

# *Early Childhood Development Financing in Eastern & Southern Africa*

*All you need to know  
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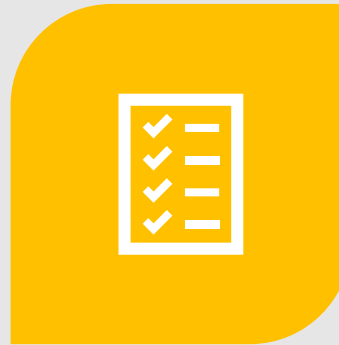
# Outline of the presentation



**WHY INVEST IN ECD?**



**ECD FRAMEWORKS  
FOR ACTION**



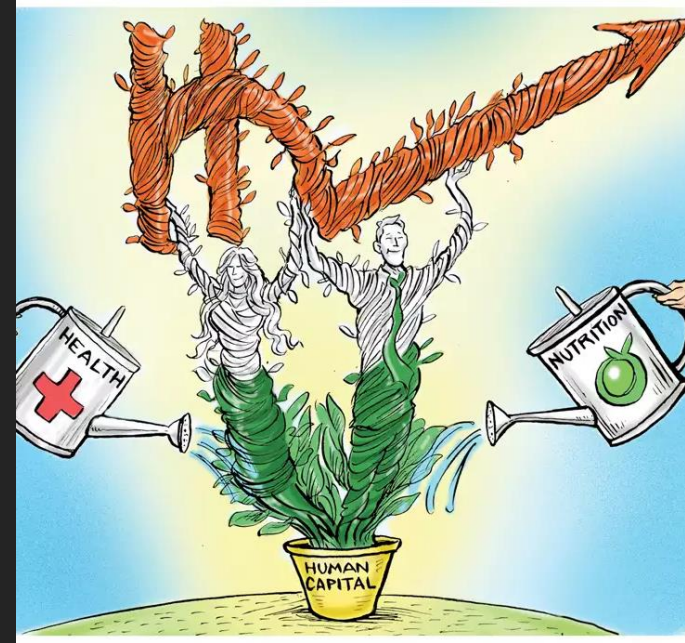
**ECD FINANCING:  
TRENDS AND ISSUES**



**OPPORTUNITIES &  
THE WAY FORWARD**

## Part 1

## Importance of ECD



# Why invest in ECD

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**Better health**

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Enhanced learning

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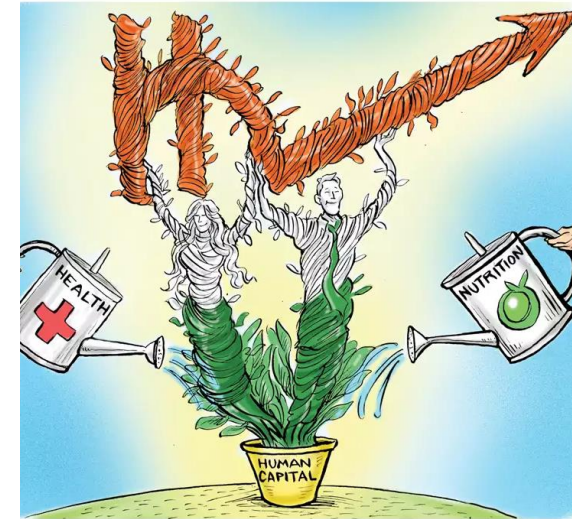
**Poverty reduction**

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Fewer inequalities

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**Foundational for the SDGs**



## Smart thing to do!

Giving back 13% annually

Loss of 37% of the adult income

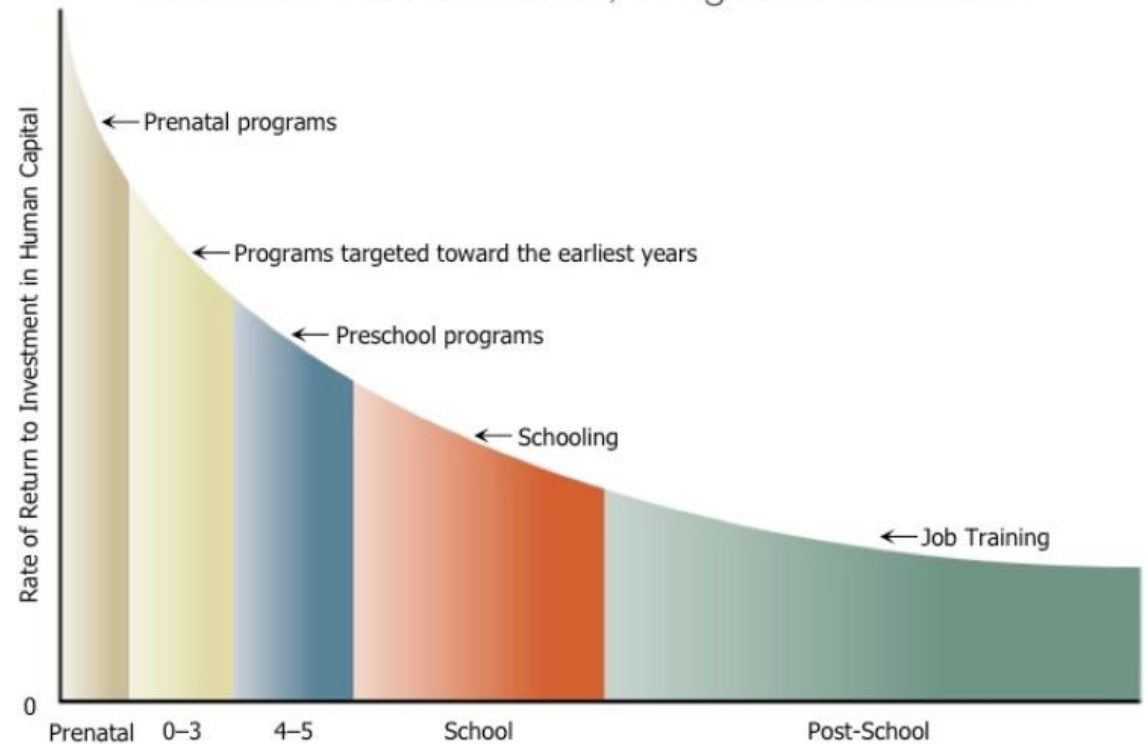
2-3 times greater loss than current health expenditure

