



FORUM ECONOMIC MINISTERS MEETING

1 – 2 August 2024

**INFORMATION PAPER 10: EXPENDITURE TRACKING AND BUDGET ANALYSIS
FOR EARLY CHILDHOOD DEVELOPMENT IN SEVEN PICS**

Purpose and Recommendations

Purpose

This paper presents research findings on the tracking of public expenditure for Early Childhood Development (ECD) in seven (7) Pacific Island countries¹ –in order to understand better the sufficiency and sustainability of ECD finance in these seven countries and inform support to other Pacific countries.

Summary

Children born today are critical actors in realizing Pacific Islands Forum (PIF) Leaders' 2050 vision "...for resilient Pacific region of peace, harmony, security, social inclusion and prosperity that ensures all Pacific peoples can lead free, healthy and productive lives".² Achieving the vision for a resilient Pacific requires action now so Pacific children reach their full potential.

A child born in the Pacific Islands grows up to be less than half (47%) as productive due limited opportunities in health and education. However effective interventions in ECD have significant positive long-term impacts on child and adult health, human capital and eventually earnings.

Research in low- and middle-income countries has shown that adequate investment in ECD can lead to an increase in adult incomes of up to 25% and a rate of return on such investments of 13.7%. Furthermore, inaction can result in disadvantages persisting into subsequent generations. All seven countries that are part of the study have surpassed the national investment benchmark for ECD spending of 1% of GDP³, ranging from 2.2% by Kiribati to a high 14% by Tuvalu. With regards to the benchmark of 10% of education expenditure being spent on ECE⁴, most of the countries have met this target⁵.

Key recommendations in the research paper (summary provided at **Annex 1**) include:

1. improving the tracking of ECD-focused expenditure and activities by exploring the possibility of establishing dedicated ECD Units, particularly in countries where expenditure is not clearly tracked; and
2. the need to ensure that budgeted funding for ECD is tied to national priorities as reflected in national and sector plans.

¹ Fiji, Kiribati, the Republic of the Marshall Islands, the Solomon Islands, Tuvalu, Samoa and Vanuatu.

² PIF Leaders vision for the Blue Pacific Continent as stated in the 2050 Strategy for the Blue Pacific Continent, endorsed at the 51st PIF Leaders

³ UNICEF, Institute for Strategic Studies and Prognoses, and the European Union 2021

⁴ UNESCO and UNICEF 2024

⁵ only Vanuatu has yet to meet this target.

For countries that track ECD expenditure, it is suggested collect disaggregated data that tracks funding at the provincial or district levels. This is important in ensuring that investments are inclusive and that quality comprehensive services for young children and their parents are equitable to all people regardless of geographies or demographic differences.

The research also highlights the importance of using evidence-based targets to ensure sufficient funding towards child protection and gender-based violence. ECD can build resilience to the impacts of climate change and extreme weather events in children and communities. It is suggested to integrate ECD with public investments in climate change and environment-based activities.

Next Steps

Continued efforts are needed to track the adequacy of ECD investment across all relevant sectors of government (and cross-sectoral issues). Also important is to ensure the efficiency of spending (including with improved cross-sectoral coordination of efforts) that derives the best outcomes for the Pacific, its people and its children.

A. Overview/context

1. Children born today are critical actors in realizing Pacific Islands Forum (PIF) Leaders' 2050 vision "...for resilient Pacific region of peace, harmony, security, social inclusion and prosperity that ensures all Pacific peoples can lead free, healthy and productive lives".⁶ Achieving the vision for a resilient Pacific requires action now so that Pacific children reach their full potential.
2. ECD⁷ provides a unique window of opportunity for children's cognitive, social, emotional, and physical development, and works towards realizing the rights of every child, especially the most marginalised and vulnerable.
3. The improvement of child health, nutrition, early stimulation and learning through quality ECD is imperative not only for the individual to achieve their highest potential, but also for ensuring a country's productivity, competitiveness, and resilience.
4. A child born in the Pacific Islands grows up to be less than half (47%) as productive due limited opportunities in health and education according to the World Bank's Human Capital Index 2019.
5. Children often drop out of school and do not have access to the quality education that they need. In health, stunting occurs in one of four children on average in the region, an indication of the need to improve nutrition for both the child and their family. A child's successful development trajectory is threatened by their inequitable access to quality services in health and nutrition, education, water and sanitation, child protection, and social welfare across the PICs⁸.

⁶ PIF Leaders vision for the Blue Pacific Continent as stated in the 2050 Strategy for the Blue Pacific Continent, endorsed at the 51st PIF Leaders

⁷ Early Childhood Development (ECD) is from the period of conception until eight years of age

⁸ World Bank 2019

6. Pacific countries have launched a joint effort to improve ECD through the Pacific Regional Council for Early Childhood Development (PRC4ECD) at the regional level with the purpose of steering more coordinated investments in ECD across the 15 member countries and territories, as well as enhancing collaboration, knowledge-sharing, monitoring, and financing.

7. In addition, to increase PICTs understanding of their status on multi-sectoral investments in young children and to facilitate evidence-based decisions on ECD priorities, UNICEF Pacific Islands is developing an expenditure tracking and budget analysis for ECD in seven selected PICs: Fiji, Kiribati, Republic of Marshall Islands, Solomon Islands, Tuvalu, Samoa and Vanuatu.

