal of governments for investing in children. It allows governments to reflect on policy priorities and to reconcile and implement their policy objectives in concrete terms (Ramkumar 2008). The budget is also a government's most influential economic policy instrument with regard to income distribution and poverty (Keith-Brown 2004).

The budget allows governments to reflect on policy priorities and to reconcile and implement their policy objectives in concrete terms.

Public financial management goes far beyond debits and credits, however: it is fundamentally about the rule of law and sovereignty (Peterson 2009:21-22).[2]

The term budget has been defined in various ways: some broad, some more specific. In its broad sense, budgeting has been equated with governing (Patashnik 2000). It has also been portrayed as "the financial mirror of society's economic and social choices" (Schiavo-Campo 2007a).

A specific and comprehensive definition of the budget is as follows:

> [A budget is] government's operational plan to deliver a better life to all our people. It sets out what you will pay in taxes, how we will spend that money, and what we will deliver. It is a synthesis of all our Government policies. The budget is our contract with the nation (Trevor Manuel, quoted in Streak 2003).

As a system, the budget refers to the whole set of institutions, from policy

[2] Peterson, S. 2009. Millennium Development Goals, Budget Support, and the Rights of the African Child.

inception through to implementation, including all the actors on the way. The system is in fact the 'rules of the game' for how resources are gathered, allocated, disbursed and accounted for (Dyer & Pain 2004).

In most cases, the budget process is cyclical and annual (Ramkumar 2008). The cycle is associated with the functional stages of formulation, enactment, execution and audit/evaluation (Norton & Elson 2002). 'Budget formulation' is when the executive branch of government put together the budget plan; and 'enactment' is when the budget plan may be debated, altered, and approved by the legislative branch. 'Execution' is the stage at which the policies of the budget are carried out by the government; and 'auditing' and 'assessment' are when the actual expenditures of the budget are accounted for and assessed for effectiveness (IBP 2001). Yet, despite this apparently mechanical process, the budget is in reality a battleground in the struggle waged between an assortment of actors to win a fair share of scarce public resources.

According to Schick (2009:32):

> Budgeting is about the management of ideas and people. It is not simply a matter of rationality, dispassion, logic and analysis. The determination and implementation of government budget is often conducted in an environment of tight deadlines, competing or indeed conflicting objectives, scarce resources, and tense negotiations within a political milieu.

Governmental budgeting in most cases follows a similar logic: there is a resource constraint, where different demands on the budget need to be funded in order to achieve public objectives. The dynamics behind this simple logic result in a series of common budgeting problems related to the three key objectives of budgeting: achieving fiscal discipline

The three key objectives of budgeting are achieving fiscal discipline (having an affordable level of spending in the long term), achieving allocative efficiency (also called effectiveness, i.e., allocating and using resources to best fulfil their objectives in line with public priorities) and achieving operational efficiency (maximising the degree to which objectives are achieved) (Fölscher 2009).

(having an affordable level of spending in the long term), achieving allocative efficiency (also called effectiveness, i.e., allocating and using resources to fulfil their objectives in line with public priorities), and achieving operational efficiency (maximising the degree to which objectives are achieved) (Fölscher 2009).

These complex dynamics mean that "budgeting is a work in progress. The process is never quite settled because those who manage it are never fully satisfied with the tools at hand" (Schick 2009:230). This assertion becomes particularly pertinent when viewing current budgeting practices in terms of child-rights. The mere presence of a functional budget system may not be sufficient to ensure child rights and wellbeing; governments must ensure that the system prioritises children's needs. As rightly noted by UNICEF (2005), effective change can be brought about when the rights of children are placed at the centre of public policy, and of budgetary policy in particular.

1.3 Can Government budgets be more child-friendly?

As noted in previous sections, government budgeting is a key process in societies, entailing tradeoffs between enjoying the benefits of an economy in the present, and investing in the future. This is important for improvements in child wellbeing. For instance, the public interventions that are put in place for today's children must be sustainable and should not result in poorer service delivery or suffering for future generations. At the same time, other lower priority government spending programmes and/or those that can divert funds in a manner that can impact on children's wellbeing – for example defence, the cost of government administration, and construction of housing for politicians – should not unnecessarily absorb resources that could be used for

> The gap between the formal recognition of rights and their actual implementation can only be bridged through the redistribution of public resources.

accelerating or improving child-friendly spending programmes (Fölscher 2009).

The political bargaining sometimes involved in the government budget process may not be beneficial, and in fact may sometimes be detrimental, to children who lack organised voice to exert pressure. Children are often powerless in society, a fact reflected in their limited access to economic resources, exclusion from political participation, and the cultural images of childhood as a state of weakness, dependency and incompetence (Franklin & Franklin 1990, cited in Franklin 1996:9). Therefore, it is crucially important that governments make (or are pressured to make) deliberate efforts to address children's concerns, interests and aspirations in the budget. In other words, they have to budget for children. This is why various attempts have been made to give making budgets and budget processes more child-friendly names: *child budgeting, budgeting for children, child-friendly (child-sensitive) budgeting, and pro-child budgeting*. The next section examines the concept of budgeting for children. Budgeting for children is the deliberate act of addressing children's issues in the budget – both as a process and an outcome. It suggests a strong sense of purpose and commitment.

Budgeting for children is a system of putting child wellbeing and child rights at the centre of the budget process.

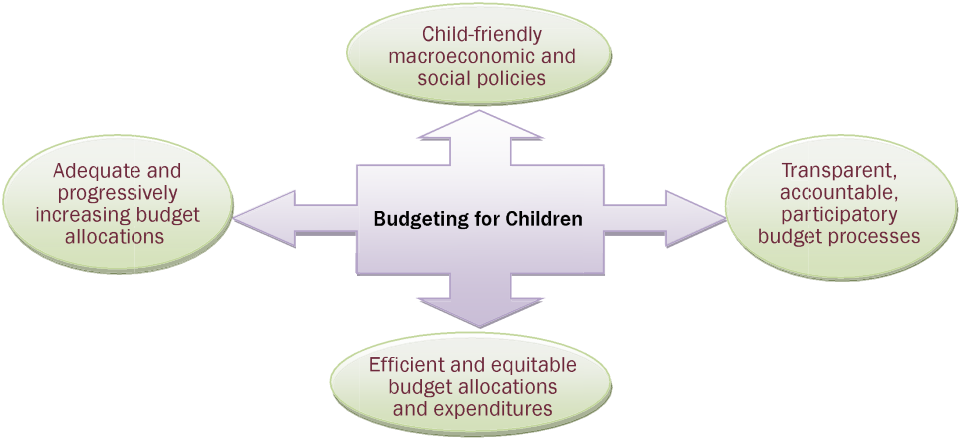
The term 'budgeting for children' has been adopted by the African Child Policy Forum, reflecting its conviction that political commitments are a *sine qua non* for the realisation of children's rights. This term is also more appealing in the context of contemporary Africa, where efforts at directly involving children in budgeting decision-making are few and far between. The adoption of this term also adds momentum to its use by pioneering child budget advocacy initiatives like HAQ.[3]

[3] An Indian-based Centre for Child Rights working in budget advocacy.

In a very generic sense, budgeting for children can be defined as putting child wellbeing and child rights at the centre of the budgeting process – including in the budget decision-making process, taxation policies, budgetary allocations, and implementation. However, budgeting for children does not necessitate a separate budget, nor does it require parallel structures. It instead introduces new, more pro-child elements to existing systems.

In terms of allocations, budgeting for children is about the adequacy of the resources a government allocates to programmes that benefit children, and whether these programmes realistically reflect their needs. The 2008 African Report on Child Wellbeing revealed that countries with high budgetary allocations for child-related sectors were found to be more child-friendly. The report also showed that countries with the lowest budgetary rankings were among the least child-friendly countries (ACPF 2008).

Figure 1.2 Elements of *budgeting for children*



As shown in Figure 1.2, budgeting for children is a system that prioritises children's best interests. The system establishes child-friendly social and economic policies and proper targeting procedures. It is important that the budget allocates resources in line with policy commitments and priorities, as well as ensuring they are adequate, and it should not follow a retrogressive path over time. As a process, budgeting for children should be participatory, transparent and accountable, as well as effective, efficient and equitable.

Budgeting for children highlights the role of the allocation of adequate resources, as well as those played by institutions, rules and policies. It emphasises transparent, accountable, participatory and democratic processes, with the aim of enabling the weakest to make successful claims (Norton & Elson 2002).

From a civil society stand point, budgeting for children is an attempt to evaluate the resource implications of policy changes in key socio-economic sectors, enabling governments and civil society to monitor their performance on children's rights and legislative and policy commitments. HAQ views budgeting for children as an attempt to separate the specific allocations made for programmes that benefit children from the central or state budgets (HAQ 2009a). In this regard, experts assert that survival, protection, development and participation of children are the most important elements in budgeting for children. They also identify health, welfare, education, justice and policing as among the key sectors directly affecting children's wellbeing (HAQ 2009a).

Budgeting for children should also address the needs of vulnerable groups of children, including the poor, orphans, street children and the disabled, as well as the continuum of risks children face at various stages of their lives, and their corresponding needs.

The application of budgetary instruments to mitigate child poverty and vulnerability raises the issue of pro-poor budgeting. The budget's pro-poor orientation manifests itself in three ways. The first is demonstrated by increased allocations to both social and productive sectors that directly empower the poor and vulnerable to harness available opportunities profitably. The second is the progressiveness in both expenditure and tax aspects of the budget mechanism, and its potential to improve the social and economic opportunities and general wellbeing of the poor (Civil Society Budget Advocacy Group (CSBAG)

2005). Thirdly, pro-poor budgeting attempts to incorporate the voices of the poor in the budgeting process, and to provide feedback through transparent and accountable systems (CSBAG 2005).

Budgeting for children ensures that governments allocate money to the explicit purpose of protecting children from abuse and exploitation. The government's role here may take different forms, including developing the capacity of families to help children lead a dignified life, through allowances and other tax-related measures, and providing training in responsible parenting.

Budgeting for children is as much concerned with child wellbecoming as with child wellbeing. An important link between child wellbecoming and budgeting is found in present debt burdens and the future implications of the repayments of those debts. The financing of budgets often generates debt burdens that take away resources from areas essential to children's interests. It also creates a future burden for children, as debt payments fall due when they become taxpayers (HAQ 2009b). This is particularly the case when money ends up in the pockets of officials instead of being spent on sectors that ensure the wellbeing of future generations. This is where the role of democratic values of transparency and accountability come into play.

An important consideration in the discussion of budgeting for children is the mutually-reinforcing links between the attributes of a sound budget system and those of good governance and democratisation. Countries with improved governance are likely to have better budgetary outcomes because the features of good governance - participation, transparency and accountability - accompany a sound budget system.

Box 1.1: Mortgaging children's future: unsustainable foreign debt

From a children´s point of view, there are few things that are as harmful as unsustainable foreign indebtedness. From a short-term perspective, foreign credit may appear to be a comfortable option for a nation's political leaders, and if the borrowed money is invested wisely, it may even be good in a longer-term perspective. But taking up foreign loans irresponsibly also implies a mortgaging of the future, and borrowing today often boils down to theft from today´s children and adolescents who will have to repay the debts tomorrow (Vylder 2001:7).

In fact, a public expenditure management system can be seen as both cause and effect of the overall governance and democratisation climate in a country (Schiavo-Campo 2007a). Highlighting the links between budgets and governance, Fölscher (2003) argues that narrow technical reforms of budget systems cannot be separated from wider governance reforms.

1.3.1 Budget transparency and participation

The degree of openness of a budget affects levels of public participation and consultation, information access, and transparency, which are all essential when monitoring and influencing budgets in the interests of children.

Budgeting for children is a system where children's best interests come first and where child-friendly social and economic policies and procedures are put in place.

Box 1.2: How open are budgets in Africa?

Of the 25 African countries surveyed by the International Budget Partnership in 2008, South Africa was rated as the best performer in terms of providing extensive budget information for public use, with Botswana also categorised among the better performers. More than half (13) of the countries covered in Africa were noted to provide scanty or no information on their budget (IBP, 2008). The remaining countries were rated among those with some or minimal openness.

Source: International Budget Project (IBP) (2008)

Box 1.3: "Tips for Trevor": unfettered public access to budget information in South Africa

The budget information available to the South African public covers the entire budget cycle – i.e. budget formulation and planning, execution, external scrutiny and audit. Public access to key fiscal information in South Africa is transparent, generally comprehensive, user-friendly and timely. The main source of information is the internet, though relevant information is also made available through other sources, including university libraries and printed media. Further to promoting public access, the website of the National Treasury offers the public an opportunity to comment on draft documents. It also includes a section called "Tips for Trevor" (Trevor Manuel was formerly the South Africa's Minister of Finance), where the public can send their direct comments/tips to the Minister of Finance. The importance of dissemination of fiscal information is recognised by both the government and the public.

Source: Quist, Certan and Dendura (2008 :68-69).

Closed budgets tend to concede large and undue influence to personal relationships and small interest groups (including external creditors), deliver poor budget outcomes, and fail to permit open debate. Eventually, they leave those without power and influence at the tail of the resource distribution queue. Lack of budget transparency affects the size and composition of public expenditures. It also increases the scope for corruption, by creating information asymmetries between the regulators and the regulated entities (Thomas *et al*. 2000). These factors all have a bearing on child-related outcomes.

In developing countries, particularly those where resources are scarce, many unmet needs are life-threatening, and rapid social and economic progress is so urgent, it is crucial that all public resources should respond to these priorities. Thus prevention of corruption and misuse of resources is of central importance. This is not the place for a discussion of the ways and means of fighting this social evil; but the fact remains that it is the public officials,

politicians and/or bureaucrats who are primarily responsible for extracting illegal payments from other sectors of society, and that government budgetary processes provide the most common arena for such nefarious practices.

Needless to say, widespread corruption can undermine the beneficial effects of government budgets, including their performance effectiveness.

Box 1.4: Transparency and information flow improving service delivery for children: a case from Uganda

A 1991-95 World Bank study in Uganda found that most schools in the country were not receiving the capitation grants to which they were entitled. On average, only 30 per cent of the allocated amount was reaching schools by the end of 1995. The bottleneck was the district education office, which was holding on to the capitation grants sent by central government, and not distributing the finance to schools. The government acted rapidly to improve the flow of information and make budget allocations transparent by: i) publishing amounts transferred to the districts in newspapers and radio broadcasts; ii) requiring schools to maintain public notice boards to post monthly transfer of funds; iii) legally provisioning for accountability and information dissemination in the 1997 Local Governance Act; and iv) requiring districts to deposit all grants to schools in their own accounts, and delegating authority for procurement from the centre to the schools. By 2000 the government's action to improve the flow of information paid off: some 90 per cent of the intended funds were actually reaching primary schools.

Sources: Abbo and Reinikka (1998); Norton and Elson (2002); Wagle and Shah (2001)

In the words of Transparency International Chair Huguette Labelle, "Corruption has no conscience. By placing a price on a child's education, a doctor's time or a judge's verdict, corruption steals futures, takes lives and fuels impunity" (quoted in Transparency International 2008).

Budget transparency improves the ability of politicians and citizens to scrutinise government actions by creating a space for questioning the factual basis on which budget decisions are made. The prospective legitimacy arising from this form of openness can incentivise governments

to be vigilant in ensuring that the data supporting their decisions is timely, accurate and verifiable (Robinson 2008). As Thomas *et al*. (2000) observed, transparency means empowering the citizenry to become millions of auditors in society, providing voice and access to a free press.

Improved budget transparency can publicly reveal the basis on which priorities are formulated, and clarify the roles and responsibilities of individuals in the executive who take these decisions. This contributes to allocative efficacy (Alesina and Perotti 1996) and improved service delivery.

The principles of transparency and accountability may be hard to achieve, mainly because of the inherently political and elitist nature of the budget process, and the element of bargaining that exists in any budget preparation. Choices must be made between conflicting interests. When bargaining drives the process, choices are based more on the political power of the different actors than on facts, integrity or results (Schiavo-Campo 2007b).

The fact that the budget process is, in most cases, mysterious and closed makes the issue of participation one of the most salient manifestations of politics in budgeting. Participation is also where the intersection between budgeting and politics is most clearly discerned. This is because participation is understood both as a right in itself, and as a means of increasing the equitable outcomes of policy decisions.

The political and elitist nature of the budget process impinges on the budget priority-setting exercise. Methods of establishing priorities among competing claims affect how the needs of children are addressed through the budget, and help determine the amounts of budgetary allocations for child-related sectors. Furthermore, systematic political oversight is an important attribute of budgeting. Its involvement in the budget process, through cabinet oversight of budget decisions – with the peer political oversight that contributes to political discipline – makes it more difficult for ad hoc decisions to be made (Fölscher 2009).

One of the pathways to diluting the sometimes political nature of the budget is citizen participation. If the budget is to become pro-poor (i.e. if its expenditure and revenue decisions are to become more sensitive to the

interests of the poor), it is important that the poor themselves participate in its formulation, implementation and monitoring, in a manner that is equitable and inclusive. Yet the sad thing is that budgeting remains an exclusive domain of the bureaucrats and technocrats, with little or no room for citizens to participate and influence. Under such circumstances, it is unlikely that the budget addresses the needs of the voiceless, such as children, who do not form a powerful political lobby advocating the more effective delivery of socio-economic services.

McGee (2003) (cited in Fölscher 2007a) identifies four types of public participation in budget processes:

- Information sharing - the state puts budget and public policy information into the public domain
- Consultation - the state sets up mechanisms such as forums, council and referendums to gather information on citizen preferences
- Joint decision-making - citizens provide information on their needs and preferences, and are active in real decision making
- Initiation and control by stakeholders - citizens have direct control over the full process of developing, raising funds for, and implementing projects.

In other countries, public participation in public affairs and budgeting is entrenched in laws.

In Mozambique, South Africa, Uganda and Tanzania, laws explicitly stipulate people's right to participate in local governance.