Return to investment: 2-18\$

The highest return from investing as early as possible, in disadvantaged families

## EARLY CHILDHOOD DEVELOPMENT IS A SMART INVESTMENT

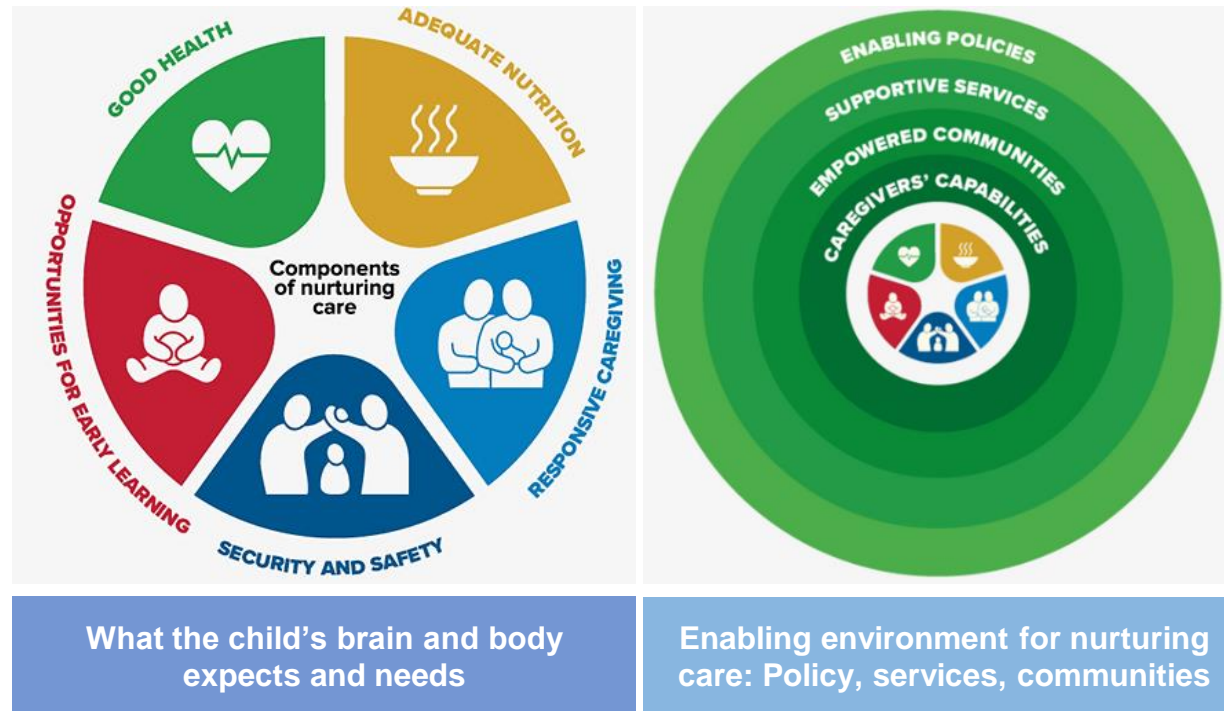
The earlier the investment, the greater the return

