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**Annual report of the United Nations High Commissioner
for Human Rights and reports of the Office of the
High Commissioner and the Secretary-General**

**Promotion and protection of all human rights, civil
political, economic, social and cultural rights,
including the right to development**

Follow-up on investment on children's rights

Report of the Office of the United Nations High Commissioner for Human Rights

Summary

The present report, submitted to the Human Rights Council pursuant to its resolution 28/19, follows up on a previous report of the United Nations High Commissioner for Human Rights entitled "Towards a better investment in the rights of the child" (A/HRC/28/33). In the present report, the High Commissioner provides examples of good practices followed by States in relation to the main aspects of investment in children, including child rights-based budgeting and spending, transparency, participation and accountability. He also provides good examples of how to make children visible in the budget, non-discrimination, and of how to reach the most vulnerable and deprived children, and child rights impact assessments.



I. Introduction

1. The present report is submitted to the Human Rights Council pursuant to resolution 28/19, in which the Council requested the Office of the United Nations High Commissioner for Human Rights (OHCHR) to prepare a follow-up report on investment in the rights of the child on the basis of good practices and lessons learned, in close collaboration with stakeholders, including States, the United Nations Children's Fund (UNICEF), other relevant United Nations bodies, agencies, funds and programmes, relevant special procedure mandate holders, regional organizations and human rights bodies, civil society, national human rights institutions and children themselves.

II. Overview

2. The present report follows up on the report of the High Commissioner entitled "Towards a better investment in the rights of the child" (A/HRC/28/33), in which the High Commissioner set out the obligations of States to invest adequately in the rights of children, in accordance with the Convention on the Rights of the Child. In its full-day meeting on the rights of the child, held on 12 March 2015 during its twenty-eighth session, the Human Rights Council debated the issue of investment in children. During the discussion, many States called for examples of good practice to be shared by OHCHR in order to support States in ensuring effective and efficient investment in children.

3. One of the aims of the present report is to provide such examples, and to show that States at all stages of economic development can fulfil their obligations under the Convention on the Rights of the Child to invest adequately, effectively and equitably in the rights of children. Increased and improved investment in children is ultimately linked to the willingness and capacity of the policymakers that formulate and approve national, regional and local budgets, and ensure effective allocation and execution. This includes ensuring domestic resource mobilization, including through progressive taxation policies, international cooperation, sufficient and equitable budget allocation to key sectors and programmes of importance to children, efficient public financial management systems and resource transparency. Furthermore, mechanisms can be introduced or strengthened to ensure that policymakers fulfil their obligations, including through proper accountability, transparency, non-discrimination and the participation of citizens, including children. The examples of good practices described in the present report are illustrative and selective.

III. Generating revenue for the realization of the rights of the child

4. Taxes are the largest and most predictable source of finance for States at all levels of development. In the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, world leaders stated that significant additional domestic public resources, supplemented by international assistance as appropriate, would be critical to realizing sustainable development. For that reason, States committed to enhance revenue administration through modernized, progressive tax systems, improved tax policy and more efficient tax collection, and to work to improve the fairness, transparency, efficiency and effectiveness of their tax systems, including by broadening the tax base.¹

¹ General Assembly resolution 69/313, annex, para. 22.

5. The importance of effective and efficient taxation was illustrated by a study examining the connection between tax revenues and progress on the Millennium Development Goals. The authors of the study concluded that, where tax-to-GDP ratio is high, and tax revenues add to incremental progress in identified obligations, fewer children will be undernourished, more people will be able to read, the child mortality rate will be lower and fewer women will die in labour.² The importance of effective taxation was captured in the slogan of the Kenyan revenue authority: “Pay your taxes and set your country free”.³

6. The act of developing effective and equitable taxation systems can encourage dialogue between the State and citizens, and help to ensure better formal accountability. In the case of Ghana, developing a functioning tax administration has also motivated further development of institutions in other parts of the public sector, such as health and education.⁴ Similarly, in Nigeria, Lagos State was able to increase its tax revenue more than tenfold between 2003 and 2007 by improving revenue collection. This trend coincided with a visible expansion in social services and led to a change in public attitudes towards government and taxation.⁵

7. The willingness of citizens to pay tax is closely correlated with decreased corruption, and creates an incentive for Governments to govern more effectively if they want to collect more revenue. For example, over the past decade, the Government of Rwanda has expanded its fiscal space to increase investment in children not only by improving efficiency in tax collection but also by cracking down on corruption, reducing its reliance on the more regressive consumption taxes. These measures have contributed to increased social expenditures on health and social protection.⁶

8. In order to ensure that all citizens and corporations comply fully with their obligations, States must work towards achieving transparency of taxation, strengthening the tax base, closing tax loopholes and promoting international cooperation to avoid tax evasion. Tax policies must be accompanied by the administrative and institutional capacity to collect taxes fairly and efficiently. States should also recognize the importance of taxation in tackling and redressing systemic discrimination by improving equity in revenue collection. For this reason, taxation should be progressive, and any taxes with a regressive effect must be avoided. Governments should also ensure that taxes on products and services do not harm children by increasing the price of essential goods, including food and medications, in such a way that it adversely affects the realization of children’s rights.