B. Key Findings

Economic Case for Investing in ECD

8. Benefits of interventions in ECD have been found to enhance school readiness and related educational outcomes, improved physical and mental health and reduced reliance on the health care system as well as decreased engagement in high-risk behaviour. Estimates show that expanding preschool enrolment to 50% of all children in low and middle-income countries can result in lifetime earnings gains between USD14-34 billion⁹.

9. Scaling up such nutrition interventions to 90% coverage can reduce stunting by 20%, severe wasting by 61% and deaths of children under-5 years by almost 15%¹⁰. Combining nutritional interventions with early stimulation is more likely to result in long-term impacts than nutritional focus alone. Research has shown that adequate investment in ECD can lead to an increase in adult incomes of up to 25%¹¹ and a rate of return on such investments of 13.7%¹².

10. Adversity in early childhood without intervention, makes it more difficult for individuals and their families to improve their lives, making it harder to escape poverty as well as an inter-generational cycle of poverty and vulnerability. Adding up these individual-level costs, wealth creation and national earnings are heavily constrained¹³.

11. Thus, there is a large cost of inaction for governments. In the case that children are unable to fulfil their social and developmental potential, this is set to not only harm their own futures but also that of the societies they live in. This makes a strong economic case for countries to invest in comprehensive ECD interventions.

12. Due to ECD's recognized fundamental importance, goals related to ECD are part of the Sustainable Development Goals (SDGs). These are SDG Targets 1.2 – poverty reduction, 2.2 – under-5 stunting and malnutrition, 3.2 – under-5 mortality rate and neonatal mortality rate, 4.2 – under-5 development tracking and 16.2 – child violence¹⁴.

Tracking ECD Expenditure

13. There are multiple key reasons for tracking ECD expenditure. Governments are concerned about costs, affordability, and cost-effectiveness, and increasingly asking whether money has been

⁹ Engle et al. 2011

¹⁰ Zulfiqar A Bhutta et al. 2013

¹¹ Gertler et al. 2014

¹² Garcia, Heckman, Leaf, & Prados, 2016

¹³ UNICEF et al 2018

¹⁴ ibid

spent well before allocating more to the same agency. Without comprehensive information on what, where and by whom ECD-related spending has occurred, gaps in budget coordination will be hard to detect.

14. It has been found that segmented spending causes overall expenditures to be less effective. Thus, a review of all ECD-related public expenditure can have various coordination, budgetary and programmatic benefits and can facilitate pooling and tracking of multiple sources of financing.¹⁵

15. In addition, there are well-defined legal and policy obligations for countries, which demand adequate protection of children to ensure their safety and successful development, which in turn require rigorous monitoring and tracking of investments.

16. All seven countries have ratified the Convention on the Rights of the Child (CRC) which contains the complete range of international human rights for children including civil, cultural, economic, political and social rights as well as some aspects on humanitarian law. It recognizes that the child "needs special safeguards and care, including appropriate legal protection, before as well as after birth", as indicated in the Declaration of the Rights of the Child.

17. For adequate implementation of the CRC, monitoring implementation as well as expenditures is crucial, to identify the adequacy of action taken towards realizing the commitments towards child- focused investments made in the CRC.

18. UNICEF Pacific has been supporting PICTs in making better, smarter investments in young children by conducting initial public expenditure analyses, and developing multi-sectoral ECD policies and coordination, with a focus on a comprehensive approach that makes use of synergies across sectors.

19. All seven countries in the study have surpassed the national investment benchmark for ECD spending of 1% of GDP¹⁶, ranging from 2.2% by Kiribati to a high 14% by Tuvalu. With regards to the benchmark of 10% of education expenditure being spent on ECE¹⁷, most of the countries have met this target.

20. While these are positive results, it is acknowledged that development partners provide significant funding support for ECD. This highlights the need for national budget support for greater sustainability and to safeguard against the susceptibility of changing partner priorities.

21. Key recommendations include improving the tracking of ECD-focused expenditure and activities by exploring the possibility of establishing dedicated ECD Units, particularly in countries where expenditure is not clearly tracked; and the need to ensure that budgeted funding for ECD is tied to national priorities as reflected in national and sector plans.

22. For countries that track ECD expenditure, there is opportunity to improve data by collecting disaggregated data that track funding going to the provincial or district levels. This is important to ensuring investments in inclusive and quality comprehensive services for young children and their parents are equitable to all people regardless of geographies or demographic differences.

¹⁵ UNICEF Malawi. 2019

¹⁶ UNICEF, Institute for Strategic Studies and Prognoses, and the European Union 2021

¹⁷ UNESCO and UNICEF 2024

C. Next Steps

23. In conclusion, most countries have made admirable efforts to invest in ECD. However, there is a case to make investments more efficient and better targeted towards key outcomes for countries.

24. Reliance on external finance must be taken with caution and investment from public funds should be increased. Increased attention to protection and climate change are also called for.