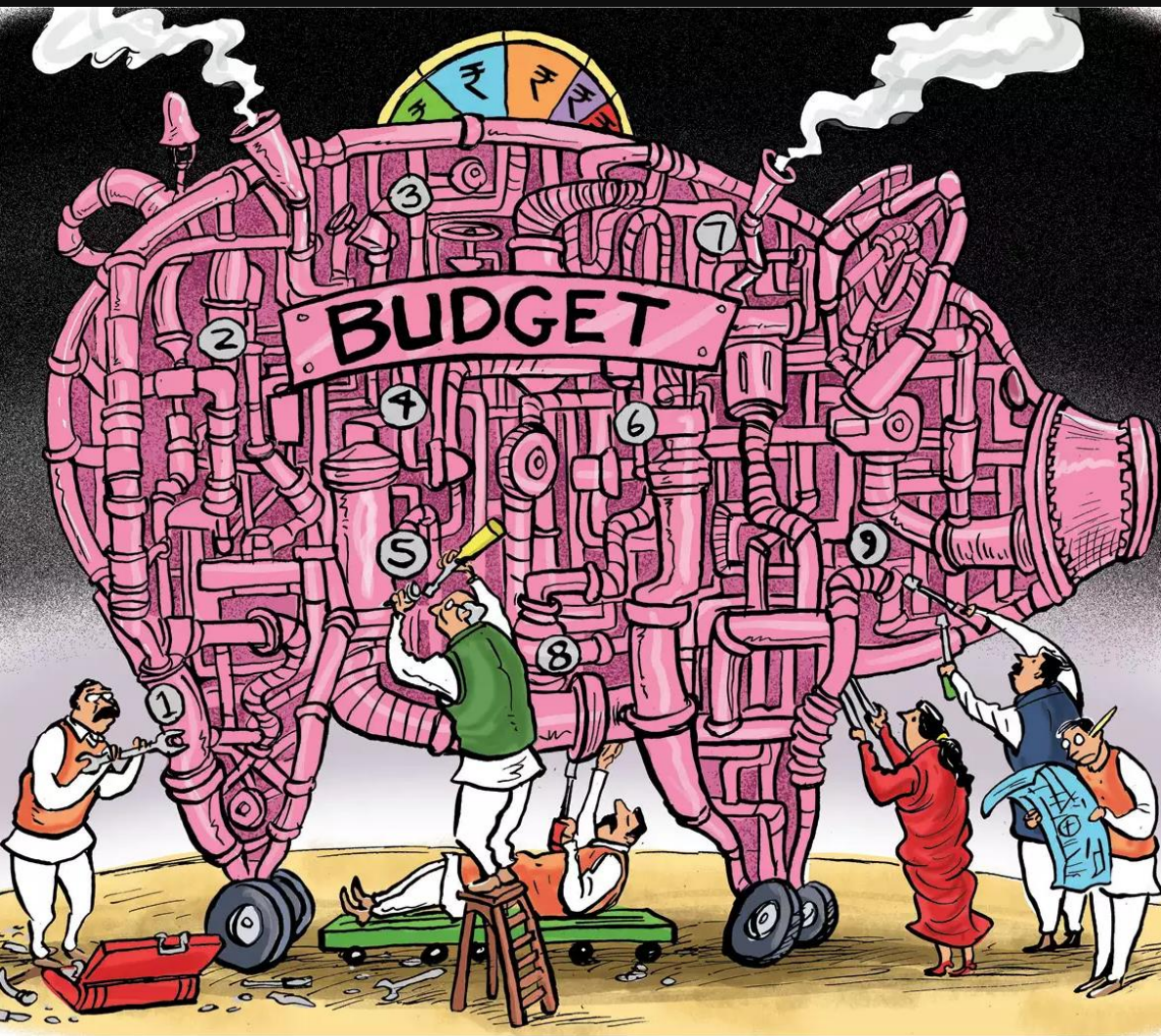


Source: James Heckman, Nobel Laureate in Economics



# Frameworks guiding ECD policies and actions





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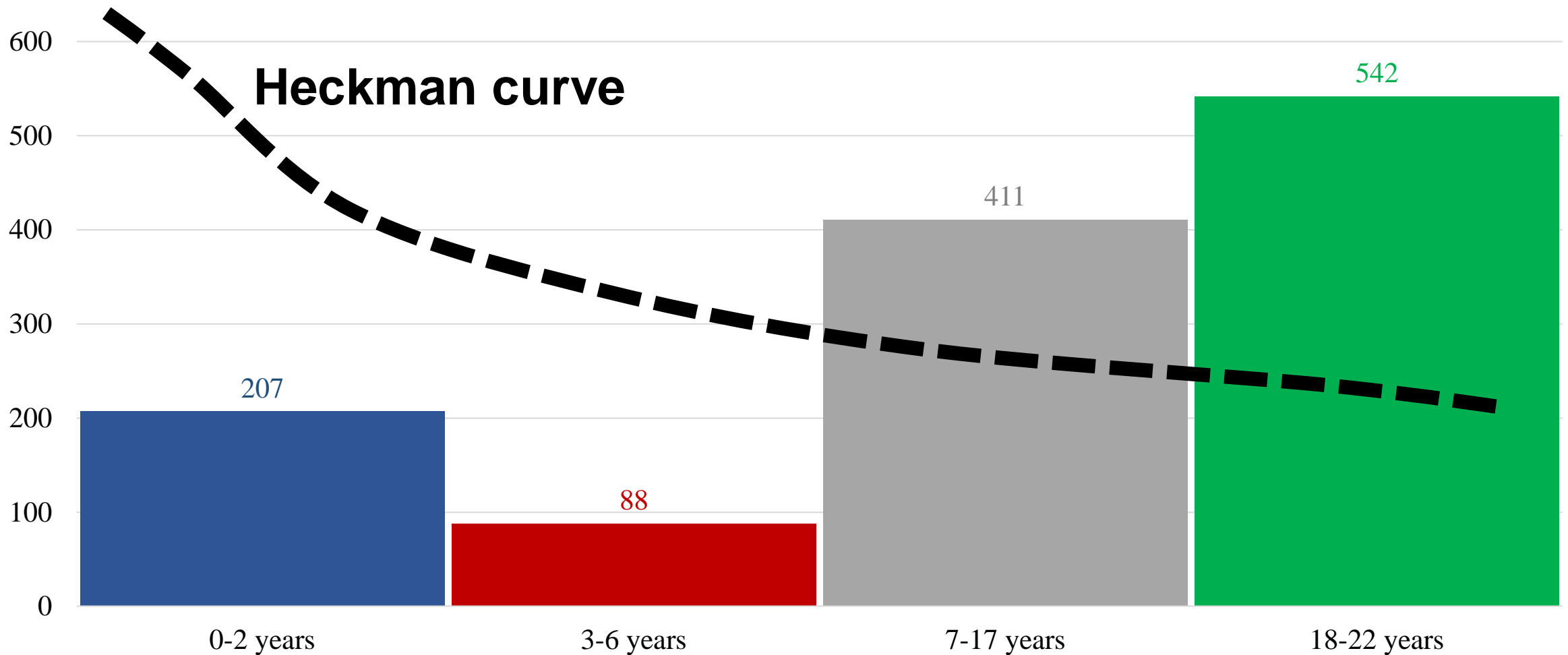
## Part 2