IV. Child rights-based budgeting and spending

9. The budget reflects a Government’s agenda, and is the clearest expression of its priorities, performance, decisions and intentions. For that reason, budgets should be evaluated in their entirety for their impact on the realization of children’s rights. Budget analysis is a tool for both monitoring the State’s performance and holding it accountable.

² Atiya Waris and Matti Kohonen, “Building taxation to achieve the Millennium Development Goals in Africa”, paper presented at the Workshop on Debt, Tax and Human Rights, Essex University, July 2011.

³ David McNair et al, *Tackling Tax and Saving Lives* (London, Save the Children, 2014), pp. 4-6.

⁴ *Ibid.*, p. 6.

⁵ Cristina Bodea and Adrienne LeBas, “The origins of social contracts: attitudes toward taxation in urban Nigeria”, Centre for the Study of African Economies, CSAE working paper, January 2013.

⁶ Submission from Save the Children.

A. Making children visible in the budget

10. States must ensure that the achievement of children's rights is a primary consideration when enacting the budget, and that children are prioritized in resource allocation and expenditure. A detailed budget enables different stakeholders – including children themselves – to see how much a Government allocates to budget line items that have a direct impact on children. Performance- and programme-based budget classification methods have been identified by many Governments and civil society actors as the most effective classification method to identify child-focused line items in a budget. Through performance- (or results-) and programme-based classification methods, budgets are formulated and presented in accordance with expected results and planned programmes.

11. In India, South Africa and Zambia, where performance- and/or programme-based budgeting has been embraced, it is easier to track child-focused budgetary allocations and expenditures. For example, the estimates for the 2014 budget of Zambia showed both expected results and programmes to be implemented under each result area; programme 5021 under “Equity” included programmes for “orphans and vulnerable children”, “school health and nutrition” and “HIV/AIDS impact mitigation”.

12. Where the basis for budgeting and the budget classification systems allow for the identification of child-focused budget allocation, some Governments have also summarized budget allocations that directly or indirectly benefit children in separate documents. For example, in India, Statement 22 summarizes provisions for expenditure on schemes that are mainly focused on children's welfare.⁷ In June 2015, the Government of Bangladesh announced the introduction of a “child budget” to be piloted in selected social sector ministries in the financial year 2015/16.

B. Costing and analysis

13. Comprehensive, rights-based costing of child-focused programmes is – particularly for complex interventions such as child protection – central to ensuring that policies are translated into budgets and that budget planning is based on realistic estimates. For example, in 2009, UNICEF conducted a study to establish the economic costs of child abuse in Vanuatu. It found that the annual estimated cost of child abuse is equivalent to between 0.5 and -0.75 per cent of GDP for Vanuatu, while the life-long cost of child abuse was estimated at around 6.8 per cent of annual GDP. It also compared costs stemming from child abuse against savings resulting from government investment in legislative reform and the strengthening of child protection services. The findings of the study were used to make a case for strengthening child protection systems.⁸

14. In 2010, another study revealed that, in the United States of America, \$13 billion could be saved every year and an excess 900 deaths could be prevented if 90 per cent of families complied with medical recommendations to breastfeed exclusively for six months.⁹ The cost-saving impact of breastfeeding practices was reaffirmed in a UNICEF report asserting that more than £17 million could be gained annually by avoiding the costs of

⁷ Government of India, Ministry of Finance, Budget provisions for schemes for the welfare of children, Expenditure Budget vol. I, 2015-2016 (available from <http://indiabudget.nic.in/ub2015-16/eb/stat22.pdf>).

⁸ Jo Pollett and Steve Gurr *Lifting the Financial Burden of Child Abuse: A Vanuatu case study* (UNICEF Pacific, 2010).

⁹ Melissa Bartick and Arnold Reinhold, “The burden of suboptimal breastfeeding in the United States: a pediatric cost analysis”, *Pediatrics*, vol. 125, No. 5, (2010), p. 1048.

treating four acute diseases in infants if only 45 per cent of women exclusively breastfed for four months and if 75 per cent of babies in neonatal units were breastfed at discharge.¹⁰ Against this background, the International Baby Food Action Network developed a financial planning tool, the World Breastfeeding Costing Initiative, to help countries to develop a national plan of action together with a budget to implement breastfeeding programmes and policies in order to implement the Global Strategy for Infant and Young Child Feeding launched in 2002 by UNICEF and the World Health Organization (WHO).

15. The importance of costing analysis has also been seen in Romania, where the non-governmental organization Hope and Homes for Children undertook a study on the financial impact of the reform of the child protection system. In particular, it demonstrated how institutional care costs could be reduced to zero through reform, and most quickly when measures to move children from institutions to foster care and family-type homes was accompanied by prevention measures to avoid children being removed from their families in the first place. According to one non-governmental organization, the study was used to promote and obtain systematic reform of child protection services in more than 20 regional administrative units in Romania.¹¹

C. Investment in children on the subnational level

16. While a national commitment to child rights-based budgeting is of fundamental importance, in many cases, actual spending on children and the provision of services take place at the subnational level. For this reason, States must ensure that municipalities have sufficient resources to invest in children, including timely disbursement of funding by the national Government on the basis of a fair and predictable national formula for revenue sharing. Particular attention should be focused on the regions and municipalities that are most vulnerable, and that may therefore need additional expenditure. A good example of child rights-based budgeting on the subnational level can be seen in Denmark, where a reimbursement scheme has been set up between the national Government and the municipalities. The scheme enables municipalities to receive reimbursement from the State for expenses on social assistance and support exceeding a certain threshold.¹²