In South Africa, the Municipal Structures Act of 1998 entrenches community participation by stating that the executive committee must report on its involvement in municipal affairs, ensure public participation and consultation, and report its effects on decisions made by local councils (Shall 2007).

In Mozambique, Article 186 of the Constitution allows for the organisation of local communities to participate in local planning and governance (Shall 2007).

In Zimbabwe, while there is no specific enforcement of community participation in budget processes, there is a ministerial directive to

local authorities requiring proof that citizens were consulted by the local authorities in preparing the annual budget (UN-HABITAT and MDP 2008). Sub-national governments in the country use a variety of instruments for public consultation, including the government gazette, notices calling for objections in more than one issue of the newspaper, public notices at the sub-national government office, ministerial commissions, ministerial investigations, consultation with the local authority, councillor input, ward development committees, the right of the community to attend council meetings, the right of citizens to make copies of bylaws, budget resolutions and voter rolls, and council sub committees (Shall 2007).

Civil society engagement in budgeting takes various forms ,including simplifying the budget and deepening debate; independently collating, synthesising and disseminating budget information; bringing new information to budget decision-making; training; and building accountability.

A growing mechanism of organised citizen participation in the budget has been the role of civil society groups. Governments in several countries have recently taken the initiative to flex their budget powers to allow for an enhanced engagement of civil society. These attempts have included: simplifying the budget and deepening debate; independently collating, synthesizing and disseminating budget information; bringing new information to budget decision-making; training; and building accountability (Krafchik 2005).

The role of civil society groups varies depending on the stage of the budget cycle at which they intervene. Some, like the South Africa National NGO Coalition, engage at the formulation stage. The Coalition coordinated a two-year process of poverty hearings in many towns and cities throughout South Africa, where the evidence of the poor was collated into a set of priorities by commissioners, and delivered to government for inclusion in the budget. Others, like IDASA, also in South Africa, provide training and technical support to provincial legislatures in their respective countries during the legislature budget process. The work of IDASA led to an improvement in a new basic financial management bill, through the inclusion of clauses on *virement (*the

ability of the executive to reallocate or transfer funds between items during budget execution), and sanctions for mismanagement.

The Uganda Debt Network gives a good example of engagement of civil society groups at the budget implementation or execution stage. The Network undertakes quarterly field surveys conducted by a team of researchers and community members. The initiative also tracks monthly expenditure releases from central government to local governments, and reconciles these with releases from the central bank. In a relatively short period of time, this initiative has helped to identify blockages in funding to local government, increased funding to poverty relief programmes, and shifted expenditures towards identified priority sectors (Krafchik 2005).

1.3.2 Budget accountability: The budget regulatory framework

In most countries, the Constitution is at the apex of the formal budget regulatory framework; there are, however, many formal and informal rules that influence budgetary outcomes below the constitution. These institutional arrangements regulate the relationships between the players, through a combination of regulations external and internal to the executive. These regulations impose restraints, define flexibilities, and set, monitor and enforce standards. Such standards require information, transparency and accountability mechanisms (World Bank 1998).

A proper budget regulatory framework helps to ensure that adequate checks and balances are established for the budget office

The budget legal framework outlines the role of the legislature by laying down the formal rules that guide the budget decision-making process and the management of government revenues and public expenditure (Streak 2003). Legislatures enhance accountability and help tie the executive to the diverse set of constituencies affected by budget decisions in a pluralistic society. “While certainly noisier and less efficient, legislative involvement ultimately broadens the base of political support for budget decisions, thereby enhancing their legitimacy and sustainability” (Posner & Park 2007).

Box 1.5: Overcoming skill deficits in budget analysis

According to a survey by CABRI and AfDB (2008), five out of 26 countries in Africa reported that their parliaments have access to specialised research units. The largest by far is in Uganda, established in 2001, with a total staff of 27. There are smaller units in Benin, Kenya, Morocco and Zimbabwe. In Liberia, a Legislative Budget Office had been enacted at the time of the survey, but not yet activated. Nigeria and South Africa are in the process of setting up or planning to establish similar bodies.

Source: CABRI and AfDB 2008; Johnson & Stapenhurst 2008; Anderson 2008

The role of the legislature in budgeting within developing countries has been undermined by several factors, including poor research capacity, the absence of powers of amendment, a weak committee system, and the timing of the budget process (Carey & Shugart 1998).

The poor capacity of legislative committees - set up to scrutinise budget proposals made by the executive – has in many respects undermined the degree of legislative influence on African budgets. An important consideration here is that legislatures may not have the expertise needed to keep up with the growing sophistication and complexity of modern budgets, particularly when compared to the advanced knowledge possessed by executive bureaucracies (Schick 2002); hence, the legislature can be overwhelmed by the sheer magnitude of budget documents, their technical complexity, and the years of expertise possessed by executive central budget offices – undermining the potentially credible role they could and should have played in budgeting. To address this challenge, legislatures have, in recent years, chosen to invest in separate legislative offices or specialised research units dedicated to budgetary reviews (Johnson & Stapenhurst 2008).

In countries such as Uganda and Ethiopia, “legislators perceive the budget-making process as an obscure technical process, driven by finance ministry economists, which they do not understand and which

they are not able to contribute to meaningfully" (Heimans 2002).

A proper budget regulatory framework helps to ensure that adequate checks and balances are established for the budget office (Streak 2003), including the functions of independent auditing institutions. The latter guard the budget system against potential abuse by the executive and legislative branches of the budget system, and by so doing, establish accountability (Streak 2003). In some instances, such a framework lays down provisions calling for transparency, accountability and efficiency in the budget system.

The laws in some countries also introduce a crucial step in budget transparency by obliging the executive to "divulge the sources of data and information used to frame decisions on revenue priorities and expenditure allocations" (Robinson 2008), as well as by imposing legal obligations to ensure budget efficiency and accountability. South Africa offers an excellent example. The South African Constitution proclaims the principles of transparency, accountability and efficiency in budgetary processes (Act 108 of 1996) as follows:

> National, provincial and municipal budgets and budgetary processes promote transparency, accountability and the effective financial management of the economy, debt and the public sector (cited in Fölscher 2007b).

Namibia is another country able to introduce a procedure of budget accountability reporting, following the recent changes to the country's approach to programme budgeting.

Box 1.6: Budget accountability reporting in Namibia

Since the government of Namibia formally moved to a system of programme budgeting, there has been a change in its approach, from a system based on the cost of desired inputs to one linked to the results expected from proposed expenditure. As part of that move, the Medium Term Expenditure Framework (MTEF) replaced the Estimates of Revenue and Expenditure as the reference according to which Parliament decided expenditure.

The new focus on results, together with the need to continue monitoring expenditure, inevitably means that the performance of each Office, Ministry and Agency (O/M/A) has to be "accounted" for against its allocated expenditure. In this regard, the Accountability Report sets out the annual progress of each Ministry towards meeting its targets with the resources allocated to it by Parliament – hence its essential role in public budgeting.

Within this system, the individual accountability report of each O/M/A arguably becomes the core of budget monitoring. It provides detailed insights on each Votes specific reasons for failing to achieve its targets or for over/under-spending. Therefore, the system acknowledges that certain events outside the O/M/A's control can result either in failure to meet its targets, or in a substantial variance between budgeted and actual expenditure.

Source: Government of Namibia 2010

There are legal provisions that allow too much flexibility during budget execution. Some of these enable the executive to alter spending choices following the approval of the budget by the legislature, but others give *carte blanche* and unfettered spending powers to ministries and may, in effect, give the executive the authority "to undo legislative choices during implementation" (Santiso 2004). One such mechanism is impoundment, which allows the withholding of particular funds that have been appropriated by the legislature. Another is *virement* - the ability of the executive to reallocate or transfer funds between items during budget execution. A third such measure is the power of some executives to introduce new spending without legislative approval (Carey and Shugart 1998).

The legal framework for controlling in-year cuts, overspending and other discrepancies between an enacted budget and spending varies from one African country to another. In terms of year-in cuts, in Benin, Lesotho, Madagascar, Malawi and Namibia, spending ministries are not allowed to cancel spending. In Burkina Faso, Congo (Brazzaville), Ethiopia, Ghana, Guinea, Kenya, Liberia, Mali, Mauritius, Morocco, Rwanda, South Africa, Tunisia and Uganda, cancellation of spending is only possible subject to restrictions. In Botswana, Mozambique, Nigeria, Sierra Leone, Zambia and Zimbabwe, there are no restrictions on the cancellation of spending (Collaborative Africa Budget Reform Initiative (CABRI) and AfDB 2008).

Overspending without prior approval is not allowed in Ethiopia, Ghana, Liberia, Morocco, Mozambique, Nigeria and Rwanda; while in Guinea, Kenya, Lesotho, Malawi, Mali, Mauritius, Tunisia, Uganda and Zimbabwe, this is only possible up to a certain limit or for mandatory spending. In Burkina Faso, Sierra Leone and Zambia, there are no limits on overspending without legislative approval (Collaborative Africa Budget Reform Initiative (CABRI) and AfDB 2008).

Four countries allow unrestricted reallocation, and 18 indicate that restrictions apply. For example, in Ethiopia, *virement* is not allowed from operation and maintenance to salary expenditures, or from the capital budget to the recurrent budget. In 13 countries, *virement* requires the approval of the Finance Minister – for example, in Rwanda, the Minister of Finance, after approval by Cabinet, can authorise transfers between some items within the same category of an agency's current budget, subject to a 20 per cent limit. In South Africa, *virement* is subject to parliamentary approval if the amount involved exceeds eight per cent of the allocation for a programme (Collaborative Africa Budget Reform Initiative (CABRI) and AfDB 2008).

Box 1.7: Extra budgetary funds: A thorn in the flesh of budget comprehensiveness in Africa

The already weak budgetary accountability in Africa is further complicated and weakened by the proliferation of extra-budgetary funds that are not subject to normal budgetary execution and control procedures. EBFs account for about 40 percent of central government expenditures in developing countries.

In cases such as social security funds, there is sound economic and political rationale for establishing EBFs. However, their disadvantages have outweighed the advantages, particularly where they are poorly managed.

Because of these links, it is has been argued that EBFs are a good example of where political corruption meets administrative corruption. Cases where "little empires" have been built with public resources through the use of EBFs, and where political parties are financed through these funds, have supported this view. Where they exist in multiple numbers, EBFs also pose a risk of atomising political governance and of fragmenting and undermining the overall quality of public financial management.

EBFs should be subject to parliamentary scrutiny and should meet acceptable standards of accounting and reporting, internal control, internal and external audit, and basic transparency requirements. In addition, strong gate-keeping mechanisms, both political and technical, should be established to reduce the probability that unjustified EBFs will slip under the radar and eventually damage the integrity of the budgeting system.

Sources: Allen and Radev (2006); Allen and Tommasi (2001); Potter and Diamond (1999)

In other instances, in a practice called *extra-budgetary funding*, a substantial amount of money is allocated and appropriated outside the purview of the normal budget system (Schiavo-Campo 2007a). Some budget laws allow the president or some parts of the executive branch to bypass the normal budget procedures (for example, the *comptes spéciaux* in the francophone system) (Potter and Diamond 1999). It is to be noted, however, that – relatively speaking – the francophone countries have less recourse to extra budgetary funds (Schiavo-Campo 2007a).

As an example, Burkina Faso was able to finance the majority of its road maintenance requirements – in many countries treated as an extra-budgetary funding issue - through regular budget processes, without a dedicated road fund. It appears that when the budget system works reasonably well, it can meet priority expenditures without the need for financing through extra budgetary funds (Mwale 1997).

This suggests that there is still room for cuts or misappropriations at the time of actual spending, regardless of the amount and composition of budgets allocated for child-focused sectors and the participatory nature of the budgetary decision-making process.

> It is imprudent to finance long-term recurrent liabilities with short-term volatile financing (e.g. foreign aid, especially loans). Budget support, which arguably can be turned off more quickly than it can be turned on, reinforces this volatility (Peterson 2009:9).

There is another dimension to issues of government accountability in allocating budgets for children: the role played by external budget sources, especially in financing basic social services. Firstly, problems emerge from different priorities (not only between a donor and a country, but between donors) and the poor coverage (reporting) of aid funding in budgets (World Bank 1998). Secondly, donors and creditor countries tend to gauge (or regulate) a country's political behaviour and/or performance, mostly for legitimate reasons, through the way they handle money. The flow of funds from these countries pulsates with the political temperature of the country, raising serious questions of sustainability (Shimelis 2008) and undermining local ownership of programmes.

Because of the lop-sided relationship that normally prevails between the donor and the recipient poor, Africans constantly have to succumb to unpalatable policy choices – named *conditionalities* – for the sake of receiving aid (Abugre 2006).

According to WHO (2009), external sources of finance accounted for more than 30 per cent of health expenditure in 20 countries. Martin (2000) observed that societies which depend on external largesse to meet their basic health and education needs are not sustainable, democratic or equitable. More importantly, promised funds may fail to show up or may be withdrawn suddenly when donor countries are hit by economic crises, with a sharp knock-on effect on budgeting for children.

Once a budget has been implemented, the final phase – an important aspect of budget accountability – concerns the auditing of the budget. Here, there is a major difference between the approach of Anglophone and Francophone countries. In general, the auditing system is more developed in the former. Usually there is an audit office independent of the government that has responsibility for auditing the government budget. In some francophone countries, this function has recently been accorded to the newly created Chamber of Accounts (*Chambres des Comptes*) (Lienert 2003).

The purpose of the audit is to ensure that funds have been raised as stipulated in the revenue statement, and, most importantly, that due processes were observed in spending by the relevant ministries. It is hoped that the audit agency can help identify misuse and misappropriation of funds; ideally, it could even comment on the performance efficiency of public expenditure. In practice, however, few auditing agencies have the capability to undertake these functions. For the most part, their reports focus on the conformity of spending with the agreed procedures. Even here, their effectiveness in part depends on how quickly reports are prepared after the end of the financial year. In most cases, there are considerable delays in the auditors' publication of reports. In just two of the 26 countries studied were the audited accounts available six months after the end of the financial year; in nine countries production of audited accounts took longer than 12 months (Collaborative Africa Budget Reform Initiative (CABRI) and AfDB 2008).

1.3.3 Challenges facing African budget systems

Budget/Public Expenditure Management (PEM) systems in Africa are littered with a number of challenges, some of which have serious import on child wellbeing. These include poor macroeconomic planning, ineffective implementation of budgets, leakage of resources, and poor quality services. There is also the problem of poor or unsuitable legal frameworks for the budget process, coupled with limited legislative time and capacity in budgetary deliberation and oversight. This is further complicated by poor flow of information, corruption, low capacity to make proper macroeconomic predictions, absence of medium term expenditure frameworks to link policy with budgets, and the lack of independence of auditors (Streak 2003; World Bank 1998).

> If the budget process gives preference to spending demands without taking into account the medium to long-term effects of unaffordable tax or debt levels on the economy, the cumulative effect over years of unaffordable spending can have a widespread negative impact. This includes crucially high debt-to-GDP ratios, high interest rates, exchange rate and balance of payment difficulties, high absorption of available cash into interest on government debt, low or negative economic growth, deteriorating public infrastructure, and fewer resources left available for spending on necessary public goods and services (Fölscher 2009).

Perhaps one of the gravest limitations of African budget/PEM systems is the weak or non-existent link between policy planning and budget planning. In cases where this is an issue, the budget does not reflect the real priorities of government, and financial and/or policy discipline does not exist. As Fölscher (2007c) observed, "in countries where this connection is weak, the budget shares for which politicians fight may have more to do with power, political deal making, and access to resources than with optimal policy outcomes related to stated country priorities."

Under such circumstances, strategic priorities are unlikely to be properly reflected in actual expenditure, and operational performance will be adversely affected. In other words, there will be a massive mismatch between what is promised through government policies, and what is affordable. This not only undermines

the legitimacy of the budget process and the credibility of budget ceilings (World Bank 1998), but also creates situations where "the annual budgeting process becomes more about scrambling to keep things afloat, rather than allocating resources on the basis of clear policy choices to achieve strategic objectives" (World Bank 1998). The case of Guinea is an instructive example (Box 1.8).

MTEF is a powerful tool for ensuring government accountability in budgeting. It can help integrate policy making with budget making or translating entitlements into actual services. The integration of policy making, planning and budgeting leads to a situation where expenditure programmes are driven by policy priorities and disciplined by budget realities (World Bank 1998).

Box 1.8: Mismatch between policy priorities and available resources

A 1996 public expenditure review in Guinea revealed that there was a complete mismatch between the stated policy priorities of the government and actual priorities based on expenditure allocation. Although the government has designated primary education, public health and road maintenance as priorities, funds often end up being allocated to other areas instead. There is no system for costing out policy proposals or subjecting them to rigorous scrutiny. An exercise to cost the policy mix required to meet the government's stated priorities revealed that the share of priority programmes in total spending would need to triple over the succeeding four years. This necessitated drastic cuts in other expenditures in order to remain within the budget constraint.

Source: World Bank 1998)

The absence of a strong link between policy decisions and available resources can be explained by the absence of a Medium Term Expenditure Framework (MTEF). An

According to Chaponda *et al. (*2004), the power of an MTEF lies in it being the outcome of many disparate decisions. It provides both the means to collect those decisions

together and make tradeoffs, and to make those tradeoffs transparent. This transparency will hopefully sustain institutional support for the process within government, as well as providing external organisations with the information needed to hold government to account (cited in UNICEF 2009:25).

MTEFs have been introduced in many countries in Africa. Out of the 26 countries completing the OECD/CABRI Budget Practices and Procedures Survey, 15 reported that they submit multi-year expenditure estimates to the legislature with the annual budget documentation. A further seven prepare multi-year forecasts but do not submit them to the legislature. In 2003, there were already 13 African countries in various stages of implementing MTEFs (Le Houerou 2001 cited in Fölscher 2009).

The organic budget laws of Francophone countries provide for multi-year budget provisioning of capital expenditures. Multi-year budget appropriations (*autorisations de programme*) allow ministries to commit expenditures for capital projects exceeding one year (Lienert 2003).