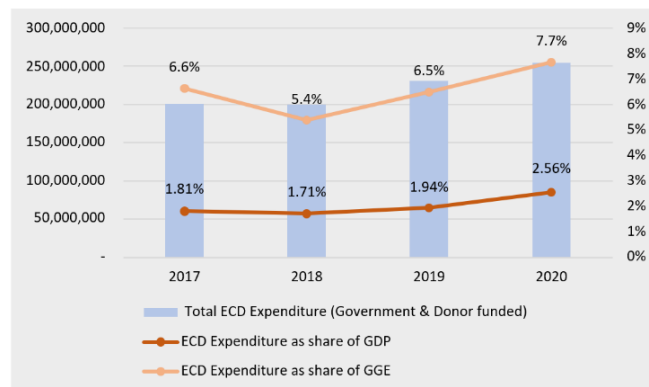
UNICEF
3 July 2024

Summary of Country Key Findings and Recommendations

a. Fiji

1. Fiji saw an increase in its overall ECD-related expenditure across ministries between 2017 and 2020. The share of this ECD-related expenditure to GDP increased relatively gradually from 1.8 to 2.6%. The minimum threshold of at least 1% has been met.

2. The budget being allocated towards ECD in the Government is largely domestically funded, with less than 10% being funded externally throughout the years. Thus, the country exhibits a low donor dependency overall. This is also the case for Ministries responsible for education, health and social protection.



3. ECD-related expenditure in the Education Ministry has increased significantly from 10.4% in 2017 to 16.7% in 2020 meeting the international benchmark of 10%. Approximately a third of ECD-related expenditure is being allocated towards ECD-specific services through the ECCE unit. There is still a high number of 3-5-year-olds not being enrolled at ECE centres and a lack of current teachers to absorb this increasing number of students.
4. A slight decrease in ECD-specific health and nutrition expenditure was observed at the Health Ministry. Collectively, ECD-related programmes amounted to less than two% of the overall ECD-related budget in the ministry. Considering current outcomes in this sector as well as national goals, there is a need to increase focus on outreach regarding reproductive health and WASH specifically as well as community health engagement and education.
5. Child protection and GBV related expenditure through the Justice Ministry decreased by over FJD 2 million. While there was a relatively high budget allocated towards BDM offices in 2017 and 2018 to improve services, this funding disappeared entirely in the following years.
6. Fiji has a rather comprehensive social protection sector compared to the PICs region. Only a few programmes, however, benefit children below the age of 5 directly, these being the Food Voucher for rural pregnant women as well as the Parenthood Assistance Payment (PAP) programme.
7. Generally, there is more data availability regarding ECD-specific expenditure in Fiji's budget books, compared to other PICs analysed. The country has had an ECE unit at the MEHA between 2018 and 2020 and tracks the budget allocated toward ECCE grants.

b. Recommendations – Fiji

8. Geographically disaggregated information on spending per division with regard to each programme and unit specifically related to ECD would be important to track ECD expenditure meaningfully to evaluate adequacy of funding per division and potential funding gaps. In addition, it would be valuable to provide information on the composition of cost per

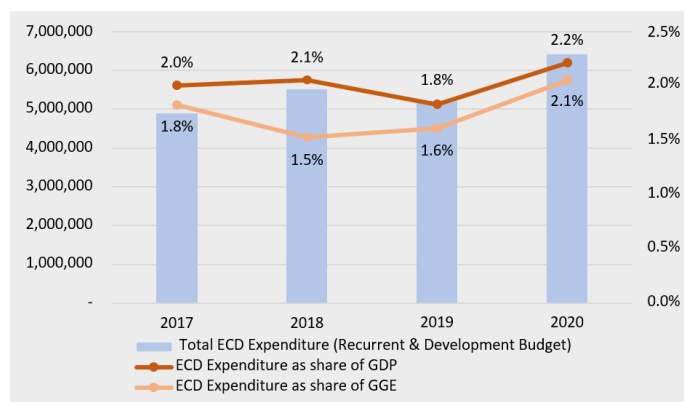
programme or unit, and to monitor ECD-related expenditure through an ECD unit covering all ECD-related sectors.

9. There is a need to increase ECE enrolment in the country, with the NER of 3-5-year-olds in 2020 currently only standing at around 30%. This requires increased outreach campaigns to communities living in remote areas as well as potentially expanding the Tuition Subsidy Grant to 3- and 4-year-olds as well.
10. ECD-specific health and nutrition programmes require renewed commitment and increased funding. In addition, since a lack of WASH has been identified to be a key cause for childhood mortality and malnutrition, there is a need to increase funding in this area and integrate WASH programmes in other ministries.
11. Regarding birth registration, it is suggested to continue to monitor timely birth registration rates by division, to ensure that recent gains are not reversed due to a sudden reduction in funding.
12. Finally, Fiji's social protection system overall exhibits an increased budget allocated towards its programmes. It is suggested to increase funding for the Food Voucher for rural pregnant women and reintroduce a renewed Parenthood Assistance Payment Programme as they have a direct impact on ECD.

c. Kiribati

13. Total ECD-related expenditure increased between 2017 and 2020. ECD expenditure as a share of GDP increased from 2 to 2.2%, with an increase in ECD expenditure also being observed per child (aged 0-5), from AU\$ 283 to 355. Over the same period there was a significant reduction in donor funding of ECD investments, resulting in over 96% of all ECD-related expenditure being funded by the Government in 2020.