17. Networking, peer learning and experience-sharing between different municipalities can strengthen the commitment and capacity of elected officials and municipal council staff to invest in children, as seen in the case of the Central American Learning Circle on Child Rights and Local Development. With input from children, peer support from the Learning Circle and support from the non-governmental organization Save the Children, the municipality of Yamaranguila in Honduras increased its budget allocation to children from 14 per cent of the total municipal budget in the period 2006-2009 to 23 per cent in 2010-2013. The engagement of children with the municipality has also strengthened their ability to influence the implementation of the development municipal plan with investment in children as a priority task.¹³

¹⁰ Mary J. Renfrew et al, *Preventing disease and saving resources: the potential contribution of increasing breastfeeding rates in the UK*, (UNICEF UK, London, 2012).

¹¹ Submission from Eurochild.

¹² Submission from Denmark.

¹³ *Experiences from Investment in Children in Latin America and the Caribbean Supported by Save the Children* (Save the Children, Managua, 2013).

D. Non-discrimination and reaching the most vulnerable and deprived children

18. It is the responsibility of States to analyse and take into account the diversity and varying vulnerabilities of children in all parts of their territory, to ensure that their policies and programmes are responsive to the rights of all children, prioritizing the most vulnerable and deprived among them. Studies have shown that rates of return on investment in children are higher and more worthwhile when targeted at vulnerable children.¹⁴

19. States must also take into consideration the evolving needs of children at different ages, as well as the unique situations and vulnerabilities of different groups of children. A good example of this can be seen in Peru, where a life cycle approach is used in the analysis of federal budget allocations to children's rights. The purpose of this approach is to quantify specific public investment in the three basic stages of childhood (early childhood, 0-5 years; children, 6-12 years; and adolescence 13-17 years) with the objective of supporting more specific public policies to achieve more effective enforcement of their rights at every stage.¹⁵

20. States must recognize that investing in child-sensitive social protection – including social assistance, social insurance, social service and social equity measures – is a key strategy for addressing child poverty and inequality. Such measures help to move children out of chronic poverty while also expanding their opportunities for survival, participation, protection and development.¹⁶ One example in this regard can be seen in Malawi, which in 2006 introduced an unconditional social cash transfer pilot programme that targeted the country's most poor and labour constrained households. The programme led to household dietary diversification, increased demand for education and health care, and a drop of 23 per cent in illnesses among participating children. The effects on education included a 5 per cent increase in enrolment, increased educational expenditures per child, a one-day decrease in absences and a 10 per cent decrease in out-of-home work for intervention areas compared to children in control groups.¹⁷

21. Child-sensitive social protection programmes have also been launched in Bangladesh, India and Nepal, aimed at influencing and supporting Governments to reduce the vulnerability and poverty of children by ensuring that social protection measures lead to meaningful investment in children.¹⁸ As a result, the 10-year social protection framework of the Government of Nepal has been amended to reflect child-sensitive social protection as one of the working principles, and there have also been increased commitments in this area for orphaned children by local governments.

¹⁴ Nicholas Rees, Jingqing Chai and David Anthony, "Right in principle and in practice: a review of the social and economic returns to investing in children", UNICEF Social and Economic Policy Working Paper, June 2012.

¹⁵ UNICEF, *Inversión pública en la infancia en América Latina y el Caribe: Sistematización de experiencias destacadas* (Panama, 2014).

¹⁶ African Child Policy Forum, *African Report on Child Wellbeing 2013: Towards greater accountability to Africa's* (Addis Ababa, 2013), p. 66.

¹⁷ Ibid.

¹⁸ Save the Children Finland, *Putting Child Sensitive Social Protection into Practice*, discussion papers on Bangladesh, India and Nepal.

E. Child rights impact assessments

22. States are in a better position to budget effectively for children if they embed measures to ensure their best interests within the mainstream budget cycle and other fiscal processes. Systematic child rights impact assessments can help to translate this principle into practice by evaluating how social and economic policies, resource mobilization, budgets, spending and other fiscal processes have an impact on children and the realization of their rights. The Committee on the Rights of the Child has recommended that States parties to the Convention on the Rights of the Child to use impact assessments to analyse how investments in any sector may serve the best interests of the child.¹⁹

23. In the United Kingdom of Great Britain and Northern Ireland, the Office of the Children's Commissioner published a report, entitled "A Child Rights Impact Assessment of Budget Decisions", in which it considered the impact of tax, tax credit and welfare benefit changes and of changes to spending on public services implemented (or scheduled to be implemented) between May 2010 and April 2015. The purpose of the assessment was to identify the likely impact of budgetary decisions on the realization of the rights of the child in the United Kingdom, and to assess how far the Government had met its obligations to make the best interests of the child a primary consideration in decisions – including budgetary decisions – affecting children.²⁰

F. Collection of comprehensive, disaggregated and timely data

24. In order to implement a child rights-based approach to public budgeting successfully, States must ensure that timely, comprehensive and disaggregated data are collected, including in relation to the most vulnerable and deprived children, to inform resource planning, allocation and spending. An example of this approach can be seen in Argentina, which established the National Council for Social Policy in 2000 to ensure efficient and effective management of State resources for social policy, with emphasis on policy childhood. In 2001, the Council in turn established SIEMPRO (sistema de información, evaluación y monitoreo de programas sociales), a system used to design and implement tools to produce information for diagnosing and monitoring the socioeconomic situation of the population (including children and adolescents) and for evidence-based policy formulation. In doing so, it captures information on current social programmes, monitors progress in meeting the goals set by the programmes, and evaluates the degree to which planned impact achieves that actually made.