## ECD Financing trends

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# Less investment in early years

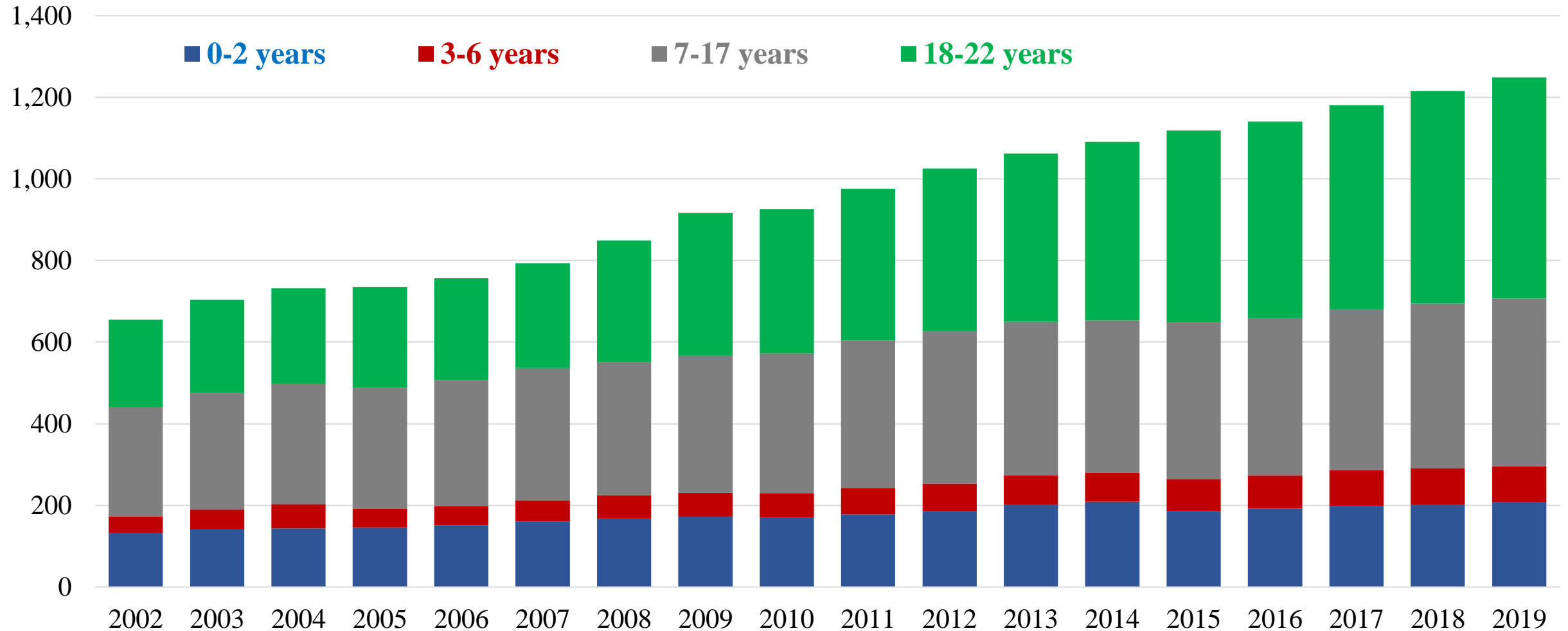
Avg per capita government and donor spending on human capital sectors by age group in ESA, 2019 (in US\$, 2017 constant prices)