14. In 2020 the education sector saw an increase in ECE-related expenditure, from 1.9% to 10.6% of all ministry expenditure, meeting the international benchmark of 10% of education expenditure being spent on ECE. Hereby, pre-school support made up an increasing proportion of expenditure as well as a newly introduced Early Childhood Care and Education (ECCE) unit in the budget.



15. There has also been an increase in ECD expenditure through the Ministry of Health and Medical Services (MHMS). At the same time, a large reduction in donor support is observed between 2017 and 2020, resulting in a lack of external funding for child and maternal health and nutrition programmes as well as reproductive and family planning programmes. WASH generally has seen very little funding externally as well.

- 16. Ambitious targets for 2023 in the National Development Plan in terms of child and maternal health indicators as well as relatively poor performance on key indicators (e.g., under-5 and maternal mortality rates) demand increased investment into such programmes.
- 17. Generally, there is a lack of data availability for the tracking of expenditure specifically spent on ECD specifically specific budget line items targeting children aged 0-5.

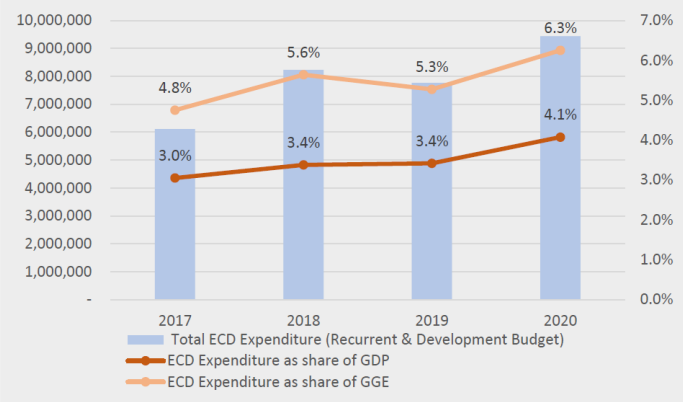
d. Recommendations – Kiribati

- 18. There is a need to improve the tracking of ECD-related expenditure. Most ECD-specific expenditure in the budget books could only be identified for programmes funded through the Development Fund. Granulated tracking would provide the Government and respective ministries with a deeper understanding of the effectiveness of programmes and information on where expenditure gaps exist.
- 19. There is a need to ensure more constant budget support from donors for ECD given the diminished share of Development Fund budgets in Ministries responsible for education, social affairs, and justice. The budget analysis indicates a shift away from ECD in the focus of donors.
- 20. There should be increased focus and investment in social development areas especially those linked in the NDP such as family planning and reproductive health, child health and nutrition programmes, and child immunization.

e. Marshall Islands

- 21. ECD-related expenditure increased from US\$ 6,115,345 in 2017 to US\$ 6,115,345 in 2020. The share of ECD expenditure of GDP increased from 3 to 4.1%; thereby exceeding the minimum threshold of 1% of GDP. A relatively large dependency on donor funding was identified, with only approximately a fifth of ECD-related expenditure being funded through the Government.

- 22. While ECD-related expenditure as a percent of total expenditure for the Education Ministry has decreased from 34% to 14%, this still meets the 10% benchmark. There is currently a large share of children remaining out of school with the current funding of the kindergarten programme seeming insufficient to provide access to all children of this age group.



- 23. Health and nutrition expenditure related to ECD has increased considerably, almost doubling between 2017 and 2020. This trend is partially driven through the newly introduced World Bank ECD programme, indicating again a large dependency on donor funding in this sector, at approximately 85% in 2020. There is little data available in the budget books for specifically identifying ECD programmes to be able to make claims about the sufficiency of funding in reproductive health, family planning, child health and nutrition.

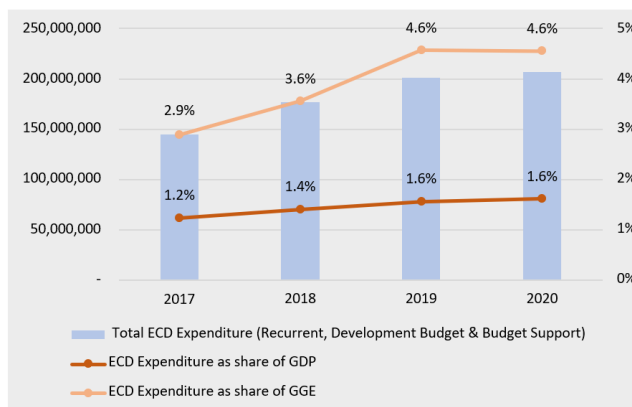
24. Child protection has seen a decrease in funding in recent years, while a lack of Gender-based Violence (GBV) related programme funding has been identified. This trend is not aligned with high GBV rates in the country, which are likely to have increased during COVID-19. ECD-related activities saw an increase in funding.
25. Generally, there is a lack of data availability for the tracking of expenditure specifically spent on ECD specifically specific budget line items targeting children aged 0-5.