V. Accountability

25. To monitor the quantity of resources allocated to children it is not enough; States should also develop methodologies to assess the extent to which investment has been spent as intended and translated into the guarantee of rights and improvement of quality of life for children. In its submission to OHCHR for the previous report (A/HRC/28/33), the Government of Thailand explained that the main challenge faced in budgeting did not lie in the amount allocated, but rather in how it is spent. Similarly, in its submission, Estonia

¹⁹ See CRC/C/44/3, annex II. See also "Integrating a Child Focus into Poverty and Social Impact Analysis", a UNICEF – World Bank Guidance Note, 2011, available from www.childimpact.unicef-irc.org/en/psia-cria/child-centered-psias-unicef-world-bank-guidance-note.

²⁰ Submission from the Equality and Human Rights Commission (EHRC).

stated that, in allocating resources to children, the main challenge is to spend purposefully and cost-effectively, whether at the local or the national level.

A. Formal accountability

26. Internal and external financial oversight mechanisms provide essential safeguards in ensuring that public funds are spent as intended and in holding actors accountable. States should strengthen the role of parliament, supreme audit institutions, independent human rights institutions and ombudspersons for children to keep governments accountable for their investment in children. In particular, the role of audit institutions in scrutinizing the use of public funds is vital in providing essential oversight at the different stages of the budget cycle. Civil society organizations can play an important role in the effectiveness of these institutions. In the Philippines, for example, the Commission on Audit has established the Citizen's Participatory Audit, a programme by which the 'Commission, in partnership with civil society organizations, forms special audit teams and conducts value-for-money audits of selected government projects.²¹

27. Similarly, parliaments themselves can provide important oversight of the use of public funds. In order to fulfil this function, they need sufficient time to review budget proposals and an adequate understanding of the budget cycle, together with knowledge and a focus on children's rights. For example, to help the legislature to understand the budget process, in South Africa the Institute for Security Studies has published the "Budget Guide for Members of Parliament". To ensure coordination on child rights issues, some legislatures have established specific committees on children: in South Sudan, for example, health, education, social welfare and child protection budgets have increased largely through the influence of a parliamentary lobby group for children and training of parliamentarians by a non-governmental organization.²²

28. Authorities at the subnational level are equally accountable for their spending. An example of good practice can be seen in Mexico, where the Government presents a quarterly newsletter on children's rights in the budget, which contains an analysis of spending disaggregated by right, sector and ministry, and between levels of government.²³ Given that in Mexico more than 50 per cent of resources for children are allocated at the subnational level, local governments learn about good federal practices and appreciate the importance of investing in children and in building efficient, effective budgets thanks to the support and advocacy of partners such as UNICEF. As a result, in 2013, the state budgets of Chiapas and Yucatan were compiled with information specifically relating to children. To facilitate continuous monitoring of federal and subnational funds, UNICEF has created a website with information aimed at promoting transparency and accountability.²⁴

B. Child-centred social accountability

29. In addition to formal accountability institutions, social accountability mechanisms can be used by children and adults to hold public officials and service providers to account for their commitments to children, including in relation to public spending and service delivery. Social accountability involves direct engagement between duty bearers and right

²¹ International Budget Partnership, *Open Budget Survey 2015*, p. 45.

²² Save the Children, "Investment in Children – Investment in Everyone", *Child Rights Governance Global Initiative*, 2014, pp. 11-12.

²³ UNICEF, *Inversión pública en la infancia* (see footnote 15).

²⁴ *Ibid.*

holders, and can be a powerful tool in strengthening all levels of planning, budgeting, implementation, reporting and oversight. In Cambodia, for example, the Government has institutionalized social accountability at the level of local government by adopting the Strategic Plan on Social Accountability for Subnational Democratic Development. The strategy acknowledges that each subnational council is primarily and directly accountable to local citizens, in the interests of transparency and the promotion of people's participation in making decisions on the allocation, use and management of resources and the provision of public services.

30. Civil society plays a vital role in ensuring social accountability by means of such practices as public expenditure tracking and social auditing. One non-governmental organization informed OHCHR that, in Zambia, it assisted caregivers in the use of community score cards, designed to assess the quality of health services in Lufwanyama district. On the basis of the score-card results, a public hearing was held in which community members and health services providers discussed findings and agreed on ways forward to improve health services in the district.²⁵ Similarly, Plan International informed OHCHR in its submission that it had piloted a scorecard approach, the "Because I am a Girl" programme, in Uganda and India to help marginalized and excluded girls and young women to assess the availability and quality of city services that guarantee children – and particularly adolescent girls – free and safe circulation in the city, and to negotiate improvements with city authorities. On the basis of the assessment of services by scorecard and following an interface meeting between community members and service providers (facilitated by adolescent girls), improvements were made to the services provided in both countries. The review of investments in the safety and protection of adolescent girls also helped the city authorities to redirect budget allocations to the priorities raised by marginalized girls.