From Anglophone country examples, Uganda's Budget Act, adopted in 2000, provides legal underpinning for the Medium-Term budget frameworks that were elaborated in the 1990's (Lienert 2003).

Weak linkages between policies and budgets – partly explained by the absence in many countries of MTEFs – are compounded by the widespread practice of dual budgeting: one budget for current expenditures and another for "investment" expenditures. This non-integrated budget practice, coupled with the absence in most countries of MTEFs, results in a failure to appreciate the recurrent expenditure implications of investment programmes. The World Bank (1998) asserts that "dual budgeting may well be the most important culprit in the failure to link planning, policy and budgeting" (World Bank 1998).

Dual budgeting is being practiced in Botswana, Burkina Faso, Kenya, Malawi, Mauritius, Morocco, Namibia, Nigeria, Sierra Leone, Swaziland and Tunisia. These countries have separate budgets for capital and recurrent (operating) budgets. There are some good reasons to distinguish between these two kinds of spending - for

example, recognising that capital budgeting often requires some distinct processes. However, when the existence of two separate budget documents corresponds to two separate budget formulation processes and there are inadequate integration mechanisms, this can constitute an obstacle for credible and comprehensive medium-term budgeting (Collaborative Africa Budget Reform Initiative (CABRI) and AfDB 2008).

Another important limitation of African PEM/budget systems is the pervasive absence of budget comprehensiveness. This requires that all government revenues and expenditures be subject to budgetary mechanisms and procedures (Public Expenditure and Financial Accountability Secretariat 2005). The principle of comprehensiveness is not only a prerequisite for transparency and accountability (Collaborative Africa Budget Reform Initiative (CABRI) & Strategic Partnership with Africa 2008); it is also an important feature of a sound budget system, without which it is not possible to have a meaningful debate on the allocation of scarce resources to the various sectors (Streak 2003).

Ideally, expenditures should be classified by administrative unit (*e.g.* ministry, agency) and supplementary information classifying expenditure by economic and functional categories should also be presented (OECD 2002). It is also required that the budget contain comparative information on actual revenue and expenditure during the past year, and an updated forecast for each programme for the current year. Where possible, comparative information for any non-financial performance data, including performance targets related to expenditure programmes, should also be included (OECD 2002).

While countries like Burkina Faso, Lesotho, Madagascar and Nigeria report providing only limited types of information to the legislature, budget documents in countries like Ghana, Malawi and South Africa are much more comprehensive (Collaborative Africa Budget Reform Initiative (CABRI) and AfDB 2008).

Box 1.9: "Comprehensive and Comprehensible" budget documents: South Africa's example

The government of South Africa has adopted standards for budget formulation and execution, based on economic, administrative, programme and sub-programme categories, which can produce consistent documentation according to IMF's Government Financial Statistics (GFS) and United Nations' Classification of the Functions of Government (COFOG) standards. The budget documentation reports on programme and sub- programme classifications, as well as cluster and functional classifications. The budget classification is also reflected directly in the institutional arrangements for managing the budget. The chart of accounts incorporates, and is consistent with, the budget classifications. The budget classification, institutional arrangements and accounting and financial reporting are capable of supporting a policy-based budgeting process. The budget documents submitted to parliament are comprehensive and comprehensible. They include a Medium Term Expenditure Framework which appropriately addresses the requirements for meaningful budgetary formulation, as well as properly guiding and controlling budget implementation.

Source: Quist, Certan and Dendura (2008:16)

The efficiency of budget implementation and the capacity of budget implementing agencies plays a critical part in ensuring the translation of budgetary allocations into outcomes. Fozzard (2001:5) observes: "It is no longer assumed that budgetary allocation decisions are automatically transformed into budgetary outcomes. Public sector resource allocation is determined by the criteria and process of decision-making and the process of budget execution" (Fozzard 2001:5). Mudho (quoted in Office of the United Nations High Commissioner for Human Rights 2008:34) also makes a similar observation:

> A country's ability to progressively realize economic, social and cultural rights hinges upon, in no small measure, its capacity to formulate an appropriate budget based on sound policy and participation, and to ensure its effective and efficient utilisation.

Box 1.10: Capacity is not about infrastructure alone

It's a beautiful new hospital, gleaming and modern, befitting the wealth of the oil-rich nation of Angola. Its rooms are furnished with X-ray machines, gurneys, chairs and pharmacy shelves. The signboards are up. The parking lots are ready. The grounds are immaculately landscaped with flowers and plants. Yet the 125-bed hospital in the provincial town of Matala has sat idle since it was finished by Chinese construction workers late last year. It lacks an electricity connection. It lacks a road to the front door. And most importantly, it lacks staff. Of the 248 staff that the hospital needs, only 44 are available - and they would have to be pulled from existing health posts, leaving clinics elsewhere stretched even thinner than before.

Source: The Globe and Mail 2010

The problem of limited capacity is not confined to the budget planning stage; it worsens during execution. Firstly, services providing state institutions are seldom coordinated, and often lack staff or have poorly motivated staff, making them unsuitable to provide equitable and efficient services. These institutions are also often considered hotbeds of clientelism and malfeasance, unresponsive to user needs, and unable to provide coverage for those most in need of services (Grindle 2002). In such situations, the limited available services are enjoyed by the wealthy few, while many of the poor simply do without. The poor, who tend to live in rural areas or urban slums, are generally at the end of the queue, and are the least likely to be able to make demands on government for improvements in coverage or quality (Grindle 2002).

Box 1.11: Leaking purses and pipes

The constraints that deprive millions of people, the majority of whom are children, from access to health services, go beyond funding. The pipes down which funds and materials might be poured are either too narrow, or clogged up, or full of holes; the funds may not go to the places where they are needed, or not be under the control of the health sector. There may be even no pipe at all.

Transparency International reports that about half of all funds allocated for health efforts in sub-Saharan Africa never reach the clinics and hospitals at the end of the line. Reasons for leakage are most likely related to poor budget execution, diversion of funds to other legitimate ends, and corruption.

Source: Attim (2006); Lindelow (2006); WHO (2001)

A study in Guinea showed that 48 per cent of all people visiting hospitals and primary health facilities come from the richest fifth of the population. Those from the poorest fifth make up only four per cent of patients. In Ghana, two-thirds of all health expenditure goes to hospitals, located largely in the main towns, while poor Ghanaians generally go only to primary health clinics. Since the poor often cannot afford to pay user fees in the clinics, such charges should only be applied to the better off (Harsch 2006).

Some experts argue that financial and administrative decentralisation to lower levels of government helps to alleviate some of the problems associated with service delivery and accountability, but may also exacerbate existing problems of implementation capacity. Decentralisa-tion may bring budgeting closer to communities. It may also open opportunities for greater citizen and local legislature involvement and training and analysis

> Costly, sophisticated and hasty PEM reform ventures that take little account of existing implementation capacity often raise risk, don't work, or take years to function.

for budget groups. On the other hand, though, decentralisation may complicate national monitoring of budgets, because multiple levels of authority bring complex issues of allocation, discretion and governance (Krafchik 2005).

With a view to addressing some of the above challenges, some governments have made reform attempts of staggering depth. Countries like Mali and Uganda have made moves towards performance oriented budgeting. This has been necessitated by the challenge of implementing country-owned poverty reduction strategies that link specific objectives – especially in education and health – with budgeted expenditures needed to achieve the desired changes. However, the capacity to administer the additional data and analytical requirements of output/outcome budgeting is often lacking (Lienert 2003).

Tanzania adopted an even more ambitious new Public Finance Act in early 2001, which embodies the concepts of output-oriented budgeting. However, it is unclear how this approach will be implemented with the existing PEM system (Lienert and Sarraf 2001).

Experts caution that such costly, sophisticated and hasty reform ventures, which take little account of existing implementation capacity, often raise risk, don't work, or take years to function. This is especially so given that existing African PEM systems are fairly functional, and hardly need "cutting or bleeding edge financial management" Peterson (2009:23). Under such circumstances, some experts suggest that the ever dwindling amounts of resources (mostly foreign) allocated in some countries to overwhelming financial reform ventures could be better spent on water and sanitation. The choice might at times be between accrual accounting and water wells (Peterson 2009:24).

1.3.4 Concluding remarks

For a long time, the budget has been recognised as a crucial instrument in the fulfilment of the wellbeing of citizens. The battery of human rights instruments and policies that governments ratify are taken to the next level when budgets are allocated for their implementation. In the absence of adequate budgetary procedures, these "commitments" remain hollow promises. In other words, governments that are earnestly committed to the

rights and wellbeing of their children demonstrate this by "putting their money where their mouth is".

The budget, as the government's key policy document, can favour or disfavour children's rights, and is crucial to their attainment. Decisions on how much money the government intends to raise (volumes of resources), from whom (the way in which the burden is shared), and how it will be spent (in which sectors, and for what goals) have a strong bearing on children. Therefore, governments are obliged to budget for children in order to translate the rights enshrined in child rights instruments into concrete wellbeing outcomes.

Finally, it has to be underlined that, in the area of budgeting, the *status quo* is never satisfactory. To use the words of Schick (2009):

> The conduct of budgeting is fertile ground for reform, not because scholars know a better way to allocate pubic money but because the allocators are dissatisfied with the tools at hand.

The emergence of budgeting for children as an innovative approach has been the result of dissatisfaction with current practices, especially when viewed in the context of child rights.

Budgeting for Children is concerned with the allocation of adequate budgets for the benefit of children through participatory, transparent and accountable procedures. It also emphasises the need to establish social, economic and tax-related polices to ensure concrete child wellbeing outcomes, as well as to protect children from abuse and exploitation. Moreover, budgets for children do not allow retrogression in the allocation of budgets, and are therefore child friendly in every stage of the budget cycle.

To summarise, budgeting for children should encompass at least the following considerations:

- Children's best interests come first in macroeconomic, social and tax-related policies, as well as budget processes and allocations
- Budgetary allocations should be compatible with policy commitments and priorities. They should be adequate, and should not follow a retrogressive path over time
- Ideally government budgetary commitment should be reflected in national laws. Some countries have "justiciable" legal provisions in their constitutions or other legislation that requires the

government to allocate resources for the benefit of children. Others go further by establishing appropriate functional structures and mechanisms, such as ministries or departments responsible for children's matters. However elaborate the overall policy and budgetary instruments may be, implemention will be a challenge if they are not backed by a properly staffed and organised structure

- Children's voices must be heard in budgetary deliberations
- The process should be open and transparent. It should ensure that national and sub-national budget proclamations or budget bills are made publicly available. It should also provide disaggregated information to demonstrate the extent to which allocations reflect children's rights. Unless the budget system is open, the quality of budget outcomes, as well as the appropriateness and thorough implementation of budget policy, will be dependent on the goodwill of individuals in the government.
- Finally, budgeting for children must be effective, efficient and equitable. It must have a system in place to deter resource leakage and budgetary indiscipline, and/or a mechanism to take curative (punitive) measures when these happen. It must also ensure that there are no gaps between allocations and actual expenditures. The system should address the needs of children in an inclusive and equitable manner at all times, regardless of their status, in targeting, allocation and spending of funds.

In line with the above concepts, when attempting budgeting for children, governments need to ensure the following as matters of priority:[4]

- Sufficient political commitment that finds its way into pro-child laws, macroeconomic, social and tax-related policies, and adequate and equitable budgetary allocations
- Guaranteed consistency between budgetary policies and the principles and rights specifically established by the

[4] UNICEF (2005)

CRC (non-discrimination, the best interests of the child, the right to life, survival and development, and participation)

- The budgeting basics, including the capacity to make realistic revenue projections, undertake the activity-based costing needed for credible expenditure planning, develop sound cash management systems and ensure discipline in budget implementation (Collaborative Africa Budget Reform Initiative (CABRI) 2004 cited in UNICEF 2009)
- The effective participation in the budgetary process of rights-holders, particularly those most excluded, including children
- Accountable, transparent and efficient mechanisms in budget preparation and implemenation.

CHAPTER 2
MACROECONOMIC POLICIES AND BUDGETING: IMPLICATIONS FOR CHILD WELLBEING

> An erroneous exchange rate policy can do more harm to a country's children than, say, an incompetent Minister of Education (de Vylder 2001:2).

Despite the pivotal role played by adequacy, efficiency and transparency in a sound budget system, these might be of little worth if not accompanied by child-friendly policies and proper targeting, or if it finances policies that are detrimental to child wellbeing. This signals the equally crucial role played by the formulation of child-friendly social and economic policies in budgeting for children. Public actions in the social and economic spheres determine the volume of overall resources available in a society, their distribution between competing uses, and the efficiency with which they are put to use.

First of all, governments are obliged to pursue child-friendly macroeconomic policies. General Comment No 5 of the UNCRC committee calls for steps to be taken "at all levels of Government to ensure that economic and social planning and decision-making and budgetary decisions are made with the best interests of children as a primary consideration and that children, including in particular marginalised and disadvantaged groups of children, are protected from the adverse effects of economic policies or financial downturns" (UN 2003, paragraph 51).

> Macroeconomic policy-making is often child-blind. Even monetary policies, which are apparently distant from the lives of children, often have a bias... against their best interests.

The macroeconomic behaviour of any one national economy – manifest mainly in its monetary and fiscal policy choices - can have a

positive or negative effect on wellbeing (ActionAid & Global Campaign for Education 2007), as highlighted in the following sections of this paper.

2.1 Do macroeconomic policies affect children?

The child-friendliness or otherwise of macroeconomic policies can, by and large, be measured through their impact on parents. A child may not, in the majority of cases, be directly affected by monetary policies or trade and exchange rate policies; the impact is normally mediated through the effects on the family. Yet some of the consequences of macroeconomic policies, such as inequality, might have a direct and grave impact on children. For instance, at a mean level of inequality, a 1% increase in inequality, measured by the Gini coefficient, is associated with a 0.5% increase in child mortality rates (Filmer and Pritchett 1999, cited in Jonsson 2009).

Given that sets of policies have varied implications for different age and income groups there is always a need to make even conventional macro policies less 'child-blind' (de Vylder 2001:15).

Macroeconomic policies determine, among other things, the amount of resources that can be mobilised by governments for the benefit of children (the fiscal space) through public spending. They also have a considerable bearing on the level, growth rate and mix of activities in the private sector. The latter will eventually determine child wellbeing via the provision, or not, of child-related services by the private sector, and the level and distribution of earned-income in the household sector. This channel is important not only because household incomes are the most direct determinant of child income, but also because the private (not-for-profit) sector provides some key child-related services. More importantly, this channel affects time devoted to childcare as an important aspect of child wellbeing (Alem 2009).

The best example of how macroeconomic policies impact on children are the infamous structural adjustment programmes (SAPs), and the socioeconomic havoc they have left in their wake. In conventional terms, SAPs include a wide range of measures intended to reduce internal and external deficits and increase efficiency in the economy. Basically, the programmes consist of two different, but mutually supportive,

sets of policies, which form part of what has been called the "Washington Consensus" (de Vylder 2001:6-7). The first set has to do with macro-stabilisation. This includes the reduction of government expenditure, the introduction of charges and user fees on a number of public services, and attempts to reduce inflation and deficits. The second set consists of structural reforms, or adjustment measures. These typically include deregulation and privatisation of state enterprises, which sometimes includes a number of public services (such as communications, electricity and water supply, health, and education). Reforms also cover: liberalisation of the foreign trade regime; public sector reform aimed at increased efficiency ("smaller but better government"); and other measures that imply reduced job security and the elimination of minimum wages.

Box 2.1: Teacher recruitment in Kenya at the behest of the IMF

In 1997, the government of Kenya agreed with the IMF to impose a limit of 235,000 on the number of teachers that could be employed. In 2003, a new government came to power and primary education user fees were abolished; over 1.5 million more children enrolled in school. The IMF refused to lift the cap on teacher numbers, Kenya was (and still is) unable to recruit the additional 60,000 teachers it needs to support primary education across the country. Inevitably this has a severe impact on the quality of education, with classes averaging at 60 pupils per teacher.

Source: ActionAid & Global Campaign for Education (2007)

Various studies have documented the impact of SAPs on children and other vulnerable groups in Africa (Bradshaw *et al*. 1993). These and other authors have posited that macroeconomic policies and related local dynamics are directly linked to the quality of life experienced by families, and the opportunities afforded to their children (Swadener, Kabiru and Njenga 2000). As the architect of the Human Development Report, Prof. Sir Richard Jolly, has said: "Blinkered by neo-classical orthodoxy, the focus of the IMF and the World Bank was in putting the economy right: reducing inflation, cutting deficits, shrinking government

in order to restore economic growth", to the detriment of human wellbeing (Jolly 2009:37).

Reductions in public expenditure directly affect children, given that in times of spending cuts, social sector spending is first to be slashed (de Vylder 2001:8). SAPs and related policies, and related increases in child mortality and malnutrition rates, were documented in some parts of Kenya (Gakuru and Koetch1995). For instance, because of IMF's policy of directly linking inflation and public sector pay, wage bill caps appear in its loan agreements, with considerable impacts on wellbeing and service provision – as the Kenyan example makes clear (Box 2.1).

The introduction of school fees that often accompanied the first generations of structural adjustment programmes is incompatible with the CRC provision of "free and compulsory education".

The impact of cuts in health and educational expenditure can be high for the urban poor, but negligible in rural areas where there has never even been a school or a public health clinic (de Vylder 2001:23).

In many countries, the imposition of user charges on social services constitutes another instance of policy measures accompanying SAPs that had, and continue to have, adverse effects on children.

Such measures are antithetical to the spirit and letter of the UNCRC and the ACRWC. Article 28 particularly obliges states to "make primary education compulsory and available free to all". The introduction of school fees that often accompanied the first generations of structural adjustment programmes is thus simply incompatible with the CRC (de Vylder 2001:8) and the ACRWC.

Secondly, the need to pay school fees for children, and to cover other family expenditures when user charges have been introduced or raised, often obliges the woman/mother to seek poorly paid and stressful employment to cover rising costs for child health and schooling, with negative effects on childcare (de Vylder 2001:8).