f. Recommendations – Marshall Islands

26. The tracking of ECD-related expenditure in the budget books needs improvement. Relying on the budget books, only a few ECD-specific programmes could be identified, namely the kindergarten programme and the reproductive health programme funded externally in 2017. It is further recommended to monitor such expenditure centrally in an ECD unit, to get a comprehensive picture of expenditure in this sector more easily.
27. In addition, there is an importance of providing ECD-specific expenditure disaggregated by districts, as well as to provide the composition of costs by programme, to gain an understanding of how much of expenditures were spent on direct service delivery, as opposed to support services, salaries and administration.
28. Given also a large dependency on donor funding in the Health Ministry, there is a need to ensure sustainability of ECD financing. A diversification of funding sources is key to such sustainability especially in terms of protection, with an urgent need to improve availability of GBV-related services.
29. The education sector is in need of increased funding to achieve universal access to ECE for all 5-year-olds, as established in the Public School System (PSS) Rules and Regulations. Capacity needs to be scaled up, and support given for transportation to kindergarten.

g. The Solomon Islands

30. There was an overall increase in ECD-related expenditure across ministries between 2017 and 2020. The share of this expenditure in GDP terms increasing slightly from 1.2 to 1.6% thus reaching the minimum threshold of at least 1%. Most of ECD-related expenditure is funded through the Government, with only a relatively small share coming from donor funding, which has further been decreasing in recent years.
31. ECD-related expenditure in education has risen slightly, with the share of overall ministry expenditure going towards ECD also increasing from 8.8 to 12%. Thus, achieving the minimum threshold of 10% of education expenditure being spent on ECCE.



32. The Government spends a relatively large share of ECD expenditure in education on teacher training and the ECD unit. However, there is a relatively

low and stagnating enrolment rate of 3–4-year-olds, which is also in need of improvement. This also applies to the quality of education and the curriculum.

33. The Reproductive and Child Health programme saw its funding decrease in recent years. Health promotion and primary health care programmes have further been identified as receiving only a small share of the budget. Funding has been found to be inadequate especially for family planning and reproductive health, nutrition and child health promotion programmes, and WASH programmes for rural areas.
34. Child protection saw a decreasing trend in expenditure, which is being spent through Ministries responsible for social affairs, home affairs, and health. Funding for birth registration needs increased financial commitments, to both reverse recent negative trends as well as address a chronic funding gap.
35. Generally, there is a lack of data availability for the tracking of expenditure specifically spent on ECD specifically specific budget line items targeting children aged 0-5.

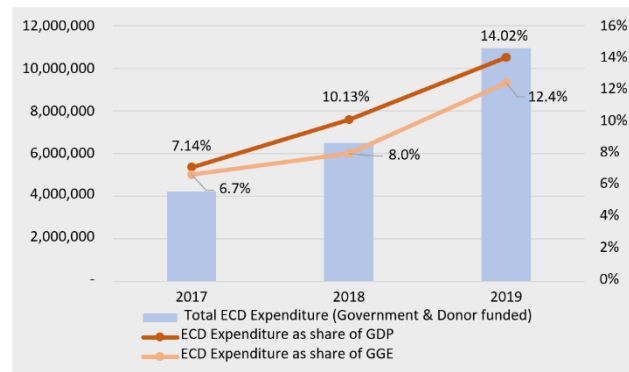
h. Recommendations – Solomon Islands

36. Tracking of ECD-related expenditure in the budget books needs improvement. Programmes should be clearly identifiable in budgets in order to get an understanding of the level of funding in each sub-sector as well as regarding their cost-effectiveness.
37. It is recommended to monitor such expenditure centrally in an ECD unit covering all ECD-related sectors, to get a comprehensive picture of expenditure in this sector more easily. In addition, there is an importance of providing such ECD-specific expenditure disaggregated by provinces and to provide the composition of costs by programme.
38. The education sector requires increased funding to achieve universal access to ECE for all 5-year-olds first and then gradually for all 3-4-year-olds, as established in the Education Strategic Framework 2016-2030. There is a need to implement a standard curriculum, adopting a more systematic approach to improving ECCE access and quality.
39. Funding needs to be increase targeting areas with most urgent need for improvement and are directly linked to the NDS targets and other key policies. There is a further need to integrate WASH into health promotion programmes and to expand existing WASH programmes for children especially in rural areas.

i. Tuvalu

40. Total ECD-related expenditure increased between 2017 and 2019, almost doubling in this time period. As a share of GDP, ECD-related expenditure increased from 7.1 to 14%. The portion of donor funding of ECD expenditure investments increased from 5% in 2017 to 17.8% in 2019. However, the main source of funding remained with Government, except for the immunization programme, which is entirely donor funded at least since 2017.

41. The education sector also saw an increase in ECE-related expenditure, from 11.6% to 14.5% of all ministry expenditure. Above the international threshold of 10%. Overall, the trend has been positive, however, spending may still not be adequate in light of a relatively low ECE enrolment rate that shows large regional discrepancies, coupled with overcrowded classrooms and a need for increased teacher qualification.



