

EU Multiannual Financial Framework 2021-2027: Invest in children

“The best interests of current and future generations of children should be given serious consideration in all budget decisions. States parties should mobilise revenues and manage public resources in such a way as to ensure the (...) delivery of programmes aimed at directly or indirectly realizing children’s rights”¹

For the future Multiannual Financial Framework (MFF), we call on the EU to invest efficiently and adequately in children, especially the hardest to reach and most excluded, and to ensure people- driven accountability and tracking of its investment in children. Specifically, the EU should:

1. Ensure that development aid primarily serves to alleviate poverty, achieve sustainable development, tackle discrimination and inequality, and empower the most marginalised. Additionally, the EU should continue to take a principled approach to humanitarian aid.
2. Ensure the rights of the child are effectively integrated and applied across all policies, sectors and programmes relating to bilateral and multilateral development assistance and humanitarian aid.
3. Invest in a dedicated child rights programme in its future external aid instrument(s).
4. Explicitly maintain ring-fenced levels of spending for basic social services at an equivalent level to the current 20% benchmark, with specific focus on health, education, and social protection.
5. Take a systems-strengthening approach to programmes and initiatives focusing on child rights in development and, where relevant, in humanitarian contexts, and promote resilience-based, rather than issue-based and fragmented approaches.
6. Invest in child and youth-centered approaches that are participatory, empowering, and innovative, and put in place accessible, child-friendly accountability systems at headquarters and field levels.
7. Establish systems to effectively track EU investment in children through its Official Development Assistance (ODA) and Humanitarian Aid.

I. Why investing specifically in children matters

I.1 Translating the EU's commitments to child rights into actions

The EU has made it explicit that children are at the heart of its external actions through a number of legislative and policy documents, starting with the Lisbon Treaty¹ and more recently, through signing up to the 2030 Agenda. **Investing in children and youth is key to achieving these Goals as is reflected in both the EU's Communication "Next steps for a sustainable European future" as well as the revised European Consensus on Development (2017).** The latter refers to reducing child mortality; investing in early childhood development and quality education at all levels; tackling undernutrition and stunting in children; and protecting women's and girls' rights, as priorities.

As a world leader in providing both development and humanitarian support for children, the EU has identified meeting their diverse needs, and realising their rights and aspirations as critical to avoid the risk of a "lost generation". **Particular attention has also been given to reaching the most marginalised children.** The revised "EU Guidelines on the Promotion and Protection of the Rights of the Child – Leave No Child Behind" specifically strengthen this commitment at field level, emphasising the potential that children have "to be the greatest agents of change and sustainable development"².

It is now the time to intensify efforts to translate these important legal and policy commitments into adequate resources and effective spending for children's rights to be realised. This forms a crucial element of fulfilling Member States' commitments to the SDGs and poverty eradication.

I.2 Safeguarding progress in human, social, and economic development, especially for the most marginalized

A life-cycle approach to child development is one of the most effective approaches to ensuring girls' and boys' rights and needs are recognised and realised in a gender and age-appropriate way. **Investing in child development is critical for the transition into adulthood and for human development.** Neglecting mainstreamed and targeted investment, by contrast, has dire long-term consequences. Such consequences include health costs, long-term dependence on social protection systems, lower educational attainment, difficulties in entering the labour market and finding a decent job and other forms of social exclusion. The Addis Ababa Action Agenda recognises that **"investing in children and youth is critical to achieving inclusive, equitable and sustainable development for present and future generations"**.

There is clear evidence that **even relatively low investments during childhood lead to significant gains: for girls and boys, families, societies, and economies.** For example, adults

¹ Article 3 of the Lisbon Treaty states that "(i)n its relations with the wider world, the Union shall... contribute to... eradication of poverty and the protection of human rights, in particular the rights of the child...".

² Clause no.7 of the Addis Ababa Action Agenda of the Third International Conference on Financing for Development

who were malnourished as children earn at least 20% less on average than those who had access to safe, nutritious and sufficient food. Investing in overcoming malnutrition and stunting can raise the GDP by 2 to 3 % per year³, establishing a clear correlation between child malnutrition caused by poverty and future economic growth prospects. Education increases the average age of marriage and lowers family size preferences. A child born to a mother who can read has 50% greater chance of living past the age of 5 years. Investment in education and training opportunities for children and youth increases their chances of having a decent standard of living and fulfilling their economic rights.