Equally importantly, studies indicate that user fees in healthcare and

education are a major barrier to accessing these services. The problem with user fees is that the poorest and most vulnerable may not be able to pay them, and therefore will not have access to basic services. Therefore, measures that aim at waiving user fees for health and education services for the lowest poor quintile, and for social grant beneficiaries, facilitate the accessibility of these services (Minujin *et al*. 2005).

Another channel through which SAPs affected children was through countries' debt burdens. The phrase "children in debt", coined by UNICEF, portrays the strong correlation between debt, SAPs, and children's increased risk. According to UNICEF estimates, if one of every five dollars Africa pays for debt servicing instead went to primary education, there would be a place for every child in primary school (UNICEF 1996).

In terms of liberalisation and globalisation, alongside the traditional losers (people who lose their jobs in import competing industries, and their children; or farmers whose prices and incomes go down when food imports flood the domestic market, and their children), greater openness to trade may expose a country as a whole (and especially poor developing countries) to greater risk from external shocks (de Vylder 2001).

The increasing openness of the world economy in the face of raging globalisation has created a situation where an event in one corner of the world affects another in the opposite corner. Children are no exception. Scheper-Hughes & Sargent (1998:1) draw attention to how difficult it is for "isolated families or households to shelter infants and small children... from the outrageous slings and arrows of the world's political and economic fortunes".

First of all, there is a risk of countries opening up to globalisation, and at the same time pursuing child-friendly policies, being exposed to the volatility and inherently short-term orientations of financial markets. This conflicts with the long-term perspective of child-related investments.

> To a stock-broker or currency trader to whom 'long term' may mean one week, investments in children's health and education have too long gestation periods to be considered.

Under such circumstances, politicians may find it increasingly difficult to maintain a long-term perspective in their economic policy-making.

> To a stock-broker or currency trader to whom 'long term' may mean one week, investments in children's health and education have too long gestation periods to be considered (de Vylder 2001:6).

As observed by Stiglitz (1999), poor countries may also find it particularly hard to buffer these shocks and to bear the costs they incur, as they typically have weak safety nets, or none at all, to protect the poor (cited in de Vylder 2001: 10).

Moreover, the fact that poorer countries rely more heavily on taxes on export and import trade than richer countries implies that trade liberalisation constitutes a threat to their government revenue. In the early 1990s, tariffs and other trade-related taxes and duties on average accounted for around 30 per cent of total government revenue in Sub-Saharan Africa (Ojejide 2000). Now, some time after the SAPs have been readjusted, the choices governments make in their macroeconomic policy-making, including monetary and fiscal policies, affect children in a plethora of ways.

Box 2.2: Liberalisation and healthcare

Thanks to the commercialisation of healthcare, the responsibility for healthcare provision is slowly moving from the state to 'market forces'. The defining features of this shift are a large number of deaths from otherwise preventable and treatable diseases; the resurgence of diseases that humanity thought were already conquered, like tuberculosis; and the retention of decomposing corpses in 'private clinics' because of lack of payments.

Ongwen (2006)

Stabilisation measures, including exchange rate devaluation and fiscal and structural reforms such as trade liberalisation, privatisation, financial sector reforms and labour market interventions, impact children through their effects on proximate, household-level determinants of wellbeing (Alem 2009).

A study by Save the Children revealed that increased involvement of the private sector in delivering basic services is likely to have a negative impact on the equity, quality and capacity of these services (Save the Children 2002, cited in Feeny and Boyden 2003).

When private participation is a component of social service provision, and the goal is to attain universality and provide benefits for disadvantaged groups, it is essential to ensure that exclusion does not occur. A proper balance between public and private sector involvement in the delivery of social services should be sought to ensure that the principles of universality, solidarity and social inclusion are preserved (UN Department of Economic and Social Affairs 2005).

The impact of macroeconomic policies on children can be further illustrated using inflation and unemployment as examples.

Inflation affects different countries, social sectors and age groups in quite different ways. In high and medium-income countries, with relatively well-developed financial markets, it is common for young families with children to finance purchases of new homes with the help of credit from the formal credit market. Among low-income households, especially in poor countries, money to buy or construct a new house for the family is often raised on the informal credit market – through relatives, friends, local money lenders, etc. As a general rule, over the life cycle, debts are often incurred by the families when the children are small, to be repaid when the children have grown up (de Vylder 2000:15).

Studies show that high inflation (above 40% per year) has a negative impact on growth rates, and accept that several instances of moderate inflation (20-40% per year) have also had a negative impact on growth rates (Elson and Cagatay 2000:1353). For

When faced with high inflation and price instability, there would also be a case for giving the interests of the worse-off people the priority that social justice may demand.

this reason, moderately inflationary policies tend to have a less negative impact on young families with children, who are often indebted. An erosion of their debts through inflation may even be in their interest. On the other hand, austere monetary policies which reduce the rate of inflation while raising the real rate of interest tend to be particularly harmful for young parents with children, through the effects on the cost of investing in acceptable housing and sanitation standards. Monetary policies leading to high real rates of interest can thus be labelled child-hostile, since they have a direct bearing on the affordability of acceptable dwellings. Undeveloped financial markets, and lack of access to credit for poor families, also have a negative impact in areas related to housing and the development of small-scale and micro-enterprises. If there is a choice between some inflation and unemployment, many young families - and especially the poor, who are rarely net creditors - would probably prefer more employment, even if this would mean a slightly higher inflation (de Vylder 2001:15).

Gupta, Clements, McDonald and Schiller (1998) argue that low inflation and realistic exchange rates benefit the poor, while high inflation hampers growth, and leaving the poor unable to protect their consumption levels. Yet:

> ...a concern for price stability and avoidance of high inflation (financial conservatism) does not rule out the expansion of public provision of health care, education and social security; and a concern for deficit reduction does not justify user fees for public services, irrespective of the effects of such fees on the well-being and freedom of the entire population, and more especially the effects on the poor (Sen 1998:739).

It is to be noted, however, that a pro-child strategy does not imply imprudent policies that lead to a high rate of inflation. In particular, the effects of high inflation on the distribution of income tend to be most destructive for poorer households, as the rich have greater opportunity than the poor to diversify their assets and activities as a hedge against inflation. If high inflation is allowed to develop into hyperinflation, as witnessed in many developing countries in the 1980s, it is the poorest of the poor who suffer most. One of many early symptoms is that honest public officials and experts find it difficult to make a living on their salaries, leading to a decline in public sector work morale. This forces experts to engage in moonlighting at

the expense of their badly needed time and intellectual application in their ordinary workplaces, such as hospitals and schools. As a result, in many developing counties "...teachers, medical doctors, government officials and others can be found raising pigs or selling imported cigarettes to support their families", or have made their ways to greener pastures in search of better employment (de Vylder 2001:16-17).

Attempts to suppress inflation with the help of price controls and other administrative means also tend to hurt the poorest of the poor. If shortages and black markets develop as a result of inflationary macroeconomic policies and administrative controls, daily life becomes very cumbersome, especially for those who have the major responsibility for providing the family with the necessities of life – i.e. the women (de Vylder 2001:16).

If a choice can be made between moderately higher inflation and higher unemployment, the former is likely to be less detrimental to the best interests of children.

Unemployment is the other route through which a government's macroeconomic choices and their associated consequences affect children – via their parents. In very poor countries the effects can, of course, be dramatic, as the economic margins are small, or non-existent. The child's very survival may be threatened by the parents' unemployment, as it might trigger family disintegration, which in turn swells the incidence of child labour, rising school drop-out rates, and juvenile delinquency (de Vylder 2001:16-17).

A child-friendly macroeconomic policy must take these adverse effects of unemployment into account and pay special attention to job creation. Parents need employment – including gainful self-employment – in order to support their children, and children and adolescents need to feel that they will be welcome on the labour market, and that education is a worthwhile investment (de Vylder 2001:17). The choice between the two evils of inflation and unemployment represents the classic dilemma of macroeconomic policies (de Vylder 2001:15).

Unemployment is generally more child-hostile than (moderate) inflation. Furthermore, inflation is likely to be less detrimental if it is stable and anticipated, compared to a situation with stable prices followed by a

currency collapse and a sudden inflationary outbreak (de Vylder 2001:18).

The effects of macroeconomic variables like inflation and unemployment are more difficult to deal with in the context of Africa, where formal social protection programmes are largely lacking. Devereux (2005) makes the following succinct observation:

> Government provision of social welfare in Africa could be compared to a lifeboat bobbing in a turbulent ocean, where millions of children, women and men are treading water and clinging to each other, trying to survive the next wave that breaks over them... Outside the lifeboat of formal sector employment, the majority of Africans survive poverty and shocks on a combination of their own initiative, support from relatives and community, and a range of NGO, donor and government safety net programmes that are often inappropriate to their needs, or overlook them altogether (Devereux 2005:1).

2.2 Can children be *protected* against macroeconomic shocks?

'Prevention is better than cure' is the basic principle guiding measures aimed at protecting children against macroeconomic shocks. Yet there is a strong need to improve policies related to social safety nets, or 'social shock-absorbers,' when crises do occur (de Vylder 2001:22). More importantly, such policies should be established with children in mind.

Experts advise that the key objective of any response to macroeconomic crises has to remain poverty-focused in order to:

> ...help the poor to maintain adequate consumption levels, ensure that the poor continue to have access to basic social services, prevent irreversible impacts on human capital and prevent dysfunctional behavioral effects such as engaging in criminal activities, prostitution, or the selling of body organs, or the development of abusive child labour (Lustig 1999: 17).

From among a number of measures, depending on their local idiosyncrasies, governments can put in place pro-child social and economic policies that encourage labour-market participation in order to make earnings a substantial proportion of family income; maintain and provide incentives for dependent care to be given by the family; offer sufficient incentives for the bearing and raising of children; and institute a

system of non-taxable family allowances based on the number of children in the household, or level of income, or level of household vulnerability (Lefebvre & Merrigan 2003).

On the employment generation front, policies that rely solely or principally on full employment to achieve social goals, such as equitable income distribution and elimination of poverty, suffer from the *male breadwinner bias*. Such policies rarely take into account the relationship between paid and unpaid forms of labour at the heart of needs provision. In order to be gender-equitable, full-employment policies must be complemented by entitlements for those in informal or part-time paid work, and for the providers of unpaid caring labour (Elson & Cagatay 2000:1355).

As the income-earning capacity of women increases, the accompanying increase in their bargaining power within the household results in a larger share of resources being allocated to children's clothing, toys, furniture and health (with sons and daughters being treated more equally) than to the so-called male goods.

It is argued that the creation of jobs for mothers has positive effects on child wellbeing, by enhancing mothers' bargaining power (Lefebvre & Merrigan 2003). According to some researchers, as the income-earning capacity of women rises, the accompanying increase in their bargaining power within the household results in a larger share of resources being allocated to children's clothing, toys, furniture and health (with sons and daughters being treated more equally) than to so-called male goods (Thomas 1994, cited in Lefebvre & Merrigan 2003). Governments could assist in these circumstances by providing markets and other spaces which are safer for children, and which include facilities, such as toilets and access to clean water, that make it easier for mothers to combine childcare and income-earning (Budlender 2009).

Aware of the role mothers frequently play as 'shock absorbers, shielding their children (and sometimes partners)

Policies aimed at promoting childcare must reflect the fact that a parent is simultaneously a provider and a nurturer. To address the nurturing role, policies have to reduce the inequities in access to childcare and ensure that children receive safe, nurturing and stimulating care, whether at home or in other settings.

from the full impact of the inadequate financial resources at their command' (Lister 2004, cited in Lister 2005), some countries have embarked upon aggressive women-friendly income- and employment-generation polices. In some countries, quotas have been set for participation by women in income-earning activities, alongside quotas for other groups such as youth or people with disabilities. In South Africa, the official code of good practice for the Expanded Public Works Programme (EPWP), which is one of the government's flagship anti-poverty programmes, stipulates that 60% of jobs should be allocated to women. One of the sub-programmes has gone further than this, by stating that 60% of wages should go to women, in an attempt to ensure that women are not confined to the lowest-paying jobs (Budlender 2009).

It is to be noted, however, that the employment choices of the mother can affect the family in conflicting ways. The mother's wages can make the difference between self-sufficiency and dependence on welfare (especially in the case of a single-parent family), or between a low-income and a middle-class standard of living. On the other hand, a poorly paid, stressful job with long hours and unusual work arrangements can place demands on parents' time and energy, thus affecting the quality of their parenting (Lefebvre & Merrigan 2003). As adult female labour participation increases in response to rising female wage rates, gender-specific educational policies may be required to counter a possible tendency by female children to substitute for their mothers in the performance of domestic work (Cigno, Rosati, and Guarcello 2001:17).

Therefore, policies aimed at promoting childcare must reflect the fact that a parent is simultaneously a provider and a nurturer. To address the nurturing role, policies have to reduce the inequities in access to childcare and ensure that children receive safe, nurturing and stimulating care, whether at home or in other settings (Lefebvre & Merrigan 2003). In other words, parental training and counselling should form an important part of employment generation schemes for parents.

The second set of policies aims at reducing the level of poverty generated by the market economy or by macroeconomic shocks. This involves supplementing low market earnings with other sources of

income, and by allowing the poor enhanced access to basic health and education services. Policies in this domain include income support programmes (welfare), tax policies (tax reductions for large families) (Lefebvre & Merrigan 2003), and public interventions that can be broadly or narrowly targeted, such as cash and in-kind transfers, user-fee exemptions and subsidies.

Box 2.3: A grant that follows the child

The current South African child support grant - which replaced the maintenance grant that was only paid to biological mothers - does not make any assumptions about household and family structure, but instead focuses on easing the financial burden on the person who actually gives the primary care. This step goes a long way in addressing the needs of children in child- and grandparent-headed households.

Source: Budlender (2009)

Unconditional cash transfers are becoming increasingly common in Africa, with considerable payoff in terms of child wellbeing outcomes. The advantage of these forms of transfers over others like free food distribution is that they can typically be run with low overheads of less than 20 per cent (Pearson and Alviar 2009).

Child support schemes benefit children in many respects. In its 2010/11 budget, South Africa allocated R89 billion (approximately US$ 12 billion) to social grants – about 4 per cent of its GDP (Gordhan 2010). Of this, nearly a third goes to child support grants, which benefit more than 9 million children below 18 years of age (National Treasury (Republic of South Africa) (2009).

Research in South Africa shows that there has been an increase in school enrolment and positive health-related outcomes among children receiving the grants. Agüero *et al.* (2007) found that children who received the child support grant during the first three years of their life had significantly higher height-for-age than those who did not. Budlender and Woolard (2006) also found an increase in school enrolment among children receiving the grant.

Box 2.4: Lesson from Botswana's orphan support programme

The Government of Botswana provides care and support to orphans through its National Orphan Care Programme, which started in 1999. Its aim is to ensure that orphans remain in school, receive appropriate nutritional supplements, and are helped to overcome feelings of loss and trauma following the death of parents.

However, a 2006 evaluation of the orphan support programmes found that psycho-social support was not well-addressed in the programme, and that there was no national child welfare policy to guide interventions for vulnerable children, including those with HIV+. Some guardians and school-going teenagers resisted registration because of the stigma attached to being enrolled in the programme.

Source: The Botswana Ministry of Local Government (2010)

One of the far-sighted features of the current South African child support grant - which replaced the maintenance grant that was only paid to biological mothers - is that it does not make any assumptions about household and family structure. It instead focuses on easing the financial burden on the person who actually gives the primary care. The grant 'follows the child,' and in so doing gives the grant to the adult who bears the main responsibility for the care work (Budlender 2009:11).

It is to be remarked that the cash transfers in wide use in Latin America are conditional upon parents taking their children to immunisation centres or schools. Conditional transfers seem to be effective in situations where there is under-use of school and health facilities, in which the objective is to increase the use of these facilities. Furthermore, conditional cash transfers may be beneficial when used to increase the political acceptability, and consequently the size and sustainability, of the budget, and when transferring a component of a 'voluntary contract,' which may reduce stigma for beneficiaries (Jonsson 2009).

Conditional cash transfers have, however, been considered inappropriate for the African context where school and health facilities – to which most conditionalities are attached - are far and few between to begin with. A

study in South Africa also revealed that the health and education benefits following non-conditional grants suggest that it is the additional money entering the household that results in the health and education benefits, rather than the conditions (Budlender 2009).

In the final analysis, as de la Briere and Rawlings (2006) acknowledged,

> ...though promising, these [CCT] programs are not a panacea against social exclusion and should form part of comprehensive social and economic policy strategies and be applied carefully in different policy contexts' (cited in Jonsson 2009:53).

The other potent instrument at the disposal of governments is the provision of basic services free of charge, or the wavering of fees for such services. Studies indicate that user fees in healthcare and education services are a major barrier to access. The problem with user fees is that the poorest and most vulnerable may not be able to pay them, and therefore do not have access to basic services. Measures that aim at waiving user fees for health and education services for the lowest poor quintile, and for social grant beneficiaries, facilitates the accessibility of these services (Minujin *et al*. 2005).

Box 2.5: User fees as barriers to access to services

User fees are the most regressive form of healthcare financing available. Such fees can encourage inappropriate self-treatment and use of partial drug doses, and act as a barrier to utilisation of health facilities. Even a small level of fee can contribute to the impoverishment of vulnerable households and force them to sell key assets, cut down on other necessary expenditures, or borrow, often at very high interest rates. In addition, fees add to the other immense barriers, such as distance and abusive treatment by healthcare providers, that poor people face when seeking health care. All these barriers are part of the lived experience of poverty in many parts of Africa, and contribute to exclusion of the poor from accessing essential services.

Though important, removing fees is not a simple exercise. Without supportive actions in terms of expansion and capacity building, fee removal can itself add to the performance problems of the existing health system. The large pool of unmet needs due to user fees may result in substantial increases in demand for which the systems are not prepared.