42. There has also been an increase in ECD expenditure through the Health Ministry. Simultaneously, the share of such expenditure funded by the Government decreased due to the fully donor funded immunization programme which increased substantially.
43. The overall increasing ECD-related expenditure nominally and per child aged 0-5 years is a positive development, in light of ambitious targets to be met by 2025 and 2030. Further, there is a need for increased budget allocation to ECD-sensitive environmental programmes noting the impact of climate change to the nation.
44. The largest and an increasing share of funding for ECD-related expenditure in terms of child protection was with the Department of Community Affairs, while it decreased somewhat for the Department of Gender Affairs. Given a lack of national targets relating to child protection in the NSSD, it is difficult to conclude, whether funding is aligned with national goals.
45. Generally, data for tracking ECD-related expenditure still shows some inadequacies. While there are some ECD-specific budget programmes that can be identified, many items catering to larger population groups cannot be appropriated precisely to children aged 0-5.

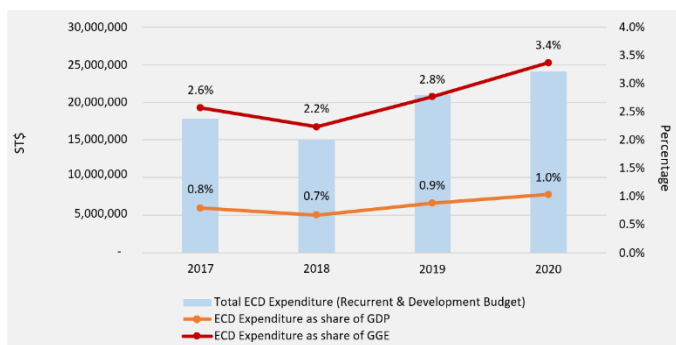
j. Recommendations – Tuvalu

46. It is suggested to focus on increasing ECE enrolment to achieve national targets of universal enrolment and ECE experience of Year 1 students. It is recommended to subsidize the ECE fee to increase ECE inclusivity. Further, it is recommended to increase the tracking of ECE quality indicators.
47. TESP III data was not readily available and thus cannot be analysed against national targets. There is a lack of data regarding quality of early childhood development in terms of the proportion of children under 5 years of age who are developmentally on track in health, learning and psychological well-being. While some developmental outcomes are tracked by teachers, such data are not compiled to analyse ECCE outcomes for child sub-groups.
48. There is a need to allocate an increased budget towards ECD-specific health programmes that focus on heightened risks towards young children from climate change and extreme weather events in the future. Increased funding should also be allocated towards reproductive health programmes, in order to reduce the adolescent birth rate and increase contraceptive prevalence.
49. Finally, there is a need to set specific targets for child protection and GBV. Even while the rate of birth registration stood at only 50% in 2015, there is a lack of more recent statistics and goals in the NSSD to improve this rate.

k. Samoa

50. There was an overall increase in Samoa's total ECD-related expenditure from 2017 and 2020. As a share of GDP, related expenditure increased from 0.8% to 1.0%. An increase in donor funding of ECD investments occurred over the period, resulting in the share of all ECD-related expenditure being funded by the Government declining from 92.6% in 2017 to 85.7% in 2020.

51. ECE-related expenditure of the Education Ministry's budget increase from 8.9% to 11.2% of over the period; meeting the international benchmark of 10%. The allocation for teaching resources and educational support made up an increasing proportion of ECD-related spending.



52. There has also been an increase in ECD expenditure through the Health Ministry. Donor support increased between 2017 and 2020 in response to the 2019 Measles outbreak. This had positive impacts on ECD-specific programmes implemented in child and maternal health. Additionally, expenditure on reproductive health and family planning also increased.

53. The share of ECD-related expenditure in terms of child protection and GBV in the Social Development Ministry increased between 2017 and 2020 largely due to an increase in donor funding. The larger share of the Ministry budget has been towards social welfare services and less towards child protection and GBV.

l. Recommendations – Samoa

54. Most ECD-specific expenditure could only be identified for programs funded externally through government development projects. Although budget lines were identified by output, it could not clearly be identified how much of the allocated funding was used for ECE, child and maternal health, or child protection and gender-based violence.

55. To achieve the targets set out in the ESP and HSP, there is a need to increase expenditure in key education, health, and nutrition sectors. Significant investments will need to be made in ECE centres, and the upgrading of teacher skills to meet professional requirements. This also holds true for child health and nutrition programs as well as those related to family planning and reproductive health.

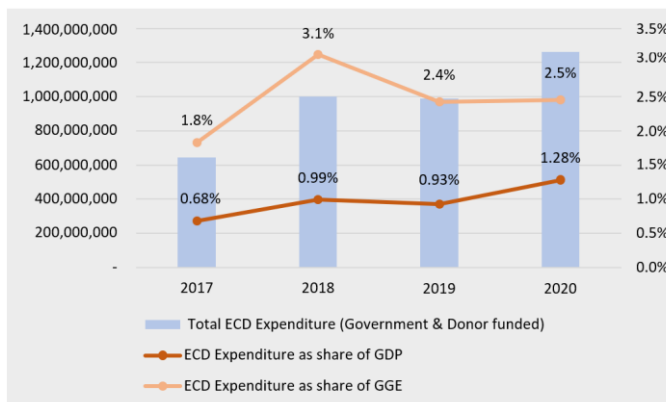
56. It is important to ensure that funding provided to the Social Development Ministry matches evidence-based targets related to child protection and gender-based violence. Children and women in Samoa are highly vulnerable to family and gender-based violence.

m. Vanuatu

57. Overall, there was an increase in ECD-related expenditure across ministries between 2017 and 2020. With the share ECD-expenditure to GDP increasing from 0.7 to 1.3% thus reaching the minimum threshold of at least 1% in 2020.