There is a huge economic and social cost associated with lack of quality care⁴, and with violence against children. A child's psychological well-being, especially the quality of caring relationships they experience, plays an important part in their emotional, social, physical and cognitive development⁵. Altogether, the global costs of physical, sexual, and psychological violence against children have been estimated at up to 8% of global GDP⁶.

In sum, **promoting child rights, and making specific investments from early childhood through the second decade of life have the highest transformative potential to break the cycles of poverty and inequality.** The 54 child-related targets of the 2030 Sustainable Development Goals will not be reached if the next EU Multiannual Financial Framework does not accelerate the pace of investment in reaching the world's most disadvantaged, marginalised and excluded girls and boys.

Unless we act now, by 2030 we will see a world in which:

- Over 165 million children will live on less than US\$1.90 a day – of whom 9 out of 10 will live in sub-Saharan Africa⁷;
- 750 million women will have been married as children;
- 45% of under-5 deaths will continue to be caused by malnutrition every year;
- 30 million children will be sexually abused before the age of 18 in fragile and conflict settings;
- 246 million girls and boys will experience school-related violence every year;
- One billion young people will enter the labour market within the next decade, and close to 500 million extra jobs will be needed to keep employment constant;
- More than 3 million children of primary school age are estimated to be out of school in Southeast Asia alone⁸. Globally about 59 million children of primary school age are already out of school now⁹.

The EU should also take a principled approach to humanitarian aid with a robust and separate humanitarian budget. It must include priority access to EU emergency reserves on an annual basis (in

³ World Vision (2011) The Best Start: Saving Children's Lives in their First Thousand Days

⁴ SOS Children's Villages International: "The Care Effect: Why no child should grow up alone", p. 11, 2017

⁵ UNICEF and World Health Organisation "Guidance note for integrating ECD activities into nutrition programmes in emergencies", p.3

⁶ Overseas Development Institute and ChildFund Alliance, 2014, Op. cit.

⁷ "Is every child counted? Status of data for children in the SDGs"

⁸ UNESCO, 2017. Situation Analysis of Out-of-School Children in Nine Southeast Asian Countries

⁹ <https://data.unicef.org/topic/education/primary-education/#>

case of unforeseen crises) and the possibility of multi-year financing for effective interventions involving children in protracted crises, for instance, through child protection and education in emergencies.

It is therefore paramount that in the next MFF the rights of the child are effectively integrated and applied across all bilateral and multilateral development assistance and humanitarian aid policies, sectors and programmes. The EU should invest in a dedicated child rights programme under its future external aid instrument(s).

2. Detailed recommendations on the next Multiannual Financial Framework

2.1. Explicitly maintain ring-fenced levels of spending for basic social services

To prevent a future scenario in which millions of children and young adults become a “lost generation”, **the EU should use benchmarks to ensure a robust financial commitment to delivering on the goal of equitable quality education for all (SDG 4).** This includes **strengthening national education systems, and working through bilateral and multilateral funding initiatives** (e.g. ‘Global Partnership for Education’, ‘Education Cannot Wait’, and ‘No Lost Generation’). It means **giving priority to early childhood development and addressing barriers to a full cycle of education** including poverty, violence and gender norms. It should also include a **component addressing vocational training and lifelong learning.** The EU should **support partner country health systems to become stronger and more resilient** to new and emerging challenges, and **support the expansion of their health workforce.** This is explicitly called for in the EU Consensus on Development as is universal health coverage, with the aim of ensuring that those children currently excluded can access quality and affordable health care through the removal of user fees and expanded service provision (in line with SDG 3).

We, therefore, call for the next MFF to explicitly maintain ring-fenced levels of spending for basic social services at an equivalent level to the current 20% benchmark, and with specific focus on health, primary and secondary education, and social protection.