Source: Gilson and McIntyre 2005

Aware of this, many governments have taken painful steps towards abolishing user fees for basic education and health services, resulting in significant increases in the numbers of beneficiaries of such services. For instance, school enrolment increased by 51 per cent in Malawi and 23 per cent in Ethiopia following the abolition of fees (UNICEF and World Bank, 2009). When Uganda eliminated user fees at health facilities in 2001, public visits increased by 80 per cent, with half of the increase from the poorest fifth of the population (Harsch 2006).

It is noteworthy, however, that in some countries, the user fee exemption has triggered a surge in demand for services followed by deterioration in service quality.

The aforementioned experience of Malawi is a good example. Its system was unable to accommodate the increased flow of new entrants to school, as the initiative was not accompanied by commensurate funds to expand services. This resulted in severe deterioration in learning conditions and high dropout rates. In 2007, Malawi's primary schools had among the highest pupil-to-classroom (85) and pupil-to-teacher (67) ratios for any country, indicating the poor quality of education provided at this critical stage of children's development (DFID Malawi 2008).

The tax system can distribute the burden fairly across people with different abilities to pay. In this context, entitlements offer a valid set of tax-related mechanisms to enhance child wellbeing. According to Schick (2009:15),

> The simplest way to help families reach a similar standard of living is to reduce the tax burden for families with dependent children relative to that of single persons or families without dependent children, or to allocate non-taxable cash allowances on the basis of the number of children in the household.

> ...an entitlement is a provision of law that establishes a legal right to public funds. The right might be accorded to an individual, to a household, or to any other designated beneficiary.

The law usually sets forth eligibility requirements and either a schedule

of payments or a formula by which payments are computed. Social security, unemployment compensation, family allowances and disability payments are entitlements (Schick 2009:15). The ultimate end to entitlements is provision for an income supplement (or minimum income guarantee) to ensure a minimal level of wellbeing based on family size (Lefebvre and Merrigan 2003).

It has been strongly argued that the simplest way to help families reach a similar standard of living is to reduce the tax burden for those with dependent children relative to that of single persons or families without dependent children, or to allocate non-taxable cash allowances on the basis of the number of children in the household (Lefebvre and Merrigan 2003).

These measures are predicated on the assumption that a family's ability to pay taxes is generally lessened by the presence of a dependant. Therefore, the system explicitly uses a fiscal discrimination mechanism based on the premise that a large family will not be able to maintain the same standard of living as a small family with the same income. Consequently, various fiscal instruments (deductions, exemptions, tax credits or non-taxable transfers conditional on presence and number of dependent children, which can be viewed as a tax credit paid in advance), or some form of income splitting for tax purposes, are often used to lower the tax burden for families with dependants (Lefebvre and Merrigan 2003).

There are, however, some aspects of such measures that call for caution. The first is that fiscal adjustments for family size that decrease the tax burden on the family or increase family benefits have the potential to lower the net cost of bearing children, and hence may work as incentives for increased fertility (Lefebvre and Merrigan 2003). This might run counter to population policies.

Sometimes welfare benefits may result in the inter-related issues of what economists call unemployment (or inactivity) trap and the poverty trap – mainly the results of tax and benefit transfers having a negative effect on the work incentives and incomes of those with low earnings potential (Lefebvre and Merrigan 2003).
The poverty trap occurs when working individuals cannot appreciably improve their net income by increasing their hours worked or wages, because any increments are largely offset by income taxes (and social security contributions) and, particularly, the

withdrawal of employment benefits and gradual withdrawal of child benefits.

To reduce the impact on education of macroeconomic shocks, it is advisable that governments also pursue programmes that directly target children's and adolescents' schooling. Examples are incentives for families in the form of scholarships and free school-meals, also called school-feeding programmes.

School feeding programmes provide multiple benefits by enhancing children's active learning capacity; alleviating short-term hunger; providing an incentive for children to attend school regularly and punctually; and addressing certain micro-nutrient deficiencies. The programmes constitute an incentive for poor households to have their children attend school regularly, as well as an incentive to the children themselves to study (Woolard 2008).

2.3 Concluding remarks

The proper handling of macroeconomic shocks is not a technical question, but rather but a highly political one. It is increasingly recognised that the most successful countries in terms of economic growth – and sustained improvements in social and human development and child wellbeing – are those which have been able to adjust to shocks of various kinds (de Vylder 2001:22).

According to Elson and Catagay (2000:1348), 'soundness' of macroeconomic policies should be judged not on market-based criteria *per se*, but in terms of whether they ultimately succeed in bringing societies closer to achieving social justice. Thus, desired social outcomes such as distributive justice, equity, provisioning for the needs of all, freedom from poverty and discrimination, social inclusion, and development of human capabilities, become the ultimate goals of policymaking, including macroeconomic policymaking.

The World Bank paper *Good Practice in Social Policy* also addresses the interrelation between macroeconomic policies and the social dimensions of development. It reiterates the importance of 'prudent' macroeconomic policies, but argues for two principles to guide restrictive macroeconomic policies (Elson and Cagatay 2000:1351):

> The first involves taking into account the social impact of contraction in the design of the short-run macroeconomic response, even if this lengthens the transition period back to the normal

> growth path. The second pillar is that, when restrictive macroeconomic policies are needed, it is important to adjust the composition of fiscal expenditure and revenue so as to protect the people who are worst off (World Bank, 1999: 6).

In a similar vein, according to Cornia and Stewart (1990: 2):

> For any given meso-choices, the poor are likely to benefit when the choices avoid aggregate expenditure cuts and, where possible, permit expenditure increases. The most relevant macro choices are those which avoid falling per capita incomes, avoid too ambitious targets for the deficit reduction and which place more emphasis on raising revenue rather than cutting expenditure.

As seen in the previous sections, any discussion of macroeconomic policies or budgets will eventually boil down to the decision on how to mobilise public resources and allocate expenditures.

The next chapter offers a detailed discussion of budget analysis, and introduces a framework for analysing budgets from a child rights perspective.

CHAPTER 3
BUDGET ANALYSIS FROM A CHILD RIGHTS PERSPECTIVE

In any given country, there are almost always competing public public policy agendas that are beyond the ambit of available public resources. This is particularly the case in most countries of Africa, where there is a clear mismatch between basic needs and the financial resources at the disposal of governments. It is the budget process that compels governments to make decisions on priority policy areas; this is what makes a budget a genuine barometer of commitments.

In times of such deficits, budgets for marginalised and voiceless groups of the population, including children, are among the first to face cuts, despite the importance of funding to the rights of these vulnerable groups (Fundar, 2004). There are global, regional and national initiatives that aim to enhance good governance and hold governments accountable for their policy actions and how they use public resources. The child rights area is not an exception. A number of civil society organisations have been engaged in budget analysis work to ensure that children are not missed out in the scramble for meagre national resources, and that their best interests are upheld in a way that demonstrates genuine commitment – through the national budgets (IBP, 2001).

Understanding what governments are actually doing, as opposed to what they say they intend to do, requires detailed review and understanding of what is in their budgets. Hence the need for analysis to identify gaps, suggest areas for improvement, and enhance efficiency and effectiveness in meeting the needs of citizens, including children.

This chapter builds on the previous two chapters, in which the rationale for budgeting for children and the vital role of budgetary and macroeconomic instruments in improving children's wellbeing were discussed in detail. It presents a framework for budget analysis from child rights and wellbeing perspectives, enabling the assessment

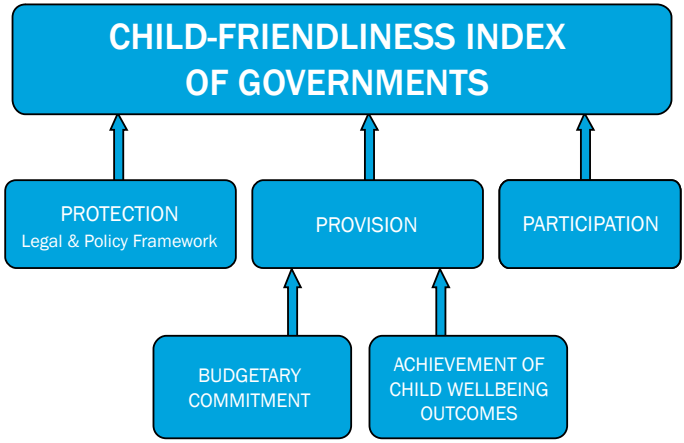
of government budgets in terms of their sensitivity to the best interests and wellbeing of children. This framework also served as a guide for data collection and analysis of information for the second edition of the African Report on Child Wellbeing 2011: Budgeting for Children.

3.1 Budget and its link with government child-friendliness

The African Child Policy Forum (ACPF) developed an overall framework for measuring government performance – the Child-Friendliness Index (CFI) – which identifies governments' budgetary commitment as an important component in realising children's rights and ensuring their wellbeing (ACPF, 2009). The CFI is based on three dimensions: child protection, provision and participation (see Figure 3.1). Each of these dimensions is composed of distinct sets of components and indicators that measure a government's effort and level of commitment to the progressive realisation of children's rights and wellbeing.

The approach for measuring governments' performance builds on the Convention on the Rights of the Child (CRC) and the African Charter on the Rights and Welfare of the Child (ACRWC) which provide a comprehensive listing of states' obligations towards the child (OHCHR; AU, 2008). These child rights treaties oblige governments to ensure the survival and development of the child to the maximum possible extent. They also oblige governments to respect and ensure the rights and wellbeing of children without discrimination of any kind, and irrespective of the child's parents' socio-economic background.

Figure 3.1 The dimensions of the Child-friendliness index



Source: ACPF, 2008

At the 2002 Special Session of the United Nations General Assembly on Children, governments promised to create a 'a world fit for children,' and pledged to: uphold the best interests of children in their development endeavour; end all forms of discrimination; protect children from violence, abuse and armed conflict; invest in children and eradicate child poverty; provide children with access to their basic needs and ensure their survival and proper development; and to listen to what they have to say and enhance their participation in decision making (UN, 2002).

These commitments have policy and resource implications. To assess whether or not governments are living up to these commitments requires an in-depth look at their budgets from a child rights and wellbeing perspective (HAQ, 2009a; Streak, 2003). Budgetary commitment is therefore an important component in the realisation of children's rights and wellbeing.

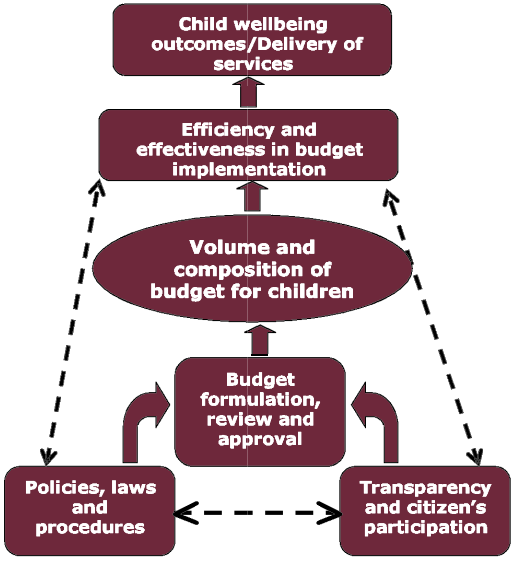
3.2 How does the budget process affect child wellbeing?

Budgetary and fiscal policies affect child wellbeing in various ways (Delamonica, 2004). In addition to government expenditures on sectors that mainly target children, such as

health and education, other fiscal and budget-related policy measures contribute to the wellbeing of families and children. For example, government tax policies impact on the level of employment and family income, which in turn has a bearing on child wellbeing. Furthermore, the various stages of the budget cycle affect the realisation of human rights, including child rights in many respects. Budget policies, laws, procedures and systems put in place for implementation all impact on adequacy of allocation, expenditure, effectiveness and, ultimately, child wellbeing outcomes.

At the conception and formulation stage of budgets, various policies and national plans of action are reviewed to set priorities and make appropriate allocations. Decisions at these stages are critical in many respects, and determine the volume and composition of the budget that goes to children. This is particularly the case in most countries of Africa, where civil society involvement and the power of legislature is limited in influencing allocations.

Figure 3.2 The budget process and its impact on child wellbeing outcomes

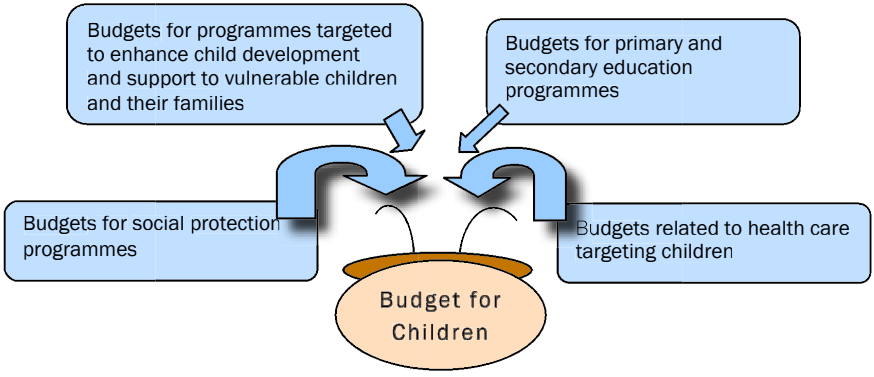


Budget execution, on the other hand, determines the extent to which allocated resources are spent efficiently to meet intended objectives. Systems and mechanisms for budget implementation and absorbing capacity of implementing agencies play a significant role in ensuring that funds are not wasted, and are used to bring about the intended results. In a situation where there are no efficient systems and functional controlling mechanisms, allocated resources may not be translated into outcomes that impact children's lives. Therefore, identifying policy, legal, procedural, structural and attitudinal barriers that undermine the budget process becomes an important step in the realisation of children's rights and wellbeing.

3.3 Budgets for children: What do they entail?

As has been emphasised in Chapter 1, budgets for children are not about separate budget systems that target children exclusively. Rather, the concept refers to the portion of the national budget that goes to programmes and sectors that mainly target children. For operational purposes, we have identified four categories of budgets that are consistent with the four pillars of the CRC and ACRWC: development, healthcare, education and social protection (see Figure 3.2).

Figure 3.3 Categories of budget for children



These budget categories do not only benefit children, and we recognise that budgets for other programmes which may seem unrelated to children could in fact have a significant impact on children's wellbeing. However, it is difficult to determine and quantify how much of the indirectly related budgets (such as for food security and infrastructure development) go to children. The four categories shown above represent the bulk of the total national budget targeted to provide for children, and the analysis is therefore based on these main categories.

Box 3.1: Child focused budget categories

Budget for social and child protection

Budgets under this category include national programmes and initiatives targeted to reduce poverty and vulnerability, as well as budgets allocated to support and protect children against harm and exploitation. These include projects specifically aimed at supporting orphans, children with disabilities, street children, child protection units, juvenile justice systems and related interventions.

Budget for healthcare

All funds allocated to programmes and initiatives targeted to provide health-related services for mothers and children are included in this category.

Budget for the education of children

This category includes all public funds allocated for expenses related to primary and secondary level education.

Budget for child development

Child development involves multi-sectoral interventions that include early childhood care, nutrition supplementation, pre-school and recreation services. It also covers direct financial and material support provided for children with disabilities, and other child-related programmes that do not fit in the above three categories.

Sources: HAQ, 2004; ACPF, 2008.

3.4 Analysing budgets for children: The framework

Budget analysis is a detailed review of the budget process in light of its planned intention, efficiency of resource utilisation, and effectiveness in meeting envisaged objectives. It involves collection, compilation, analysis and interpretation of budget-related data. Budget analysis also goes beyond number crunching, and entails review of relevant legal, policy, structure and other system-related factors that play a role in the budget cycle.

Budget analysis is undertaken through a number of perspectives (Diokno, 1999). From an administrative perspective, it is carried out to identify legal, policy and institutional gaps in the process, and contributes towards enhancing efficiency. Others undertake budget analysis through a technical lens, and look at figures, review allocation items, and create new classifications. From a human rights perspective, analysis assesses the national budget in terms of its sufficiency, equity and effectiveness in progressively realising the rights, and fulfilling the basic needs, of all citizens, including children (Norton and Elson, 2002; IBP, 2001; Streak, 2003).

The main purpose of budget analysis under the human rights framework is to evaluate whether or not governments are maximising the use of their available resources to realise citizens' rights, and to hold those governments accountable for their decisions on best use of public resources. Budget analysis is a valuable tool to promote good governance and enhance transparency in public finance management.

Budget analysis from a child rights perspective looks at the budget in light of governments' obligations to realise children's rights, and the critical role of the budget in ensuring child wellbeing. The primary purpose of budget analysis in this instance is to examine whether governments are best utilising available resources to meet their commitments to children. It is worth noting that meeting obligations to children is not necessarily about spending money. At times, it may only take putting in place a procedure or system that improves targeting and facilitates coordination of stakeholders for better outcomes. For example, the South African Child Support Grant requires that the primary caregiver produce an identity document to collect the grant; because of this, the

most vulnerable (child heads of households) cannot benefit from this programme (Christmas and Nomdo, 2004). These most needy children could easily be targeted, and the grant would have made even more impact if it simply introduced procedures that allowed such children access to funds.

There are established principles of budget analysis; these set areas of focus and provide rationale for analysis. The seven basic principles or parameters that need to be considered are:

1. Availability
2. Adequacy
3. Prioritisation
4. Progress over time
5. Equity
6. Efficiency
7. Effectiveness.

Though these parameters generally apply to all types of budget analyses, they are tailored to a rights-based approach (Fundar, 2004). Our analysis framework is based on these parameters, and assesses government budgets in light of what is expected of them for the progressive realisation of children's rights and wellbeing.

3.4.1 Availability of resources

In a child rights-based budget analysis, the most important consideration is whether governments are utilising the maximum amount of available resources to provide for the basic needs of children, as stipulated in Article 4 of the UNCRC and Article 5 of the ACRWC. This requires determination of the overall resources at the disposal of governments. This figure is then compared with budgets allocated for children to determine whether governments are in fact committed to effectively using resources to realise the rights and wellbeing of children. The first step in budget analysis, therefore, is to find out how much money is available for budgeting.