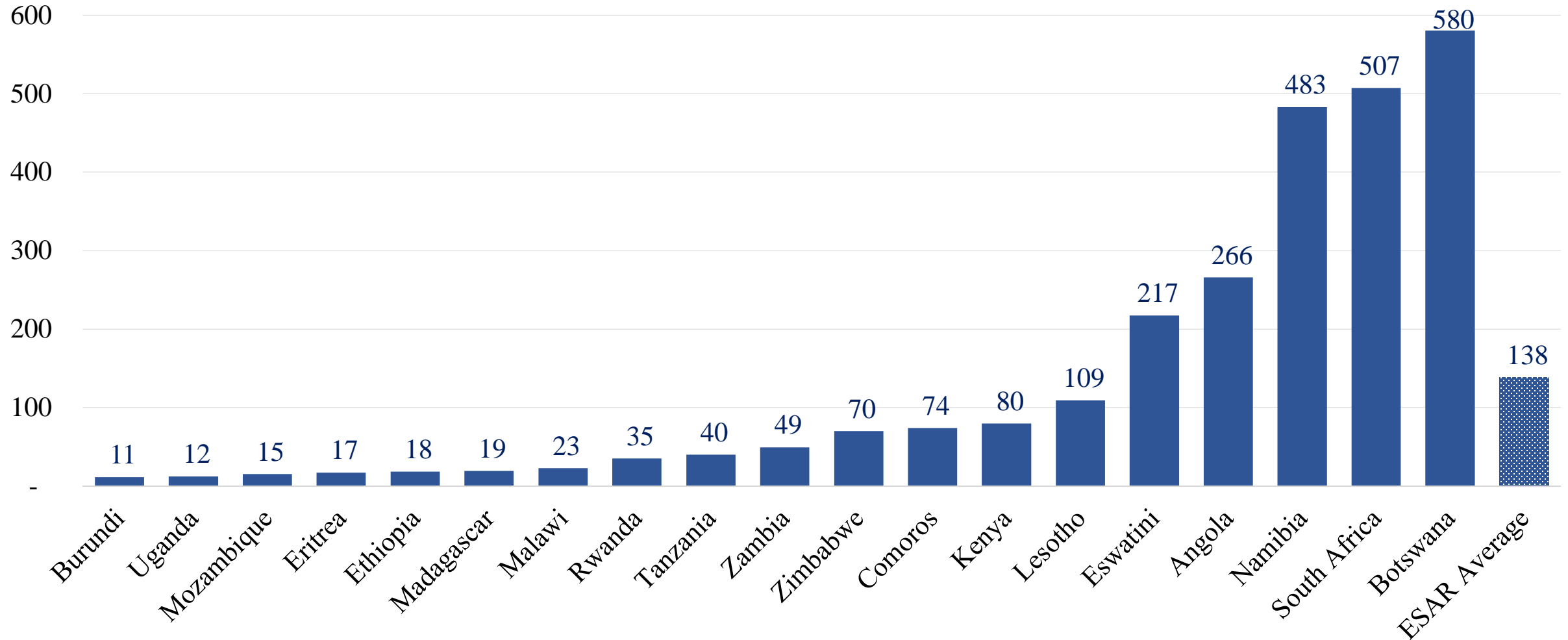
# The gap is increasing over years

Avg per capita government and donor spending on human capital sectors by age groups in ESA, 2002-19 (in US\$)



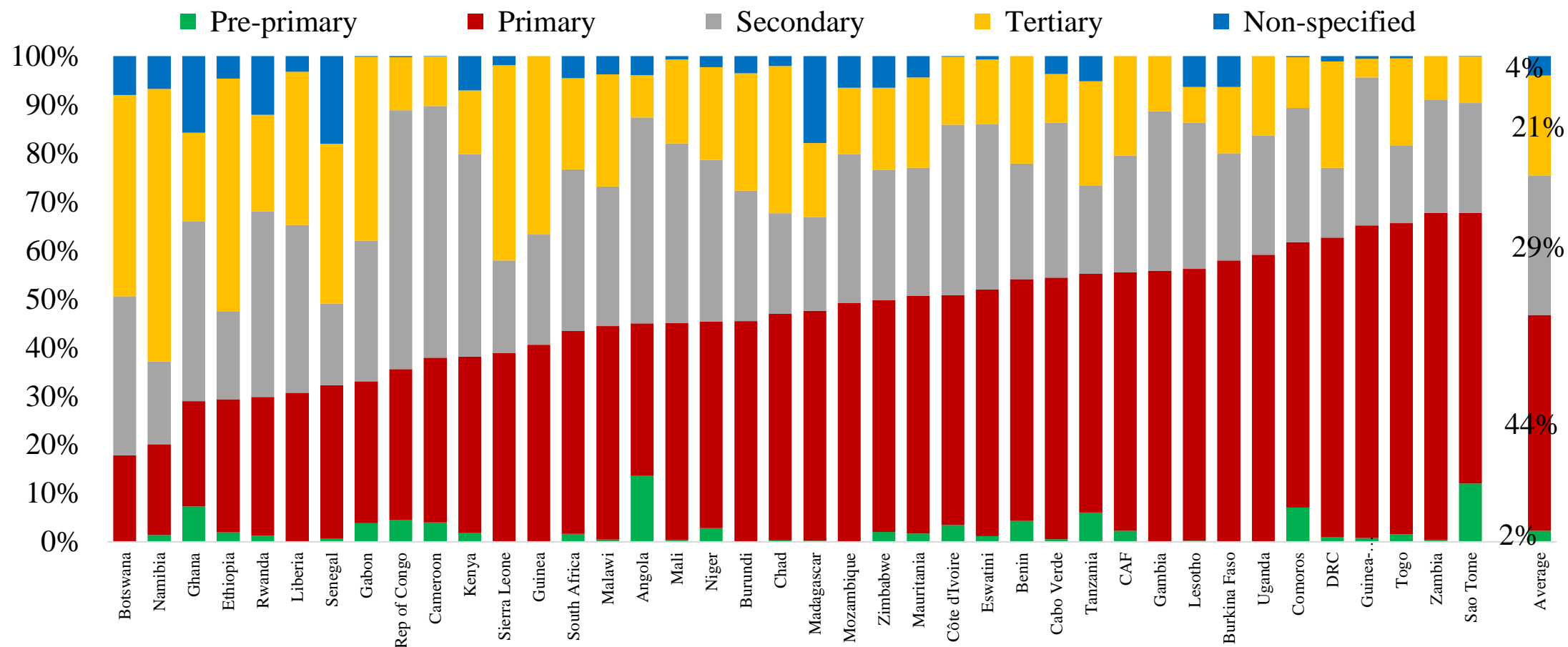
# Low investment in early years in most countries

Per capita government expenditure in early (0-6) years in ESA, 2019 (in US\$)