2.2. Invest in systems strengthening

If the EU wants to have long lasting impacts and more sustainable, comprehensive responses to child protection issues, it needs to invest in state systems strengthening. Unless child protection, health, and education systems are strengthened sustainably, including with a focus on the hardest to reach and most marginalised children as well as different gender- and age-based needs of girls and boys, there is a risk of many more “lost generations”. **System-strengthening is also an investment in the resilience of children to be better prepared and equipped for future crises and dealing with shocks and stresses.** It contributes to bridging the gap between development and humanitarian interventions in which children, their families and communities often find themselves.

Human resources, finance, social norms, laws and policies, governance, implementation, monitoring, evaluation, and data collection are all essential elements in this context. **Successful system strengthening also implies involving different actors – children, families, communities, civil society, subnational and national authorities and international partners.** Most important are the relationships and interactions between and among these components and the actors within the system. It is the outcomes of these interactions that comprise the system¹⁰.

The next MFF must take a systems-strengthening approach in its programmes and initiatives focusing on child rights, in development and when relevant, in humanitarian contexts, and promote resilience-based, rather than issue-based and fragmented approaches.

2.3. Invest in child and youth-centered approaches that are participatory, empowering, and innovative

The UN Convention on the Rights of the Child (CRC) states that children and adolescents have the right to participate in decision-making processes that affect their lives. The active engagement of children and young people is essential for promoting policy change, implementation and monitoring of issues impacting them. **Promoting and enabling children and youth’s meaningful participation and empowerment must be key priorities for the EU to ensure sustained child well-being and to foster democratic societies with informed and engaged citizens.** When given the opportunities and the space, children and youth can act to improve and shape their own lives and those of entire communities and societies.

The EU and its Member States should recognise children and youth as agents of transformation, capable of engaging in decision-making processes and - according to their evolving capacities - of developing leadership. **The EU and its Member States should therefore encourage their active participation and voice in the development, design and monitoring of services and programmes as well as in the elaboration of child-focused policies in its external actions.**

¹⁰ « A better way to protect all children », 2012
(https://www.unicef.org/protection/files/C956_CPS_interior_5_130620web.pdf)

Evidence of children's participation in policies and decisions that impact them should be a key criterion when developing joint bilateral strategies and documents (such as National Indicative Programmes)¹¹. Close attention should be paid to empowering girls as they face unequal barriers to participation and engagement.

To ensure resilient communities as well as sustainable peace, it is essential to engage children and youth as peace and resilience-builders from an early age. **This will guarantee the continuity and increased impact of peacebuilding initiatives**, whilst providing support to local organisations that actively involve children and young people to drive social change and create secure and stable communities.

In the next MFF, it is essential that the EU invest in innovative child and youth-centered approaches that are participatory, empowering, and innovative; and that the EU puts in place accessible child-friendly accountability systems at headquarters and field levels.

2.4. Establish systems to effectively track EU ODA investments in children

It's hard to evaluate how much EU aid is allocated to investment in children. Despite the evidence that investments during childhood lead to significant returns, **little is known about how much is spent on children, for example in the key area of ending violence against children**¹². To date, few attempts have been made to systematically quantify and analyse available data. This is also the case in terms of Official Development Assistance (ODA) where most donors do not have internationally agreed methods of tracking and recording expenditures related to investment in children, nor agreed assessments of how social budgets are spent on children. Establishing a tracking and reporting mechanism would make it possible to monitor the annual contribution of global development assistance to achieving the child-focused sustainable development targets within Agenda 2030.

It is therefore essential that the next MFF foresee (i) a clear child rights situation analysis for EU spending as part of the country programming process, including the differential impact on girls and vulnerable children; and (ii) a robust child rights tracking system for collecting data, disaggregated by age and gender at a minimum, and which allows a precise and continuous monitoring of EU spending to ensure its investments are on track with its commitment to reach the most marginalised.

¹¹ SOS Children's Villages International, "Towards the Right Care for Children", p.28, 2017

¹² Childfund Alliance, The Global Partnership to End Violence against Children, Save the Children, SOS Children's Villages, UNSG Representative on Violence Against Children, UNICEF and World Vision (2017) "Counting Pennies: A review of official development assistance to end violence against children"