Availability of financial resources is assessed by looking at the input aspects of national budgets, such as tax and non-tax revenues, grants, and funds from external sources. In many cases, GDP is used as a measure of resource availability, but GDP refers to the monetary value of gross national outputs from all sectors, and it is not all available for budgetary allocation. We have, therefore, used the total amount of tax revenue (including grants) as a proxy measure of the overall resource envelope.

Table 3.1 presents total revenue, including grants, for selected countries in Africa, to illustrate the stark differences in resource availability throughout the continent. This, of course, depends on a number of factors, such as availability of natural resources, performance of the economy, quality of human resources, and efficiency of the tax system.

Table 3.1: Revenue (in billions of US Dollars) for selected African countries, 2008

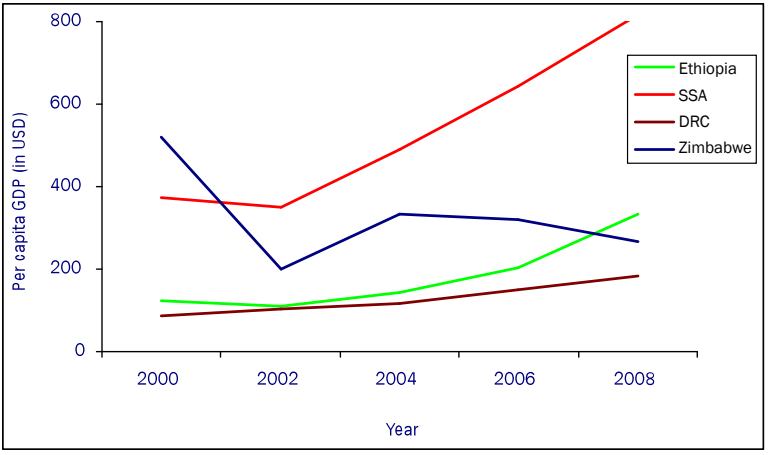
Country	Tax revenue	On tax revenue	Grants	Total revenue
Angola	26.3	1.0	0.1	27.4
Sudan	3.6	8.4	0.4	12.4
Kenya	5.9	0.5	0.5	6.9
Côte d'Ivoire	3.8	0.8	0.3	4.8
Ethiopia	2.6	0.6	1.1	4.3
DRC	1.7	0.2	0.8	2.6
Uganda	1.7	0.1	0.6	2.4
Ghana	0.3	0.6	0.8	1.7
Burkina Faso	1.0	0.1	0.5	1.6
Niger	0.7	0.1	0.4	1.2
Rwanda	0.5	0.0	0.5	1.1
Sierra Leone	0.2	0.0	0.2	0.5
Burundi	0.2	0.0	0.2	0.4
Central African Republic	0.2	0.1	0.1	0.3
Seychelles	0.2	0.1	0.0	0.3

Source: Based on data from World Bank, 2009.

The economic outlook, including trend data on GDP, can illustrate how the economy is performing over time and indicate the prospect of future revenue generation. A 2009 IMF estimate projected the economy of sub-Saharan African countries to grow to about 3.5 percent in 2010 from a low level (1.9 per cent) in 2009 (IMF, 2009). Some countries - such as Zimbabwe - are experiencing a decrease in GDP per capita growth, demonstrating a shrinking volume of financial resources available for budgeting.

In the African context, population growth is another important consideration. As a result of high fertility, many countries in the region have more children in the population than adults. This young age structure affects the per capita share of the budget, and impacts the quality of services delivered and the achievement of child wellbeing outcomes. In some countries, the rate at which the population is growing exceeds the growth of the economy. For many others, economic growth has remained almost constant at about 2.5 per cent, contributing to relatively slow growth of GDP per capita (see Figure 3.4). This in turn affects availability of resources to allocate for projects and programmes that benefit children.

Figure 3.4 Trend of GDP per capita for selected countries (2000-2008)



Source: Based on data from IMF (2009).

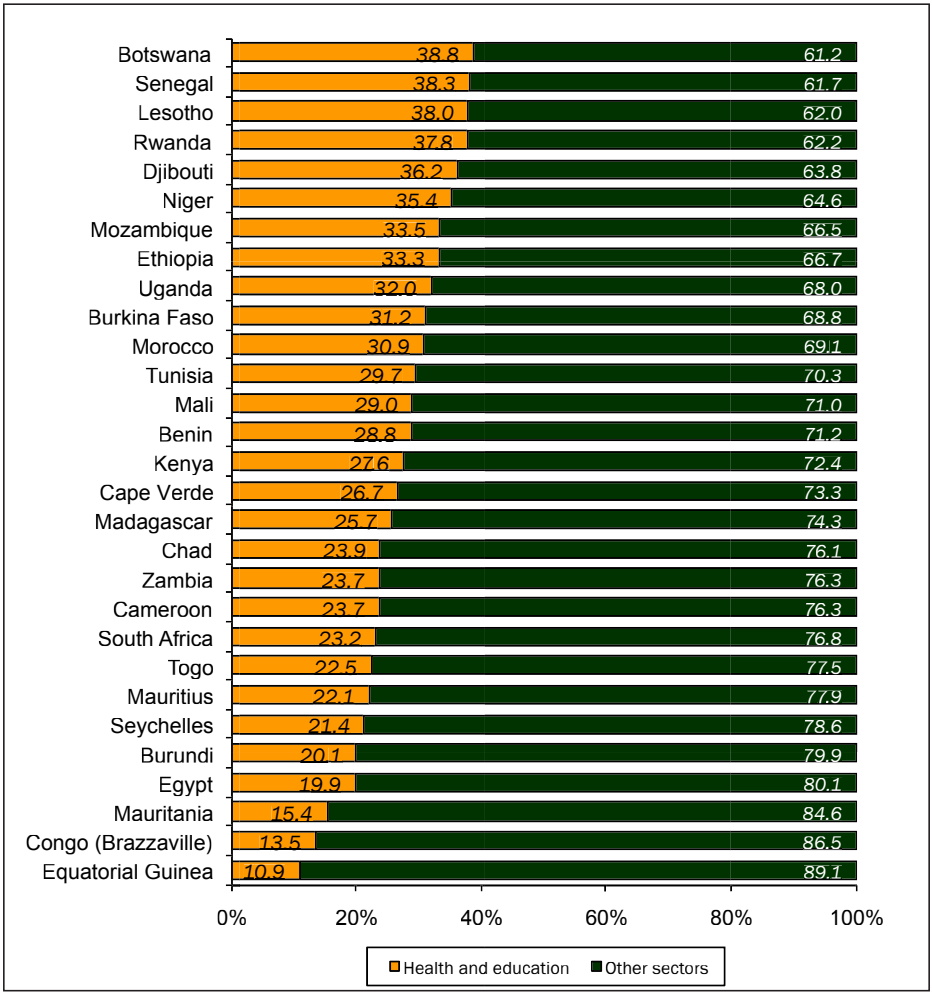
3.4.2 Adequacy of budget expenditures

The other parameter for analysing budgets from a child rights perspective is budget adequacy. Assessment of adequacy involves evaluating budgets *vis-à-vis* shortfalls in the delivery of basic services, and comparing them to international and regional budget targets. For instance, budget expenditures for health and education could be compared with the Abuja and Dakar commitments, where governments pledged to allocate 15 per cent and seven percent of total budgets to health and education respectively. Such analyses generate evidence to justify budget inadequacy and make a strong case for increases in allocations.

Figure 3.5 presents the percentage of national budgets used for health and education spending in selected African countries for the period 2007-2008. In the absence of data for child protection and development, these combined figures indicate the national budget that went to children. What makes these estimates reasonable is the fact that budgets for child protection and development, on the basis of available information, account for a very small or negligible proportion of national budgets.

The percentages indicate that children in a number of African countries are at the tail-end of resource prioritisation. Children, particularly in Equatorial Guinea, Congo (Brazzaville) and Mauritania, are not getting sufficient attention in the national budgets. The governments of Botswana, Senegal and Lesotho, on the other hand, are showing their commitment to children, by allocating substantial portions of their budgets to sectors that benefit children.

Figure 3.5 Spending on education and health as percentage of total government expenditure



Source: Based on data from UNESCO Institute of Statistics, WHO National Health Accounts, 2009

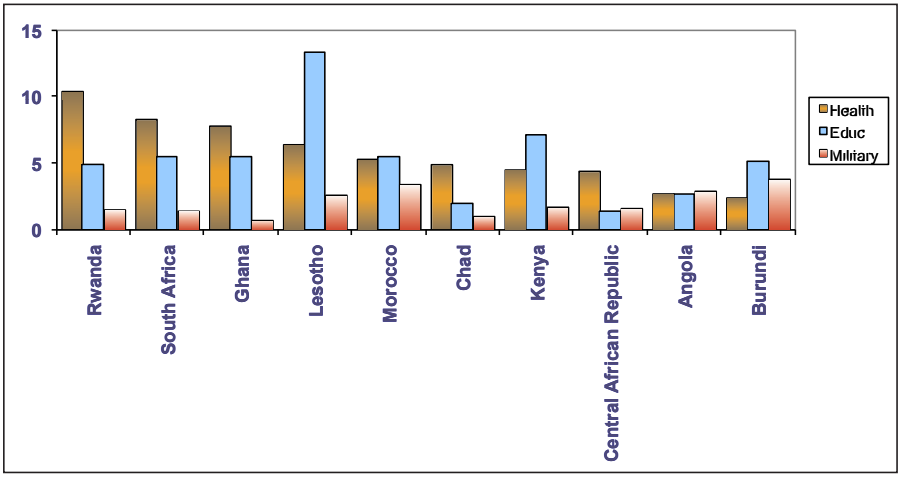
It is also worth emphasising that a high rate of inflation reduces the purchasing power, and therefore the real money value, of currently allocated budgets. This phenomenon has recently been manifested in most parts of Africa, following the price surge on food items and energy commodities such as oil in early 2008 (UNECA, 2009). This makes budget comparison between different years invalid, and, therefore, current nominal values of allocations need to be converted in real terms by adjusting for inflation. The real values of budgets provide a better measure of their adequacy to bring about concrete child wellbeing outcomes.

3.4.3 Prioritisation of children's issues

As has been noted, budgets show governments' true priorities, and demonstrate the policy areas to which they are committed. Often, vulnerable and marginalised segments of the population, such as children, are comparatively 'invisible' in government budget prioritisation (Fundar, 2004). By comparing the proportions of the national budgets that go to programmes or sectors benefiting children with allocations to other sectors, one can easily see where children stand in governments' resource prioritisation. Such analyses help show whether governments are keeping their promises and are committed to promoting child wellbeing.

To give insight into the areas given (or lacking) priority in national budgets, the proportions of government expenditures on education, health and the military for selected countries in Africa are presented in Figure 3.6. Countries such as Burundi and Angola spent more money on the military in 2008 than, for example, on health. In general, however, health is a priority issue for governments in most countries; but there are a number of countries, like Lesotho and Kenya, that invest more in education than in health.

Figure 3.6 Percentage of government expenditure on education, health and military as percentage of GDP for selected African countries, 2008



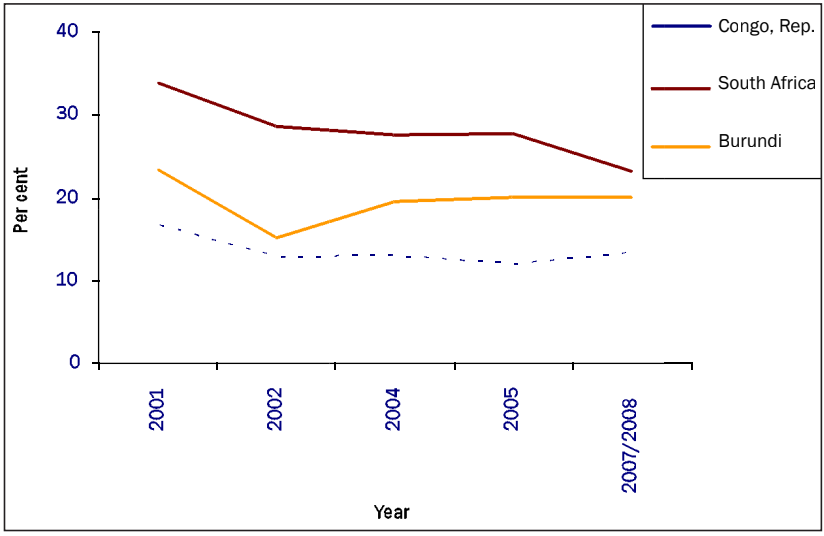
Source: Based on data from Stockholm International Peace Research Institute (SIPRI) (2010); UNESCO Institute of Statistics (2009) and WHO (2010).

3.4.4 Progress in budget allocation

Not all rights of children can be realised in a given period, and governments are therefore obliged to realise them progressively over time. Budgets for children need to reflect this intention of being 'progressive'. Monitoring the progressive realisation of child rights through budget analysis entails a multi-year comparison of budgets for children, and examination of trends over time.

Figure 3.7 illustrates changes in the proportions of national budgets allocated to education and health (combined) for selected countries. Some countries, such as South Africa, have over time decreased the share of their national budgets used in sectors that most benefit children. In Burundi, however – though they show slight fluctuations over time – budgets for health and education show a tendency to increase progressively.

Figure 3.7 Trend data on percentage of the government expenditure that went to education and health sectors for selected countries, 2001-2008



Source: Based on data from UNESCO Institute of Statistics and WHO databases accessed in March-September 2010.

3.4.5 Equity of budget allocation

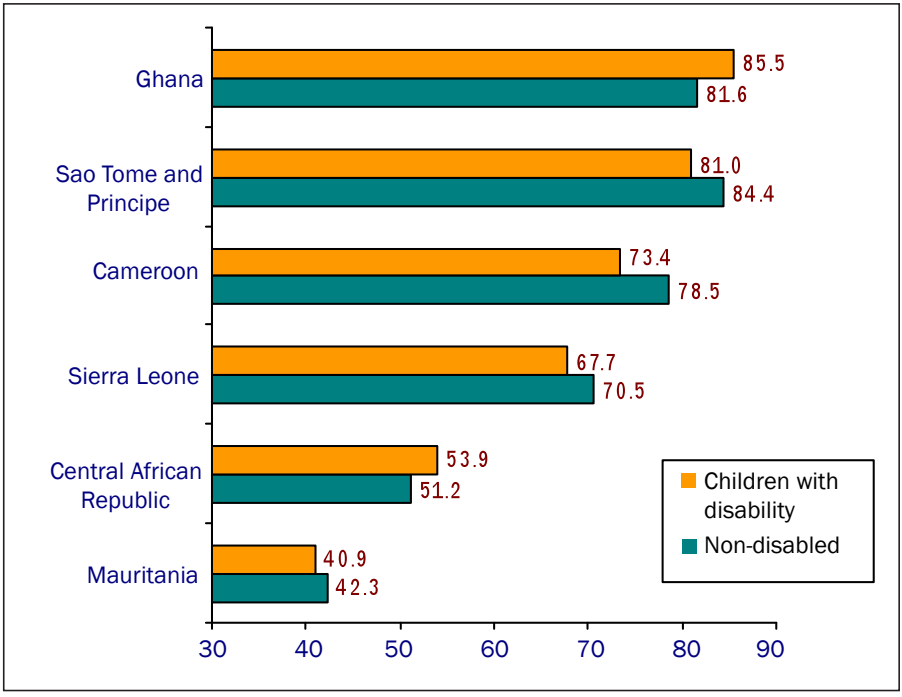
One of the fundamental principles of international child rights instruments is non-discrimination, and governments are obliged to uphold this principle in all aspects of their policies and resource allocation. In reality, there are groups, such as children with disabilities and those living in the streets, that are often missed out of budgets. Therefore, allocations need to be reviewed to examine whether resources are allocated fairly to all children, irrespective of gender and socio-economic background.

The challenges with such kinds of analyses relate to their requirement for detailed data and information on each programme and project targeting these groups of children. Most agencies responsible for budgets in Africa do not compile data at programme or project level. Even when they do, the information is not made available for public use. This situation makes it difficult to carry out analysis of equity. Alternatively, an attempt is made to use and compare outcome-related proxy indicators to assess budgets'

sensitivity to the needs of marginalised children, and make inferences about the equity of budgets in addressing the needs of all children without discrimination.

To illustrate the point, we have used school attendance among children, broken down by disability status and gender. Figure 3.8 shows the school attendance of children aged 6-9 years with disabilities against percentages for the non-disabled. In four of the six countries, school attendance among children with disability was lower than for their non-disabled counterparts. The difference ranges from just under two per cent in Mauritania to five per cent in Cameroon.

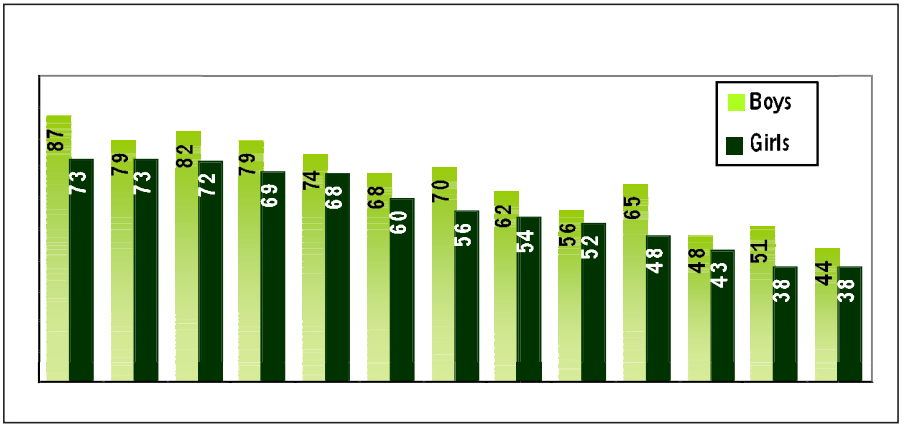
Figure 3.8 Percentage of children aged 6-9 years attending school by disability status for selected African countries, 2005-2008



Source: Based on data from UNESCO Institute of Statistics and WHO databases accessed in March-September 2010.