58. The share of Government funding compared to donor funding increased significantly from 46 to 70%. Thus, the country has moved away from a high donor dependency. Nevertheless, at 70% this is still somewhat lower than the share identified for Kiribati and the Solomon Islands. In addition, the Ministry responsible for Social Welfare is seeing a very large and sustained donor dependency, with approximately only 17% of expenditure being Government funded.

59. The share of ECD-related expenditure as a percent of total Ministry expenditure increased to 6% by 2020. However, this is still insufficient to meet the international benchmark of 10%. Most of the budget has been allocated towards ECD-specific services, including the ECE unit, kindergarten teacher salaries and the ECCE grant. There is need for targeted funding to address increasingly high student-teacher ratio, monitoring teacher qualification and improving the curriculum.



60. A moderate rise in ECD-related health and nutrition expenditure was observed; largely funded by Government. The Reproductive Health and Family Planning programme and the Extended Immunization programme received large shares of funding. There is a need to increase focus on outreach regarding reproductive health and WASH specifically as well as community health engagement and education.

61. Child protection and GBV related expenditure increased through Ministries responsible for Social Welfare and Internal Affairs. The Ministry of Justice and Social Welfare (MJSW) was the only ministry with ECD-related expenditure where the majority of funding is allocated through donors. The Women’s Affairs Policy unit makes up the largest share of expenditure, while the CRC unit received a significantly lower share.

62. Generally, there is much better data availability regarding ECD-specific expenditure in Vanuatu’s budget books, compared to other PICs analysed. The country has had an ECE unit for the entire time period which analyses and tracks the budget allocated toward ECCE grants.

n. Recommendations – Vanuatu

63. There is a need to provide more geographically disaggregated information on spending per province with regard to each programme and unit. It would be valuable to provide information on the composition of cost per programme or unit, in terms of personnel-related cost, support services, direct service delivery and other categories. Ideally, all ECD-related expenditure would be monitored centrally in an ECD unit.

64. There is a need for increased funding of the ECCE system, which is currently still largely run privately and through communities. There is currently a high student-teacher ratio in Government and Government-assisted centres, coupled with a need to still train the majority of teachers to be confident in teaching the curriculum.

65. The relatively volatile funding trend for Reproductive Health and Family Planning as well as immunization programmes exhibits a need for a stable recurrent budget that is ideally supported through donors with a longer-term commitment.
66. With regard to child protection, there is a need to improve expenditure tracking, as the only child protection related budget line item to be identified was the CRC.

UNICEF and PIFS
3 July 2024

References

1. UNESCO, UNICEF (2024). “Global Report on Early Childhood Care and Education – The right to a strong foundation”. New York: UNESCO
2. UNICEF, Institute for Strategic Studies and prognoses, European Union (2021). “The Potential of Additional Investment in Early Childhood Development in Montenegro”. Montenegro: UNICEF
3. Engle, P. L., Fernald, L. C. H., Alderman, H., Behrman, J., O’Gara, C., Yousafzai, A., de Mello, M. C., Hidrobo, M., Ulkuer, N., Ertem, I., Iltus, S., & The Global Child Development Steering Group. (2011). “Strategies for reducing inequalities and improving developmental outcomes for young children in low-income and middle-income countries”. *The Lancet*, 378(9799), 1339–1353
4. Horton, S., Meera Shekar, Christine McDonald, Ajay Mahal, and Jana Krystene Brooks. 2010. “Scaling Up Nutrition: What Will It Cost?” Washington, DC: World Bank
5. Zulfiqar A Bhutta, Jai K Das, Arjumand Rizvi, Michelle F Gaffey, Neff Walker, Susan Horton, Patrick Webb, Anna Lartey, Robert E Black, The Lancet Nutrition Interventions Review Group, and the Maternal and Child Nutrition Study Group (2013). “Evidence-based interventions for improvement of maternal and child nutrition: what can be done and at what cost?”. *The Lancet*, 382, 452–77
6. Gertler Paul, Heckman James, Pinto Rodrigo, Zanolini Arianna, Vermeersch Christel, Walker Susan, Chang Susan M., Grantham-McGregor Sally (2014). “Labor Market Returns to an Early Childhood Stimulation Intervention in Jamaica.” *Science*, 344, 998–1001
7. UNICEF, WHO, World Bank, Early Childhood Development Action Network, The Partnership for Maternal, Newborn and Child Health. (2018). “Nurturing care framework for early childhood development”. Geneva: UNICEF.
8. World Bank. (2019). “Human Capital in the Pacific Islands and Papua New Guinea”. Récupéré sur World Bank
9. UNICEF Malawi. (2019). “2018/19 ECD Budget Brief Malawi”. UNICEF Malawi.