31. To facilitate the participation of children and adolescents in programmes for accountability, States need to develop skills to understand and analyse budgetary processes. In Kenya, Plan International has helped to build the capacity of young citizens by providing them with training on budgeting and service delivery procedures. The initiative is based on information and communications technology and the media as critical enablers for young people's participation, and helps local authorities and non-State actors to ensure transparent and participatory decision-making at the county level. Young people learn how to use social accountability tools as an effective means to negotiate priorities with service providers. At the same time, the capacity of county authorities in budget analysis, gender responsive budgeting and youth and children's rights programming is strengthened, as is their ability to debate the sector-specific implications of budget allocations with citizens.

C. International and regional commitments and accountability mechanisms

32. International policy commitments and human and child rights obligations can assist in ensuring accountability for investment in the rights of the child. In Sri Lanka, for example, the Government used Human Rights Council resolution 28/19 as a basis for consultations on investment in the rights of the child with a wide range of stakeholders within the Government itself and with representatives of civil society. Through this process, the Government and civil society actors have gained an insight into the importance of investing in children. In June 2015, the Government adopted a national agenda on child rights governance, which includes clear commitment to increase investment in children.

²⁵ Submission from Save the Children.

33. The universal periodic review mechanism of the Human Rights Council is an important tool in assisting States in investing in the realization of the rights of the child. At the twelfth session of the Working Group on the Universal Periodic Review, the Government of the Republic of Korea committed to prioritizing resource allocations for children. Discussions at the session also led to the formation of an inter-embassy meeting group on children's rights. Similarly, during the review of Zambia at the fourteenth session, the Government accepted recommendations on budget allocations for maternal and child health and investment in education in rural areas. The recommendations on the health budget indeed helped to strengthen national advocacy efforts, leading to an increase in the national health budget from 9.3 per cent in 2012 to 11.3 per cent in 2013.²⁶

34. In Bangladesh, the universal periodic review has boosted national advocacy for the Child Rights Act enacted by Parliament on 16 June 2013, two months after the review of Bangladesh by the Working Group at its sixteenth session.²⁷ In Pakistan, advocacy originating from the universal periodic review was instrumental in accelerating key legal and policy reforms that had been pending for years. In November 2012, one month after the fourteenth session of the Working Group, the Right to Free and Compulsory Education Act was passed by the National Assembly, guaranteeing free education to all children aged from 5 to 16 years. The Government declared 2013 the year of child rights, thus providing further scope for civil society to push the Government to fulfil its commitments to children.

VI. Transparency

35. Meaningful accountability is only possible when citizens – including children – and civil society have access to timely policy and fiscal information to support their informed engagement with budgetary processes. Nonetheless, the Open Budget Survey for 2015 reported that, in the 102 countries surveyed, only one-third of budget documents that should be available to the public were not produced, produced for internal use only or published too late to be useful. Of particular concern, the Governments of 16 countries even failed to publish a basic document describing proposed budget policies.²⁸

36. States should make national and subnational budget and spending documents public during their annual budget cycle in a timely manner. At the national level, this includes making public the pre-budget statement, the executive budget proposal, the enacted budget, in-year reports, a mid-year review, a year-end report and an audit report by the supreme audit institution. In Bangladesh, for example, local governments publish "citizens' charters", which include information on funds allocated in the local government budget to children's programmes and social development. The charters are updated quarterly to reflect actual expenditure.

37. In Uganda, transparency has helped to bring about important increases in both the allocations to and the quality of spending in the education sector. In the mid-1990s, a public expenditure tracking survey was conducted by the Government and the World Bank to collect information from frontline education providers to gauge the extent to which grants actually made it to their intended destination. Through the collection of quantitative data and the publication of documents on allocations to schools, parents and children were able to monitor actual resource flows to schools. In less than a decade, the utilization by schools of government grants improved from 20 per cent to over 80 per cent, also implying a reduction in corruption. Systematic transparency was ensured by the publication of school

²⁶ Save the Children, "Investment in Children – Investment in Everyone" (see footnote 22), pp. 20-21.

²⁷ *Ibid.*, p. 21.

²⁸ International Budget Partnership, Open Budget Survey (see footnote 21), p. 2.

budgets in newspapers, which allowed parents and community groups to hold politicians and civil servants accountable for proper spending of the allocated resources.²⁹

38. Governments need to provide budget information in a clear and simple format to facilitate the public's understanding of the budget. A number of States have developed innovative ways to provide information and to engage with children and young people concerning budgeting processes. OHCHR was informed that, in Japan, the Ministry of Finance has created a website for children, which includes games and videos for learning more about and understanding the tax and fiscal system, while in Honduras, the Government authors a popular column in a national newspaper in which it outlines and explains the contents of the budget.

39. To ensure that children can participate in fiscal processes, States should develop age-appropriate, child-friendly information about the fiscal process and the budget in the different languages spoken (including in those used by indigenous and minority communities) for distribution to schools and communities. The information should be available not only in hard copy but also on the Internet and social media. A good example can be seen in Wales, in the United Kingdom of Great Britain and Northern Ireland, where the local government has developed projects with young people to improve financial knowledge both within the community and in schools. In 2012, it issued a tool kit and a leaflet to help children and young people to understand the draft budget. OHCHR was informed that, similarly, in Georgia, the authorities integrated the elective subject "Economy and the State" into the national school curriculum in 2011. The subject, which introduces pupils to budgeting, fiscal and monetary policy-related issues, is taught in years 11 and 12.