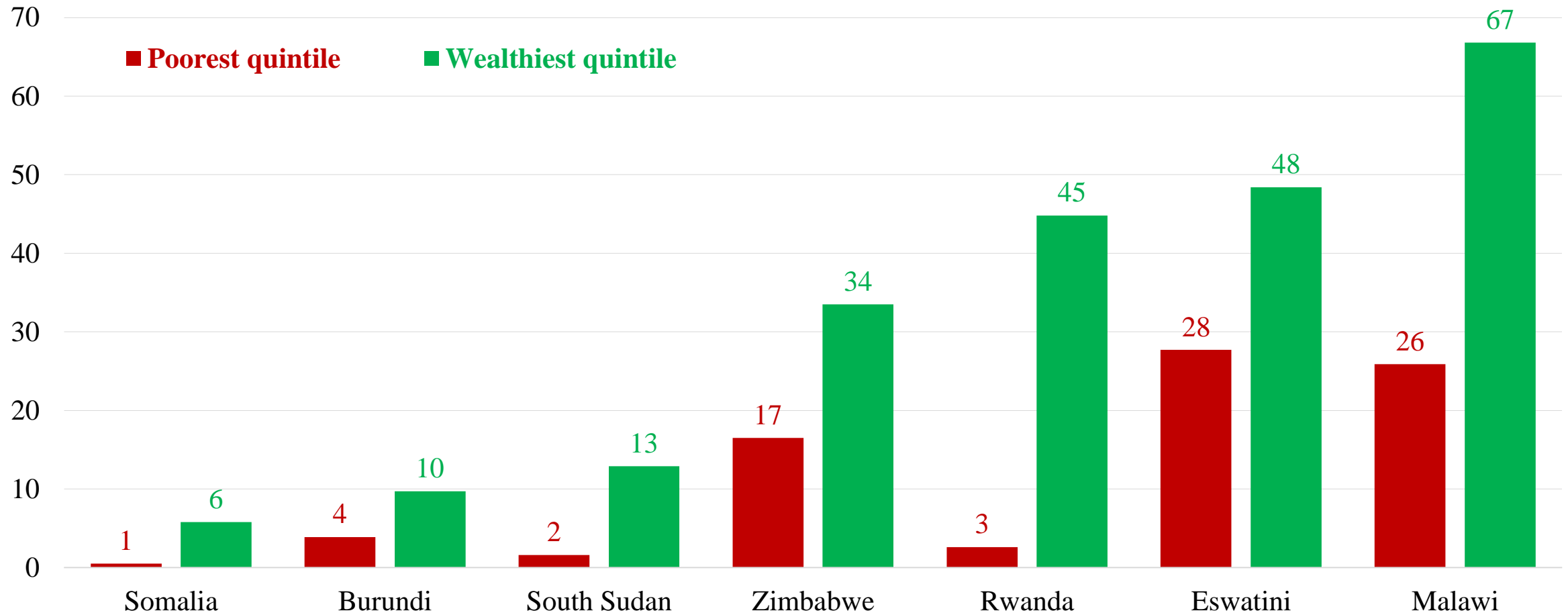
# Pre-primary, least funded level of education

Figure 2.6: Expenditure by level of education in African countries, 2019 or latest available (as a % of total government expenditure on education)



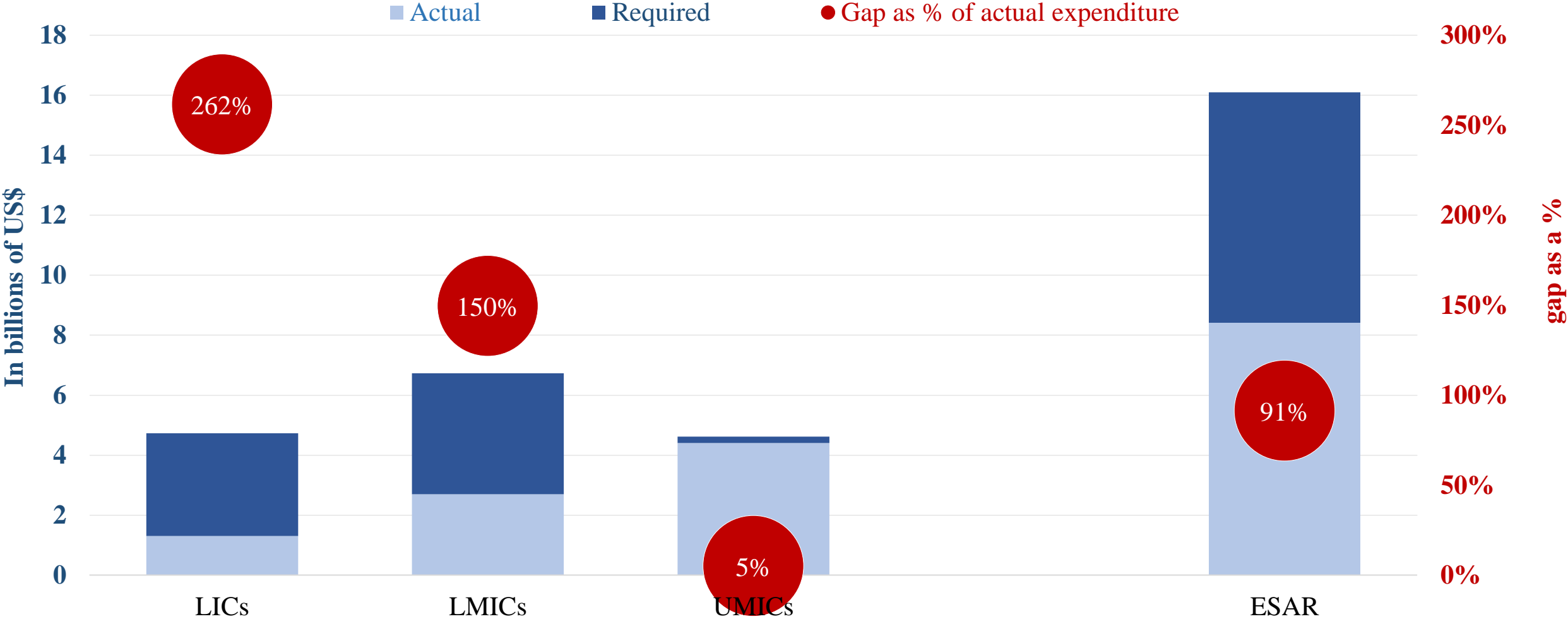
# Huge inequities in access to pre-primary education