Country	Findings	Recommendations
Fiji	<ul style="list-style-type: none"> • Share of ECD expenditure as % of GDP was 2.6% in 2020 meeting 1% benchmark • Share of donor funding (compared to Gov) is only 10% • Education-related expenditure on ECD (as % of total Education Ministry budget) was 16.7% surpassing the 10% benchmark • A slight decrease in ECD-related health and nutrition expenditure • Rather comprehensive social protection sector compared to other PICs 	<ul style="list-style-type: none"> • Disaggregate ECD expenditure data (by province and programme) • Establish a ECD Unit to centrally monitor expenditure and the sector • Increase ECE enrolment (awareness and tuition subsidy) • Renew commitment/ increase funding for health and nutrition programmes (reducing budgets) • Continue to monitor timely birth registration • Increase funding for ECD-related programmes (Food Voucher for rural pregnant women and reintroduce a renewed Parenthood Assistance Payment Programme)
Kiribati	<ul style="list-style-type: none"> • Donor funding reduced significantly. Over 96% of all ECD-related expenditure being funded by the Government in 2020 • ECE-related expenditure as % of total education budget was 10.6% in 2020 meeting the international benchmark of 10% • A large reduction in donor support is observed between 2017 and 2020, resulting in a lack of external funding for child and maternal health and nutrition programmes • Relatively poor performance for child and maternal health indicators compared to ambitious NDP targets • lack of data availability for the tracking of expenditure 	<ul style="list-style-type: none"> • Improve the tracking of ECD-related expenditure (more granulated expenditure details) • Ensure more constant budget support from donors (high gov funding, less donor funding) • Increased funding in ECD areas that link to the NDP
Republic of Marshall Islands	<ul style="list-style-type: none"> • Share of ECD expenditure as % of GDP was 4.1% in 2020 exceeding the minimum threshold of 1% • Relatively large dependency on donor funding (about 80%) • Education-related expenditure on ECD (as % of total Education Ministry budget) was 14% surpassing 10% benchmark • A large share of children remain out of school • Child protection has seen a decrease in funding in recent years • lack of data availability for the tracking of ECD expenditure 	<ul style="list-style-type: none"> • Establish a ECD Unit to centrally monitor expenditure and the sector • Disaggregate ECD expenditure data (by district and programme) • Diversify ECD funding sources (largely reliant on donor funds) • Increase funding for education to achieve universal access to ECE
Solomon Is	<ul style="list-style-type: none"> • Share of ECD expenditure as % of GDP was 1.6% in 2020 meeting 1% benchmark • Mostly Gov funded ECD expenditure (reducing donor funding) • Education-related expenditure on ECD (as % of total Education Ministry budget) was 12% surpassing 10% benchmark • Relatively low and stagnating enrolment rate of 3–4-year-olds 	<ul style="list-style-type: none"> • Utilise the ECD Unit to centrally monitor ECD expenditure and the sector • Increase funding for education to achieve universal access to ECE • Increased funding in ECD areas that link to the

Country	Findings	Recommendations
	<ul style="list-style-type: none"> • Inadequate funding for Reproductive and Child Health programme, and Health promotion and primary health care programmes • Funding for birth registration needs increased financial commitments • Lack of data availability for the tracking of expenditure 	<p>NDS, National Food Security, Food Safety and Nutrition Policy</p>
Tuvalu	<ul style="list-style-type: none"> • Share of ECD expenditure as % of GDP was 14% in 2020 far surpassing the 1% benchmark • Share of donor funding (compared to Gov) is 17.8% • Education-related expenditure on ECD (as % of total Education Ministry budget) was 14.5% surpassing the 10% benchmark • Need for increased budget allocation to ECD-sensitive environmental programmes because of climate change • Data for tracking ECD-related expenditure still shows some inadequacies 	<ul style="list-style-type: none"> • Increase ECE enrolment to meet national targets • Improve data regarding quality of early childhood development (e.g., school attendance and retention) • Increase budget on ECD programmes for children at risk of climate change and extreme weather • Identify more recent/ specific targets for child protection and GBV
Samoa	<ul style="list-style-type: none"> • Share of ECD expenditure as % of GDP was 1% in 2020 just meeting the 1% benchmark • Share of Gov funding (compared to donor) is 85.7% • Education-related expenditure on ECD (as % of total Education Ministry budget) was 11.2% surpassing the 10% benchmark • An increase in ECD expenditure through the Health Ministry attributed to increased donor support for the 2019 Measles outbreak (among others) • Share of ECD-related expenditure in terms of child protection and GBV increased 	<ul style="list-style-type: none"> • ECD-specific expenditure to be more defined • Increase funding for education, health, and nutrition, to achieve national targets • Ensure funding for the Social Development Ministry matches evidence-based targets related to child protection and gender-based violence
Vanuatu	<ul style="list-style-type: none"> • Share of ECD expenditure as % of GDP was 1.3% in 2020 meeting 1% benchmark • Share of donor funding (compared to Gov) increased significantly from 46% to 70% • Education-related expenditure on ECD (as % of total Education Ministry budget) was 6% falling short of the 10% benchmark • Moderate rise in ECD-related health and nutrition expenditure • Child protection and GBV related expenditure increased 	<ul style="list-style-type: none"> • Disaggregate ECD expenditure data (by province and programme) • Increase funding for education specifically ECCE • Make recurrent budgets stable especially for Reproductive Health and Family Planning and immunization programmes • Improve the tracking of Child Protection-related expenditure