VII. Participation

40. The Convention on the Rights of the Child guarantees children the right to participate in public affairs, including in budgetary and other fiscal processes. In addition to being a legal obligation, children's participation can assist Governments in designing interventions that are more relevant to children and that allocate resources more effectively. The participation of children in public affairs also ensures that their civil rights and freedoms put into practice, strengthens their civic engagement and enables them to understand and shape democratic processes.

41. In 2014, 2,700 children from 71 countries took part in a consultation process on what they thought Governments should invest in for their rights, and how to associate them with the public budgeting process. The findings in the resulting report emphasized that children wish to participate in decision-making about government expenditure and budgetary processes, with the conviction that their insights will help States to make better decisions.³⁰ As mentioned by a child participant, "It's impossible for them to invest in us if they do not ask us what to invest in! We know; they should ask."³¹ Children nonetheless count on the support of respectful adults who will help them to understand public spending processes and to express their views, in order to participate fully. Furthermore, it is vital that States ensure that children's views are not only heard but are taken into account in decision-making processes.

²⁹ See Ritva Reinnikka and Jacob Svensson, "Fighting corruption to improve schooling: Evidence from a newspaper campaign in Uganda", 2005.

³⁰ Laura Lundy et al, *Towards Better Investment in the Rights of the Child: The Views of Children*, Centre for Children's Rights, 2015.

³¹ *Ibid.*

42. Most countries currently provide few opportunities for the public to participate in budget processes.³² Children in particular have difficulty in this respect, in a situation that is often attributable to a lack of political will and a paternalistic vision of the place of children in society.³³

43. There are many mechanisms by which States can ensure that children and young people are able to participate in budgetary processes. According to information submitted to OHCHR, one of the most popular is the development of children's parliaments, which serve as a platform for children to voice their views and provide an opportunity for them to develop their skills in political participation and governance. In India, for example, children's parliaments are a forum in which children can campaign for greater resource allocation to the fulfilment of child rights. Children are organized on the basis of their neighbourhood, forming neighbourhood parliaments, which are federated at various government levels.³⁴

44. The validity and effectiveness of children's parliaments, and indeed all participatory mechanisms, depends on whether they are representative, inclusive and accountable to their child constituencies, and whether their opinions are taken seriously. In Senegal, for example, the children's parliament is authorized to issue an "advisory opinion" to the Government on problems relating to children. Public officials and other decision-makers engaging with children must also provide timely and user-friendly feedback to children on how and whether their recommendations have been taken on board. In Zimbabwe, the children's parliament has consistently ensured that the opinions of children have been heard directly by adult parliamentarians. In 2009, for instance, the children's parliament secured the assurance of the Vice-President that the Government was committed to realizing children's right to education, despite budget constraints.³⁵

45. To support children's engagement and to represent the concept at different levels of government, some countries have appointed child-friendly focal points or units at the municipal and national levels, such as in the case of a number of municipalities in Nicaragua.³⁶ Similarly, in Sri Lanka, the national agenda on child rights governance (see para. 32 above) also includes commitments to appoint child rights governance focal points within the Ministries of Education, Health, Justice, Labour Relations and Social Services.

46. Although, as stated above, many essential services for children are coordinated and allocated at the subnational level, States must, however, ensure the involvement of children and young people in decision-making at all levels of government. An example of good practice can be seen in the project for "child-friendly cities" (CFC) in Spain, which promotes the rights of the child by creating a child-friendly and participative urban setting. Towns, cities or regions are granted a CFC seal if they meet criteria such as child participation, reporting, sufficient budget, monitoring and evaluation, internal and external coordination, awareness-raising, participation with citizens and civil society. In Croatia, the Society "Our Children" has been running a children's city council in the city of Opatija that aims to involve children in expressing their wishes and needs to adults and decision-makers. The council has its own statute and is composed of children elected through actual

³² International Budget Partnership Open Budget Survey (see footnote 21).

³³ Save the Children, *Contributions to Improve Investment in Children and Adolescents and Children's Participation in the Municipalities of Central America*, Managua, 2011, p. 20.

³⁴ Submission from the International Presentation Association of the Sisters of the Presentation of the Blessed Virgin Mary.

³⁵ African Child Policy Forum, *African Report on Child Wellbeing* (see footnote 16), p. 26.

³⁶ Save the Children, *The Municipal Investment in Children in Nicaragua 2005-2014*, Managua, August 2015.

elections every two years. The composition of the council ensures that gender, disability and ethnicity are represented. The council goes hand in hand with the Children's Forum, a platform where children learn about their rights and explore children's issues in their free time, and report their conclusions to the national Parliament and to local authorities.³⁷

47. In its submission, Plan International informed OHCHR how ongoing participatory budget initiatives or other processes for citizen participation – facilitated by government or by civil society actors – can also provide important platforms for enabling children's participation in budgeting. States should establish partnerships with civil society organizations to build collaborative platforms that can contribute to budgeting and expenditure monitoring processes and enable the participation of children, particularly of those otherwise difficult to reach. In Guatemala, for example, Plan International, together with ChildHope, supported children and adolescents working in collaboration with civil society and municipal authorities in three municipalities to analyse existing barriers for young people to enjoy their rights and entitlement to health, nutrition, water and sanitation, education, protection, recreation and participation. Following their analysis, they jointly prioritized issues and developed a public policy draft and related plan of action, which were presented to the municipal council by children and adolescents. Using the above approach, three municipalities adopted their municipal public policy on children and adolescents, allocating a total of \$12,662,620 in a four-year budget.