Attendance rate in pre-primary education by wealth quintiles in select countries, 2017 or latest  
(as a % of total)



# Huge ECD funding gaps

Estimated expenditure on ECD and funding gaps to meet international spending targets by income groups in ESA, 2019 (in billions of US and as a %)



Source: UNICEF ESARO (2021) based on data from WHO, UNESCO, UNDESA, OECD Statistics and the IMF (2020)

# And that was before... SHOCKS!

## Macroeconomy

14. Bad job markets
15. Cost of living crisis
16. Worse social services



## Climate

1. Droughts
2. Cyclones
3. Floods
4. Locusts
5. Fires



## Education system

12. School closures
13. Teacher strikes



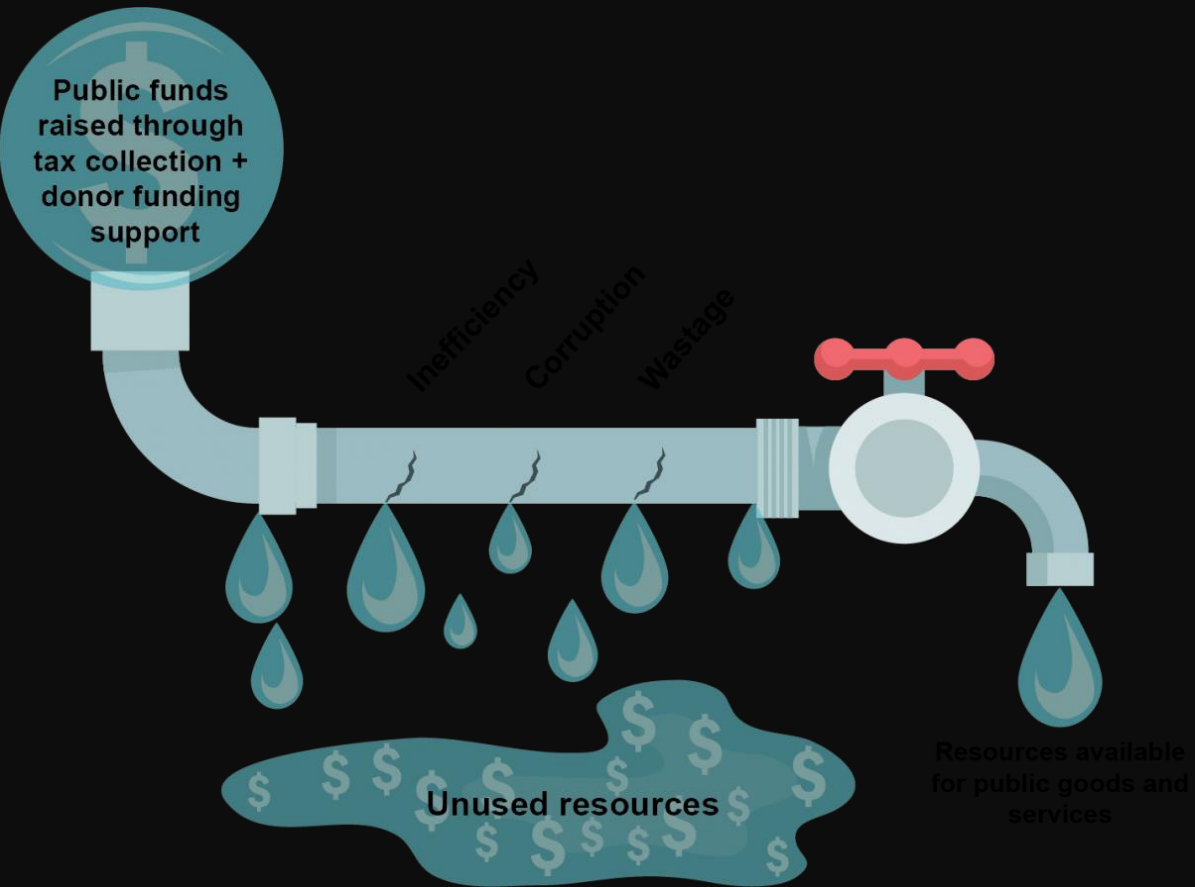
## Political

6. Conflict
7. Terrorism
8. Protests



## Health system

9. Basic emergencies
10. COVID-19
11. Healthcare strikes



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## Part 3

# Key Public Financial Management Issues

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## Key Issues

- Discrepancy between policy and budget commitments
- Fragmented approaches to ECD budgeting
- Devolution and lack of capacity at decentralized levels
- Budget execution challenges:
  - late approval/disbursement
  - shifting priorities
  - inaccurate forecasting
  - weak controls...