In addition, Figure 3.9 shows the difference in enrolment in primary education by gender. There is a difference in access to education between genders but this is narrowing. At the current rate at which girls' enrolment is improving, the gap may even be eliminated in a few years' time.

Figure 3.9 Net primary enrolment ratio for boys and girls in selected African countries, 2007



Source: World Bank, World Development Indicators (2009a)

These are the kinds of facts that reveal the disadvantages that vulnerable children are experiencing. They also indicate that the rhetoric surrounding the elimination of discrimination is not supplemented by concrete budgetary action.

3.4.6 Efficiency and effectiveness of budgets

The other important parameters of budget analysis are efficiency and effectiveness. Budgets for children can only be effectively translated into better child wellbeing outcomes

when the allocated resources are used efficiently. There are systemic, management, capacity, corruption and even attitude-related factors that cause inefficiency in the utilisation of budgets. Assessing budget efficiency and effectiveness, therefore, requires an in-depth assessment of all these factors, and demands extensive data and information on administrative and process-oriented aspects.

There is, however, a dearth of such detailed data and information in most parts of Africa, making it difficult to analyse the efficiency and effectiveness of budgets for children in this way. An alternative method is to examine child wellbeing outcomes achieved and services delivered.

We recognise that the net impact of budgets for children can only be assessed after expenditures have been made, by examining and comparing concrete results before and after the execution of the budgets. However, most budgets in Africa are not results-based, and present little objective information on what they expect to achieve.

A number of factors contribute to inefficient utilisation of budgets. These include institutional capacity of implementing agencies, the extent of resource leakage, and the skills and attitudes of workers. The other important factors associated with efficient utilisation of resources are delays in releasing funds for activities at the operational level, and lack of transparency (Attim, 2006).

The role of systemic factors in improving the efficiency of health service delivery is also increasingly gaining recognition in Africa. The 2007 African Union meeting of health ministers was instrumental in promoting the need for strengthening health systems and identifying key areas of health system development, including governance, resources (both financial and human), community empowerment, health information systems, and ensuring availability and appropriate use of commodities.

Some countries in Africa are also trying to use Public Expenditure Tracking Surveys (PETS) to mitigate resource leakage and enhance budget efficiency in sectors such as education. PETS are one of the tools used for improving effective public financial management and accountability through enhancement of public engagement. The surveys are designed to track, systematically,

the flow of resources through the various layers of government bureaucracy. By doing so, they show what proportion of the originally allocated resources reach each level, and how long they take to get there. They allow assessment of the leakage of public funds and the efficiency of public spending, and evaluation of the quality and quantity of services delivered.

The success of such initiatives in triggering action varies depending on the country context and existence of other concurrent and supporting activities. A good practice example is the PETS in Uganda: this survey, though it was carried out a long time ago, teaches a lesson about the importance of such initiatives in clearing bottlenecks and enhancing efficient utilisation of public budgets.

The findings triggered action, and the government took measures to improve the flow of information and make budget allocations transparent. These measures included the following steps:

- Publishing amounts transferred to the districts in newspapers and radio broadcasts
- Requiring schools to maintain public noticeboards posting monthly transfers of funds
- Legally provisioning for accountability and information dissemination in the 1997 Local Governance Act
- Requiring districts to deposit all grants to schools in their own accounts, and delegating authority for procurement from central authorities to the schools.

Table 3.2: The framework for budget analysis

Basic parameters of analysis	Purpose for using the parameter	Indicators and data requirements	
Availability of financial resource	- To determine the amount of revenue available for public expenditure (volume of financial resource at the disposal of governments).	- Amount of tax and non-tax revenues - Amount of grants and funds from external sources - Trend data on GDP.	- Econom - African - African - Internat - World B - Nationa
Adequacy of budgets for children	- To assess sufficiency/ adequacy of budgets to deliver basic services to children - To investigate if the allocation is consistent with international and regional targets.	- Budget expenditures on various sectors and programmes targeting children - Percentage of national budget that goes to other sectors and programmes - International and regional budget targets on specific rights - Child wellbeing outcomes - Per capita expenditures for children - Sector specific cost estimates to deliver public services.	- Ministrie Statistics - Economi - African - African D - Internati - World Ba African D - World He - UNESCO - UNICEF - Stockhol Institute - ILO.
Prioritisation of child rights/ wellbeing in public budget policies	- To identify the areas or sectors that are given priority in governments' budgets and those that are not.	Budget expenditures on: - Child development - Health - Education - Social protection.	- National Finance - World He - World Ba African D - UNESCO - UNICEF - Stockhol Institute - UNDP M - ILO.

Continued to next page...

Data sources	Method of analysis	Expected outcome of the analysis
onomic Commission for Africa ican Union Commission ican Development Bank ernational Monetary Fund rld Bank tional Statistics Offices.	- Trend analysis of GDP to assess the prospect for future revenue generation - Calculating and comparing the proportion of the budget from grants and external sources.	- To determine and understand the volume of financial resources available for public expenditure on children.
istries of Finance and National tistics Offices of African Countries nomic Commission for Africa can Union Commission can Development Bank rnational Monetary Fund rld Bank's World Development and can Development Indicators databases rld Health Organisation ESCO Institute of Statistics CEF ckholm International Peace Research itute	- Calculating the percentage share of budgets for children - Comparing the proportions of budgets for children with other sectors/programmes - Comparing budget allocations with international and regional budget targets and cost estimates - Analysing the state of child wellbeing against the budget.	- To objectively show adequacy/ inadequacy of budgets for children.
ional Statistics Offices and Ministries of ance rld Health Organisation rld Bank's World Development and can Development Indicators databases ESCO Institute of Statistics CEF ckholm International Peace Research itute DP MDG database	- Calculating the proportions of budgets for children out of the total budget - Comparing the proportions of budgets for children with other sectors and programmes not directly related to children.	- To identify governments' policy priorities and gaps in this regard.

Table 3.2: The framework for budget analysis

Basic parameters of analysis	Purpose for using the parameter	Indicators and data requirements	
Progress in budget allocation for children	- To assess governments' commitment to progressively improving service delivery for children, and enhance children's wellbeing.	- Data on budgets for children for consecutive years (sector and total budget figures).	As above.
Equity of budget allocation	- To see if all children, irrespective of their social and economic backgrounds, are equally targeted in the budgets.	- Budgets for programmes/initiatives targeting vulnerable groups - Budgets for children - Total government budget - Per capita allocation (for vulnerable children) - Number of children by category (orphans, children with disabilities and those living in the streets).	- National and heal - UNAIDS - Human D - ILO data - World Ba African D - UNESCO - UNICEF.
Efficiency and effectiveness of budgets	- Assessing the extent to which allocated budgets have been utilised to result in commensurate outputs - To examine the degree of success in targeting children and achievement of child wellbeing outcomes	- Budget expenditures by sector/programme - Corresponding allocations made to the sectors/programmes - Basic service delivery statistics - Child wellbeing outcomes in selected areas, such as access to health and education services - Other result oriented indicators - Data and information on level of resource leakage and corruption - Existence of public expenditure management systems - Systemic, capacity and governance related information and data from budget monitoring and evaluation projects.	- National Finance, - World He - World Ba African D - UNESCO - UNICEF - National - Stockhol Institute - UNDP (M - ILO.

Source: Based on data from World Bank, 2009.

Data sources	Method of analysis	Expected outcome of the analysis
ove.	- Calculating the rate of change in budget expenditures for sectors benefiting children - Analysing the trend over time.	Efforts towards progressive realisation of children's rights or otherwise are revealed.
ional Statistical Offices/demographic health surveys AIDS statistical compilations man Development Reports database rld Bank's World Development and can Development Indicators databases ESCO Institute of Statistics CEF.	- Calculating and comparing the proportions of budgets targeting OVC out of the total budget for children and total government expenditure - Comparing child wellbeing outcomes with budget expenditures on programmes targeting OVC.	To determine the sensitivity/ insensitivity to the needs of all children of budgets; and to identify gaps and/or good practices.
ional Statistics Offices and Ministries of ance, Education and Health rld Health Organisation rld Bank's World Development and can Development Indicators databases ESCO Institute of Statistics CEF ional Statistics Offices ckholm International Peace Research itute DP (MDG database)	- Calculating the ratio of allocation to expenditure - Assessing improvement over time through trend analysis - Correlating budgets for children with data on wellbeing indicators - Cross-tabulating budget estimates with service delivery outputs.	1) Better understanding of whether budgets for children were effectively targeted and if they brought about concrete results on children's wellbeing 2) Level of resource leakage and mismanagement of funds known, and factors influencing inefficiency identified.

The above framework highlights the purpose, key indicators, data requirements and sources, and describes some of the techniques that can be applied to analyse budgets from a child rights perspective. The analysis and discussions concerning each of these parameters provide in-depth information for better understanding of the various aspects of budgets in view of child wellbeing. However, they are not systematically aggregated to show the overall budget related performance of governments in terms of their obligation to children. The Performance Index for Budgeting for Children was a response to this gap.

The following section discusses why and how this index was constructed.

3.5 The Performance Index for Budgeting for Children

A composite index - the Performance Index for Budgeting for Children - brings together the various elements of budgeting for children, and was constructed to summarise all the considerations discussed earlier in this paper.

The Performance Index for Budgeting for Children, as implied in its name, measures governments' performance in terms of their effort to uphold the best interests of the child in the budget process; allocating sufficient funds to progressively realise the wellbeing of children; and establishing functional systems and mechanisms that enhance the efficiency and effectiveness of the budgets for children in bringing about concrete changes in children's lives.

Budgetary performance is measured using indicators of government expenditure for sectors that mainly target children, along with such other important considerations as the progressive realisation of the rights and wellbeing of children assessed through trends in resource allocations. The indicators used are as follows:

- Government expenditure on health as a percentage of totalgovernment expenditure
- Total public expenditure on education as a percentage of GDP
- Percentage of the budget for routine EPI vaccines financed by government
- Military expenditure as a percentage of GDP
- Percentage change in governments' expenditure on health since the year 2004.

These indicators are first converted into standardised performance score values, then aggregated to yield the Performance Index for Budgeting for Children. This index is used to rank and compare the performance of African governments in terms of their commitment to maximise the amount of available financial resources for sectors that benefit children.

3.6 Challenges and limitations of budget analysis

In general, budget analysis is characterised as a data intensive exercise. While some crucial data on budgets is simply non-existent, problems of timeliness, accessibility and frequency hamper the use of the little available data (IBP, 2008). These data deficiencies complicate all facets of the budget cycle, from budget preparation to execution and control. They also weaken efforts to improve transparency and accountability. The list of problems can be daunting, and the solutions are mostly systemic actions that involve reforms in law, policies and procedures, as well as measures to build institutional capacity and change attitudes.

While budget analysis is a powerful tool for understanding government's priorities, it has limitations, and there is a range of questions that it cannot answer. For example, by simply analysing budget expenditures, it may not be possible to evaluate the effectiveness and efficiency of spending, or to identify whether the resources allocated are reaching the intended targets. Further, by looking at the budget, one can get indications of what sections of the population are being served; but an objective analysis of the budget cannot duplicate the critical information provided by observation, in the field, of how projects actually operate, and who they actually serve.

Budget analysis needs to be supplemented by detailed contextual information on the economy, population, governance, level of decentralisation and other systemic issues. Without such complementary information, budget analysis may not in itself show the full picture and serve its purpose of highlighting gaps in the budget cycle. These gaps, whether legal, policy, economic, administrative or related to other systemic issues, impede allocation of sufficient budgets for children, and hamper their efficient utilisation to bring about concrete child wellbeing outcomes.

CHAPTER 4
CONCLUSIONS AND RECOMMENDATIONS

4.1 Conclusions

The realisation of children's rights has a lot to do with budgets and budgetary processes. The decisions on how much money governments intend to raise (volumes of resources), from whom (the way in which the burden is shared), and how that money will be spent (in which sectors, and for what goals), all have a strong bearing on children.

As a powerless segment of the population, children have limited capacity to promote their own interests and influence budget-related decisions. It is therefore important that governments make deliberate efforts to address children's concerns and provide for their needs. Furthermore, governments are obliged to budget for children in order to translate the rights enshrined in child rights instruments into concrete child wellbeing outcomes.

Budgeting for children is not about creation of a separate budget or parallel structures. It is a notion that promotes the need to transform existing systems to give primary consideration to children's best interests, and to establish child-friendly social and economic policies and proper targeting procedures.

Budgeting for children is also concerned with the allocation of adequate budgets for the benefit of children, through participatory, transparent and accountable procedures. It aims to establish social, economic and tax-related polices that bring about concrete child wellbeing outcomes. Therefore, when attempting budgeting for children, governments need to ensure they have sufficient political commitment reflected in pro-child laws, macroeconomic, social and tax-related policies. They must also conduct adequate and equitable budgetary allocations; guarantee consistency between budgetary policies and the principles and rights established by the CRC (non-discrimination, the best interests of the child, the right to life, survival and development, and participation); and

put in place accountable, transparent and efficient mechanisms for budget preparation and implementation.

Macroeconomic policies can affect child wellbeing positively or negatively. Monetary and fiscal policies, for instance, determine the space for public spending, including for children. Such policies also affect the level, growth rate and mix of activities in the private sector. These in turn determine the level and distribution of earned-income in the household sector, which has a direct bearing on the wellbeing of children.

Handling of macroeconomic shocks is increasingly recognised as a highly important matter in ensuring the wellbeing of the most vulnerable. The most successful countries in terms of economic growth – and sustained improvements in social and human development and child wellbeing – are those that have been able to adjust to shocks of various kinds. Any discussion of macroeconomic policies or budgets will eventually boil down to decisions on how to mobilise public resources and allocate expenditure.

4.2 Recommendations

The following recommendations are made on the basis of the analyses outlined in this paper, and are put forward as matters of priority. Governments must:

- Have sufficient political commitment, which finds its way into pro-child laws, macroeconomic, social and tax-related policies, and adequate and equitable budgetary allocations
- Guarantee consistency between budgetary policies and the principles and rights established by the CRC and the ACRWC on non-discrimination, the best interests of the child, the right to life, survival and development, and participation
- Establish the budgeting basics, including the capacity to make realistic revenue projections, undertake activity-based costing needed for credible expenditure planning, develop sound cash management systems, and ensure discipline in budget implementation.
- Ensure the effective participation in the budgetary process of rights-holders, particularly those most excluded, including children

- Establish accountable, transparent and efficient mechanisms in budget preparation and implementation
- Be vigilant for any potential adverse effects on children of the policies they make: a 'child rights lens' must always accompany political power and authority. As experts argue, the 'soundness' of macroeconomic policies should be judged on their ultimate success in bringing societies closer to achieving social justice, rather than merely on market-based criteria
- Ensure the participation of children or their representatives in the budget-setting, monitoring and implementation processes.
- Ensure that decision-making processes are guided by a budget regulatory framework that provides clear standards, based on transparency
- Make budget documents widely available to the public, and provide disaggregated information to demonstrate the extent to which budgetary allocations reflect the needs, rights and wellbeing of children.

REFERENCES

Abbo, E. and Reinikka,R. (1998) *Do Budgets Really Matter? Evidence from Public Spending on Education and Health in Uganda.* World Bank Policy Research Working Paper 1926.

Abugre, C. (2006). "Plugging the Leaks – The Role of Debt, Aid and Trade." In Burnett, P. and & Manji, F. (eds.). (2007). From the Slave Trade to 'Free' Trade: How Trade Undermines Democracy and Justice in Africa. Fahamu.

ACPF (2010). Ending Child Poverty in Africa: Towards a Century of Accountability. ACPF Unpublished Position Paper.

Actionaid & Global Campaign For Education (2007). Education Rights. A Guide For Practitioners And Activists. Http://www.Right-To-Education.Org/Node/237 Accessed 12 April 2010.

Ahmad, E. and Brosio, G. and Mattina, T. (2005). "Effectiveness of Decentralization in Ethiopia" (Washington: International Monetary Fund, Fiscal Affairs Department).

African Child Policy Forum (2008). *The African Report on Child Wellbeing 2008: How Child-friendly are African Governments?* Addis Ababa: The African Child Policy Forum.

African Child Policy Forum (2009). *Governance and Child Wellbeing: Measuring government performance* Addis Ababa: The African Child Policy Forum.

Alesina, A. and Perotti, R. (1996)."Fiscal Discipline And The Budget Process." The American Economic Review. V.86(2) Pp.401-7.

Allen, R. and Tommasi, D. 2001, *Managing Public Expenditure: A Reference Book For Transition Countries* (Paris: Organization for Economic Cooperation and Development).

Allen, R. and Radev, D. 2006. Managing and Controlling Extra Budgetary Funds. IMF Working Paper.

Attim, C. (2006). Financial Factors Affecting Slow Progress In Reaching Agreed Targets On HIV/AIDS, TB and Malaria in Africa, DFID,

Accessed in December 2009 at: http://www.africaunion.org/root/au/conferences/past/2006/may/summit/doc/en/SP_PRC_ATM5_Financial_factors.pdf

AU 2010. Recommendations to the 15th Ordinary Session of the African Committee of Experts on the Rights and Welfare of the Child. Third Civil Society Organisations (CSO) Forum on the African Charter on the Rights and Welfare of the Child, 11-13 March 2010, Addis Ababa, Ethiopia.

AU (2008). *The African Charter on the Rights and Welfare of the Child*. Accessed in February 2009 at: http://www.africa-union.org/root/au/Documents/Treaties/List/African%20Charter%20on% 20the%20Rights%20and%20Welfare%20of%20the%20Child.pdf

AU 2007. Third Session of the African Union Conference of Ministers of Health. Johannesburg, South Africa. 9-13 April 2007. Theme: Strengthening of Health Systems for Equity and Development in Africa. Draft Africa Health Strategy.

Bachman, S.L. (2000). The Political Economy of Child Labor and Its Impacts on International Business. The National Association of Business Economists.