48. Success cannot, however, be measured simply in numbers. In order to be effective, States need to establish spaces where children from all sectors of society, including the most vulnerable, can engage with public officials and other decision-makers to discuss their concerns and put forward their recommendations. As stated by one child, "there should be stronger communication between those who make the decisions and those who 'get' the consequences of those decisions."³⁸ One example of this situation can be seen in Bahrain, where various groups of children participated in activities related to budgetary allocation during the development of the national strategy for childhood. Focus group discussions comprised multi-ethnic children and parents of different social and economic backgrounds to identify children's needs and priorities. On the basis of the results of these discussions, a plan of action, with a detailed budget for the implementation process, was developed.

49. Children also need their own space and organizations – online and offline – where they can meet, learn about their rights and how the budget works, share experiences and take joint action. To this end, States need to address the legal and administrative challenges faced by children in forming their own organizations, including registration. Furthermore, children need access to child-friendly, age-appropriate and timely budget and other fiscal information (see para. 40 above). Without timely, comprehensible information, it is difficult for children to engage meaningfully in these processes. For example, the Children and Youth Foundation of the Philippines was supported by Save the Children and local civil society organizations in analysing their medium-term development plan for children (2012-2016), looking at the availability of programmes and budget allocations, access to and the quality of programmes and projects, and project implementation. Information and communications technology can be particularly influential in this regard. ICT allows children to gain access to information, to benefit from peer-to-peer learning and to communicate quickly and cheaply.³⁹

³⁷ Submission from Eurochild.

³⁸ Lundy, *Towards Better Investment in the Rights of the Child* (see footnote 30), p. 22.

³⁹ Submission from Save the Children.

VIII. Children's rights and the private sector

50. While States have the primary responsibility to respect, protect and fulfil children's rights, support is needed from both civil society and the private sector. In particular, States should take measures to ensure that the activities and operations of the private sector do not have an adverse impact on their ability to realize the investment needed to implement children's rights fully. Such measures include stopping illicit financial flows and preventing tax avoidance by, for example, requiring public country-by-country reporting. This is a simple mechanism that requires companies operating in multiple jurisdictions to disclose their profits, the taxes they pay and other relevant financial details, on a country-by-country basis. In this way, the low-tax jurisdictions to which companies shift their profits in order to pay less tax would be clear. In 2013, the Group of Eight agreed to the development of an international tax tool that would give tax authorities access to country-by-country reporting information; the Organization for Economic Cooperation and Development (OECD) is taking this work forward.⁴⁰ To address illicit financial flows effectively, States should also put in place public registries of beneficial ownership of companies and trusts, as well as initiate multilateral automatic exchange of tax information.

51. States can also help to ensure that the private sector is a positive force for children's rights by promoting strategic investment. India, for example, became in April 2014 the first State to legally require companies with a certain turnover and profitability to spend 2 per cent of their average net profit for the past three years on social projects and programmes. Section 135 of the Companies Act provides detailed guidelines of the kinds of activities that may be conducted in relevant categories for social investment, including hunger and poverty, education, health, gender equality and women's empowerment, skills training, environment, social enterprise projects and the promotion of rural and national sports.

IX. Obligations of international assistance and cooperation

A. International cooperation

52. Cooperation among States in schemes to promote investment in children is crucial on several levels. For example, international cooperation can play an important role in strengthening the State's capacity to collect taxes, including in the areas of legislation, collection, auditing and law enforcement. One such example is the OECD Tax Inspectors Without Borders initiative, which will provide international auditing expertise and advice to help developing countries to better address tax-base erosion, including tax evasion and avoidance. The programme will match demand by developing countries for outside help with complex international tax audits with a supply of international experts. Joint teams will operate under local leadership in each country.⁴¹

53. Official development assistance (ODA) is also a key tool in promoting effective and efficient investment in children. In undertaking ODA, States must ensure that donors make available relevant information on the child-focused assistance provided. The positive effect of well-targeted ODA can be seen in the experience of Rwanda, which received £20 million from the Government of the United Kingdom of Great Britain and Northern Ireland to, inter alia, establish the Rwandan Revenue Authority. Since then, the United Kingdom and other donors have helped to develop the Authority to the point where it now collects the value of

⁴⁰ McNair et al, *Tackling Tax and Saving Lives* (see footnote 3), p. 21.