**As a result, 66% of children under 5 are at risk of poor developmental outcomes**

- **Poor health**  
(2.7 million children died before reaching fifth birthday)
- **Inadequate nutrition**  
(the number of stunted children rose by 1.4 million)
- **Lack of early learning opportunities**  
(7 of 10 children missing ECE)
- **Lack of support at home**  
(widespread violent disciplining practices, absence of father's engagement...)



## **Part 4**

### **Opportunities for improving ECD Financing (and ECD outcomes)**



# Opportunities

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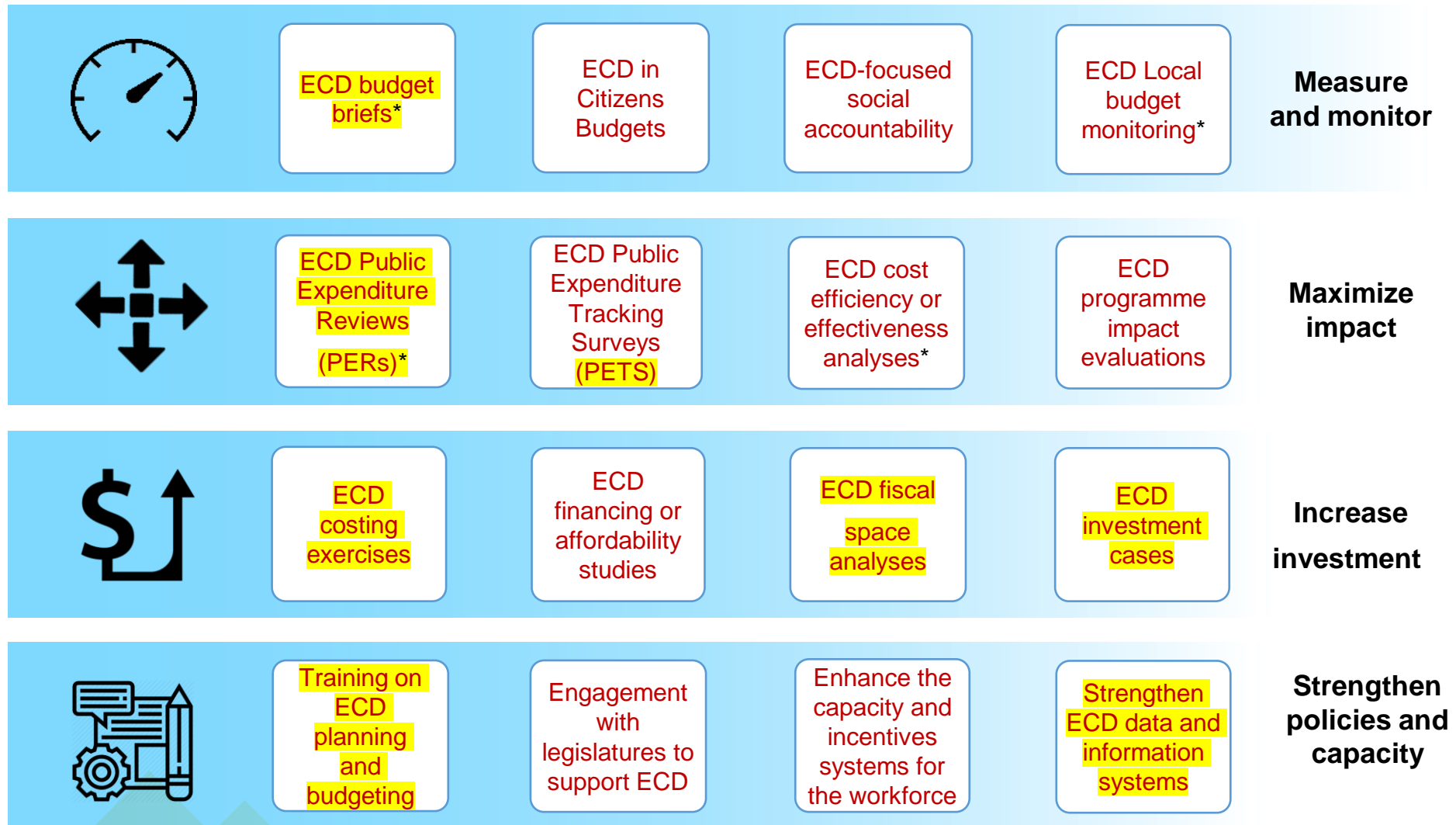
- Country-specific ECD policies and plans are growing
- Programme performance-based budgeting
- Tools available tools:
  - Measuring and monitoring ECD spending
  - ECD costing



# Recommended Actions for Policy Makers

Develop/update	Develop/update national and sectoral ECD plans
Facilitate	Facilitate the costing of ECD plans, across all sector, and increase investment in ECD
Introduce	Introduce program-budgeting
Strengthen	Strengthen the capacity of sub-national and local authorities on ECD planning and budgeting
Strengthen	Strengthen the capacity, quality, and motivation of the ECD workforce
Improve	Improve evidence and use of data
Establish	Establish a transparent system for the ECD budget tracking, allocations, and expenditures

## Public Financing Tools



Source: Framework developed, tested and rolled out by UNICEF's Eastern and Southern Africa Regional Office (ESARO)



Invest early...

Invest across sectors (in a  
coordinated manner)...

Start with the most deprived...

*If we change the beginning of the  
story, we will change the whole story!*