Belli, P.C., Bustreo, F. and Precker, A. 2005. "Investing in Children's Health: What are to the Economic Benefits?" Bulletin of the World Health Organization. October 2005, 83(10).

Bradshaw, Y.M., Noonan, R., Gash, L. & Sershen, C.B. 1993. "Borrowing Against The Future: Children And Third World Indebtedness." *Social Forces* 71|(3):629-56.

Budlender, D. and Woolard, I. 2006. The Impact Of The South African Child Support And Old Age Grants On Children's Schooling And Work. International Labour Organisation Programme on the Elimination of Child Labour. Geneva.

Collaborative Africa Budget Reform Initiative (CABRI) and African Development Bank (2008). Budget Practices and Procedures in Africa 2008.

Collaborative Africa Budget Reform Initiative (CABRI) & Strategic Partnership with Africa (SPA) (2008). *Putting Aid on Budget: Synthesis Report*. Pretoria, CABRI. Procedures in Africa 2008.

Carey, J.M. and Shugart M.S. (Eds) (1998). Executive Decree Authority. Cambridge University Press.

Cigno, A., Rosati, F.C. And Guarcello, L. 2001. "Globalisation And Child Labour." In Cornia, G.A.(Ed). Harnessing Globalisation For Children: A Report To UNICEF.

Civil Society Budget Advocacy Group CSBAG (2005) *Is Uganda's National Budget for 2004/05 Pro poor?* Economic Policy Research Centre, Kampala (2005) *Uganda Rural Taxation* Study Synopsis.

Cornia, G.A. and Stewart, F. 1990. *The Fiscal System, Adjustment And The Poor*, UNICEF, Innocenti Research Centre, Occasional Paper No. 11, Florence, November 1990.

Delamonica, E., (2004), *Fiscal Policies and Child Wel-Being: Some Methodological And Empirical Observations, Economic Commission for Latin America and the Caribbean (ECLAC)*. Accessed in October at: http://www.eclac.org/portofspain/ noticias/noticias/3/23823/Eastern06FiscalPolCHWell-being.pdf

Devereux, S. 2005. Social Protection and Social Welfare: African Perspective. Speech delivered at Wilton Park Conference in cooperation with UNICEF. 14 November 2005.

Diokno, M. S. (1999). *A Rights-Based Approach Towards Budget Analysis*. Unpublished paper commissioned by the International Human Rights Internship Program, Philippines.

Dyer, K. and Pain, C. (2004). Civil Society Budget Monitoring for National Accountability. Workshop Report 17th – 19th February 2004. Lilongwe, Malawi. OXFAM GB.

Edmonds, E.V. (2002). Globalization and the Economics of Child Labor. Dartmouth College. Available From:Http://Www.Dartmouth.Edu/Eedmonds/

Elson and Cagatay 2000. "The Social Content of Macroeconomic Policies." *World Development* . Vol. 28, No. 7, Pp. 1347-1364. Environment & Urbanization. *Budget of Barra Mansa*, Brazil. Vol 14 No 2 October 2002.

Feeny, T. and Boyden, J. (2003). "Children and Poverty: A Review of Contemporary Literature and Thought on Children and Poverty". Children and Poverty Series, Part I. Christian Children's Fund, CCF.

Fölscher, A. (2009). Budget Laws And Processes In Africa: Implications For Child Wellbeing, Background Paper Prepared For The African Child Policy Forum.

Fölscher, A. 2007a "Appendix: A Primer on Effective Participation". In Shah, A. (Ed) (2007). Participatory Budgeting. Public Sector Governance and Accountability Series. The World Bank.

Fölscher, A. (2007b). "Country Case Study: South Africa." In *Shah (ed).*) (2007). Budgeting and Budgetary Institutions. Public Sector Governance and Accountability Series. World Bank.

Fölscher, A. (2007c). *"Budget Methods and Practices."in Shah (ed).*) (2007). Budgeting and Budgetary Institutions. Public Sector Governance and Accountability Series. World Bank.

Fölscher, A. (2003). The Politics of Budgeting: Pro-Poor Budgeting And PEM. Presentation at the Fourth Conference of the International Budget Project. March 9, 2003. Mexico city.

Fozzard, A. (2001). The Basic Budgeting Problem: Approaches to Resource Allocation in the Pubic Sector and their Implications to Pro-Poor Budgeting. London. Overseas Development Institute.

Franklin, B. (ed.) (1996). "The Case For Children's Rights: Progress Report." in The Handbook of Children's Rights. Routledge: London.

Fundar – Centro de Análisis e Investigación (2004). Dignity Counts: A Guide To Using Budget Analysis To Advance Human Rights. *International Human Rights Internship Program*, p. 29.

Gakuru, O.N. and Koetch, B.G. 1995. The Experiences of Young Children: A Contextualized Case Study of Early Childhood Care and Education in Kenya.

Globe and Mail *(the) 2010*, Angola, Health Does Not Follow Wealth. 08 April 2010.

Gordhan, P. (2010). Budget Speech 2010. Speech delivered by Pravin Gordhan, Minister of Finance, South Africa, Accessed in February 2010 at: http://www.proudlysa.co.za/area/media_room/2010/janfeb/budget_2010.pdf

Government of Namibia 2010. The Government's Accountability Report 2008/09. Windhoek: Government of Namibia.

Grantham-McGregor, S., Cheung, Y., Cueto, S., Glewwe, P ., Richter, L., Strupp, B. (2007). Developmental potential in the fi rst 5 years for children in developing countries, Lancet 2007; 369: 60–70.

Grindle, M.S. 2002. First in the Queue? Mainstreaming the Poor in Service Delivery. Prepared and Presented at the *Making Services Work for Poor People*. World Development report 2003/04. Workshop held at Eynsham Hall, Oxford 4-5 November 2002.

Guerra, E. 2002. Citizenship Knows No Age: Children's Participation in the Governance and Municipal.

HAQ (2009a). Budgeting for Children. Handout.

HAQ (2009b). Less Spending, More Debt for India's Children Union Budget 2009-10 at a Glance. P.6.

Heckman, J. and Masterov, D. (2007). The Productivity Argument for Investing in Young Children. University of Chicago. Accessed in January 2010 at: http://jenni.uchicago.edu/human-inequality/papers/Heckman_final_all_wp_2007-03-22c_jsb.pdf

Heckman, J. (2006). Skill Formation and the Economics of Investing in Disadvantaged Children, Science Vol. 312. no. 5782, pp. 1900–1902.

Heimans, J. (2002). Strengthening Participation in Public Expenditure Management: Policy Recommendations for Key Stakeholders. OECD Policy brief No 22.

Herz, B. and Sperling, G. 2004. What Works in Girls' Education.

IMF/World Bank (1999). Heavily Indebted Poor Countries (HIPC) Initiative-Strengthening The Link Between Debt Relief And Poverty Reduction. Washington, DC: IMF/World Bank.

International Budget Project (2001). A Guide to Budget Work for NGOs.

International Budget Partnership (2008). *Open Budgets Transform Lives: The open budget surveys 2008*. Washington, D.C., USA, p.3.

International Budget Partnership (2001). A Guide to Budget Work for NGOs, Center on Budget and Policy Priorities, Washington, DC, USA

International Development Association And IMF 2005, "Update On The Assessments And Implementation Of Action Plans To Strengthen Capacity of HIPCS To Track Poverty-Reducing Public Spending," Report To Boards Of The IMF And The World Bank (Washington: IMF And World Bank).

Johnson, J. K. & Stapenhurst, R. (2008). 'Legislative Budget Offices: International Experience'. In *Legislative Budget Offices: International Experience. Legislative Oversight And Budgeting: A World Perspective*. R. Stapenhurst, R. P., Olson, D.M., & Von Trapp, L. (Eds). Washington, D.C., World Bank: 141–158.

Jolly, R. 2004. Child Rights and Economic Policy. Addis Ababa: The African Child Policy Forum.

Jonsson, U. (2009). The Economic Signifi cance of Investing in Children, Background paper prepared for the African Child Policy Forum.

Judith Streak, J. (2003). *Monitoring Government Budgets to Advance Child Rights: A guide for NGOs*. Institute for Democracy (Idasa).

Kaime, T. 2009. The African Charter on the Rights and Welfare of the Child: A socio-legal perspective. Pretoria: University of Pretoria Law Press.

Krafchik, W. (2005).Can Civil Society Add Value to Budget Decision-Making? A Description of Civil Society Budget Work. International Budget Project.

Lefebvre, P. and Merrigan, P. (2003). "Assessing family policy in Canada: A New Deal for Families and Children." ***Choices.*** Vol. 9, no. 5, June 2003. L'Institut de recherche en politiques publiques.

Lienert, I. (2003). A Comparison Between Two Public Expenditure Management Systems in Africa. IMF Working Paper. 103/2.

Lienert, I. and Sarraf, F. (2001). Systemic Weaknesses of Budget Management in Anglophone Africa. IMF Working Paper 01/211.

Lister (2005). The Links Between Women's And Children's Poverty. http://www.cpag.org.uk/info/Povertyarticles/Poverty121/links.htm#note3

Lustig, N. 1999. "Crises and the Poor: Socially Responsible Macroeconomics." Economia, Journal of the Latin American and Caribbean Economic Association.

Martin,B. (2000). New Leaf or Fig Leaf? The challenge of the New Washington Consensus, Bretton Woods Project, March 2000. Available from: http://www.bretton-woodsproject.org/topic/knowledge-bank/newleaf/index.html

Mekonen, Y. (2010). *Budget Analysis from a Child Rights Perspective*. Background paper prepared for the African Child Policy Forum.

Mekonen, Y. (2009). *Governance and Child Wellbeing: How to measure government performance*. The African Child Policy Forum (ACPF), Addis Ababa.

Minujin, A. Delamonica, E., Gonzalez, E.D., and Davidziuk, A. (2005). Children Living in Poverty. A Review Of Child Poverty Definitions, Measurements, And Policies. Desk Review paper for UNICEF's Conference on "Children & Poverty: Global Context, Local Solutions" Graduate Program in International Affairs. New School University. April 25-27, 2005. New York.

Moses, S. 2006. An Overview of Children's Participation in South Africa Paper Prepared for the Seminar, 'Theorising Children's Participation', University of Edinburgh, 4th – 6th September 2006.

Mustard, F. (2006). Experience-based Brain Development: Scientific Underpinnings of the Importance of Early Child Development in a Global World. The Brookings Institution, Washington, D.C. Accessed in January 2010 at: http://www.founders.net/fn/papers.nsf/0176625ce34a8895852566360044448b/ffd85f82d2b8d06e8525710e0071c3dd/$FILE/Brookings%20-%20Mustard.pdf

Mwale, S.M.1997."Road Sector Reform: A Tale Of Two Countries (Part 3)—Impact And Lessons." Africa Transport Technical Note 8,World Bank, Washington, DC. Http://Www4.Worldbank.Org/Afr/Ssatp/Resources/SSATP-Technicalnotes/ATTN08.Pdf

Nagarajan, G. 2004. "Micro-banking with Adolescent Youth" (pp.1-8). *Finance for the Poor*. December 2004. Volume 5, Number 4.

National Treasury (Republic of South Africa) (2009). Medium Term Budget Policy Statement 2009. Accessed in May 2010 at: www.treasury.gov.za/documents/mtbps/2009/mtbps/speech.pdf

Norton, A. and Elson, D. (2002). *What's Behind The Budget? Politics, rights and accountability in the budget process*. Centre for Aid and Public Expenditure, Overseas Development Institute, London.

OECD (2009). Development Aid At Its Highest Level Ever In 2008. Accessed in February 2010 at: http://www.oecd.org/dataoecd/47/52/42458612.pdf

OECD (2002). OECD Best Practices for Budget Transparency.

Office of the United Nations High Commissioner for Human Rights (2008). Frequently Asked Questions on Economic, Social and Cultural Rights. Fact Sheet No 33. Geneva.

Oyejide, Ademola (2000), *Trade Policy And Sustainable Human Development In Africa*, Paper Presented At ICTSD's African Policy Dialogue Holding In Windhoek, Namibia, May 2000, Mimeo.

Pearson, R. and Alvair, C. 2009. "Cash Transfer Programmes for Vulnerable Children: A Political and Policy Choice for the Government of Kenya 2002-2008", in Doek, J.E., Kumar, A.K., Mugawe, D. and Tsegaye, S. (eds). Child Poverty: African and International Perspectives, Antwerp/Oxford/Portland. Intersentia.

Peterson, S. 2009. Millennium Development Goals, Budget Support, And The Rights Of The African Child. Draft Background Paper Prepared For The African Report On Child Wellbeing 2011.

Potter, B. H. And Diamond, J. (1999). Guidelines For Public Expenditure Management . IMF. Available At: Http://www.Imf.Org/External/Pubs/Ft/Expend/Guide5.Htm

Public Expenditure and Financial Accountability Secretariat (2005). *Public Financial Management Performance Measurement Framework*. Washington, D.C., Public Expenditure and Financial Accountability Secretariat.

Robinson, M. (2008). "Improving Transparency And Promoting Accountability: Civil Society Budget Work In Perspective." In Robinson, M. (Ed) (2008). Budgeting Or The Poor.

Quansah, H. N-B. 2010 Budget For Us - Children Plead. Available At Http://Www.Graphicghana.Com/Juniors/Page.Php?News=8138

Quist, R.E., Certan, C. and Dendura, J. 2008. Republic of South Africa Public Expenditure and Financial Accountability: Public Financial Management Performance Assessment Report: Final Report.

Save the Children Sweden (2005). One in Two. Children are the key to Africa's Future.

Shall, A. (2007). "Sub-Saran Africa's Experience With Participatory Budgeting." In Shah, A, (Ed.) (2007). Participatory Budgeting. Public Sector Governance And Accountability Series. The World Bank.

Scheper-Hughes, N. & Sargent,C. (Eds). 1998. Small Wars: The Cultural Politics Of Childhood. Berkeley, CA: University Of California Press.

Schiavo-Campo, S. (2007a). "*The Budget and Its Coverage. " In* Shah, A. (ed) (2007). Budgeting and Budgetary Institutions. Public Sector Governance and Accountability Series. *World Bank.*

Schiavo-campo, S. (2007b). "Budget Preparation and Approval." In *Shah (ed).*) (2007). Budgeting and Budgetary Institutions. Public Sector Governance and Accountability Series. World Bank.

Schick, A. (2009). Evolutions in Budgetary practice. OECD.

Schick, A. (2002). "Can National Legislatures Regain An Effective Voice In Budget Policy?" *OECD Journal on Budgeting*, 1:3, Pp. 15-42.

Sen, A. (1998). Human Development And Financial Conservatism. World Development, 26 (4), 742-73.

Shall, A. (2007). "Sub-Saran Africa's Experience With Participatory Budgeting." In Shah, A, (Ed.) (2007). Participatory Budgeting. Public Sector Governance And Accountability Series. The World Bank.

Sloth-Nielsen (2008). "A Developing Dialogue – Children's Rights, Children's Law And Economics: Surveying Experiences From Southern And Eastern African Law Reform Processes". *Electronic Journal of Comparative Law.* Vol. 12.3 (December 2008), Http://www.ejcl.org. Accessed 14 July 2010.

Swadener, B.B., Kabiru, M. And Njenga, A. 2000. "Does The Village Still Raise The Child? A Collaborative Study Of Changing Childrearing In Kenya." *Early Education And Development* 8(3):285-306.

Tanzania Daily News 2010. Malnutrition Robs The Nation Of 650bn/- Annually Http://Www.Ansa-Africa.Net/Index.Php/Views/News_View/Malnutrition_Robs_The_Nation_Of_650bn_Annually/

Thomas, V., Dailami, M., Dhareshwar, A, Kaufmann, D., Kishor, N., López, R., and Wang, Y. (2000). The Quality of Growth. World Bank Transparency International Chair Huguette Labelle Quoted In Transparency International (2008).

UN (2003). "The Human Rights-Based Approach: Statement of common understanding".

UNECA 2009. Economic Report on Africa 2009. Developing Agriculture through Regional Vale Chins. Addis Ababa.

UNESCO (2000). The Dakar Framework for Action, Education for All: Meeting our Collective Commitments. Adopted by the World Education Forum Dakar, Senegal, 26-28 April 2000. Accessed in January 2010 at: http://www.unescobkk.org/fileadmin/user_upload/efa/DakarFrameworkEnglish.pdf

UN-HABITAT and MDP (2008). Participatory Budgeting in Africa: Training Companion with cases from eastern and southern Africa. Volume I: Concepts and Principles.

UNICEF Review of Child Friendly Cities Projects www.childfriendlycities.org/pdf/brazil_mayorforchildren background.pdf

UNICEF (2005). Investing in Children and Adolescents: Arguments and Approaches for Advocacy.

UNICEF, Regional Office for Latin America and the Caribbean.

UNICEF and WHO (2010).Progress on drinking water and sanitation: 2010 Update, New York and Geneva.

UNICEF (2009). Children in Poverty Reduction Strategy Papers and Budgets: West and Central Africa.

UNICEF (2008). State of the World's Children 2009: Maternal and Newborn Health. UNICEF, New York.

UNICEF (2006). 'Progress for Children: A Report Card On Nutrition', number 4. New York: UNICEF.

United Nations Department of Economic and Social Affairs 2005. The 2005 Report on the World Social Situation: The Inequality Predicament.

UNOHCHR (2001). Training Manual on Human Rights Monitoring. Professional Training Series No. 7. Geneva.

De Vylder, S. (2001). "A Macroeconomic Policy for Children in the Era Of Globalisation." In Cornia, G.A.(Ed). "Harnessing Globalisation for Children: A Report to UNICEF."

WHO (2010). National Health Account. Accessed in May 2010 at: http://www.who.int/nha/country

WHO (2009). World Health Statistics 2009. World Health Organization, Geneva.

Woolard, I. 2008. A Description Of Child Poverty In South Africa. Addis Ababa: The African child Policy Forum.

World Bank (1999). Managing The Social Dimensions Of Crises: Good Practices In Social Policy. Paper Prepared For Development Committee Of The Bank And The Fund, Washington, DC.