⁴¹ *Ibid.*, p. 23. See also General Assembly resolution 69/313, annex, paras. 27-29.

that original grant every four weeks. This success is the result of strengthening internal organizational structures and processes and of building accountable relationships with external partners, and helping to develop a social contract between citizens and the State.⁴²

B. Financing for development and the 2030 Agenda for Sustainable Development

54. On 25 September 2015, the Governments of the international community adopted the ambitious and transformative 2030 Agenda for Sustainable Development,⁴³ including 17 Sustainable Development Goals and 169 targets, and agreed to implement the Agenda in a manner consistent with obligations of States under international law. Prior to its adoption, Governments had affirmed that the Agenda should be underpinned by equally ambitious and credible means of implementation, including financial means.⁴⁴ Central to this was the strengthening of public policies and regulatory frameworks, and the development of effective, accountable and inclusive institutions at the international, national and subnational levels to enable the effective, efficient and transparent mobilization and use of resources.⁴⁵

55. The Addis Ababa Action Agenda entails a commitment to strengthen national control mechanisms, such as supreme audit institutions, and to increase transparency and equal participation in budgeting processes. In doing so, the Heads of State and Government participating in the Third International Conference on Financing for Development noted that greater transparency was essential, and could be provided by publishing timely, comprehensive and forward-looking information in a common, open, electronic format.⁴⁶ In particular, they recognized that investing in children and youth was critical to achieving inclusive, equitable and sustainable development for present and future generations, and also the need to support countries that face particular challenges to make adequate investments in this area.

X. Conclusions and recommendations

56. **The good practices described in the present report demonstrate some of the steps that States, in all regions and at all levels of economic development, have taken to fulfil their obligations to invest adequately in the rights of children. It is important to note that the practices have been established in various contexts of development, showing that more developed countries have as much to learn from developing countries as vice versa. Nevertheless, there is still a long way to go before States make sufficient, effective, efficient and equitable investment in accordance with the provisions of the Convention on the Rights of the Child.**

57. **States should continue to promote real change in the way public resources are mobilized, ensuring that budget allocations are equitable and effectively spent, monitored and evaluated to realize the rights of the child. In this regard, highlights of the good practices may include:**

⁴² McNair et al, *Tackling Tax and Saving Lives* (see footnote 3), p. 23.

⁴³ General Assembly resolution 70/1.

⁴⁴ General Assembly resolution 69/313, annex, para. 2.

⁴⁵ *Ibid.*, para. 5.

⁴⁶ *Ibid.*, para. 127.

(a) Giving spending for children greater visibility and priority in all budget and fiscal decision-making, for example, by measuring child-focused public spending and generating and utilizing information on the budget gaps and quality of spending in budget decision-making; States should also introduce a child focus in budget preparation with, for example, budget statements, and a child-specific provision in budget circulars and child budget hearings with parliaments;

(b) Safeguarding spending for children during fiscal difficulties and crisis by means of systematic child rights impact assessments, and investing in mechanisms to take into account any potentially adverse effects during budget formulation and approval;

(c) Ensuring comprehensive, rights-based costing of child-focused programmes so that realistic budget estimates can help to link policy to budget planning; costing, which should be evidence-based, can also assist in undertaking cost-benefit analysis of child-focused interventions;

(d) Taking concrete actions to raise sufficient resources by mobilizing domestic resources, in particularly through progressive taxation, and where necessary within the framework of international cooperation, including ODA and humanitarian financing, to invest in the realization of the rights of the child. International cooperation is vital to ensure efficient and effective investment in children. Global economic structures have an impact on a State's fiscal space; the international community must therefore ensure that global governance is transparent and accountable. Global partnerships and cooperation are also needed to tackle illicit financial flows and tax avoidance;

(e) Recognizing that local governments have an increasingly important role in both providing services for children and implementing budget allocations. States need to ensure that local authorities have sufficient resources to invest in children, including through the timely disbursement of funding from the national Government on the basis of a fair and predictable national formula for revenue-sharing; in this regard, capacity-building and technical assistance is needed to support government officials and authorities at both the national and local levels in their obligations to invest in the realization of the rights of the child;

(f) Acknowledging that children have different needs and capacities at different stages of their life. To budget effectively for children, States must take into consideration the evolving needs of children at different ages and the unique situations and vulnerabilities of different groups of children. Investment in children is in fact more effective when informed by comprehensive, disaggregated and timely information on the situation of children in the State, including in relation to the most vulnerable and deprived;

(g) Strengthening public participation, including of children, to ensure that budgets and public spending are responsive to the rights and needs of adults and children and to ensure accountability of States. To facilitate the participation of children in budgetary and other fiscal processes, States should establish child-friendly, meaningful, age-appropriate and safe formal mechanisms and spaces where children, including the most vulnerable, may engage with public officials and other decision-makers to discuss their concerns and make their recommendations;

(h) Recognizing that meaningful participation is only possible when adults and children have access to policy and fiscal information to support their informed engagement with these processes. Such information should be in written form and published in a child-friendly, age-appropriate manner;

(i) Recognizing that recommendations made by international human rights mechanisms can assist in spurring action and ensuring accountability for investment in the rights of the child. States should engage actively with mechanisms such as the universal periodic review and the treaty bodies, and make every effort to implement the recommendations made by them.

58. The 2030 Agenda for Sustainable Development is a transformative, rights-based and gender-sensitive global commitment to leave no-one behind, and an important opportunity to advance the realization of all human rights of all, without discrimination, including the rights of children. The Agenda must be underpinned by effective means of implementation, based squarely upon the efficient, equitable and transparent mobilization and use of resources. States should also recognize that the realization of children's rights is a shared responsibility of developed and developing countries, and be reflected in ODA, humanitarian financing and financing for development.
