

TERMS OF REFERENCE

Development of Programming tools in support of 'Budgeting for Children' in CEE/CIS

2007

1. Background

During the first phase of Transition, many countries in the Former Soviet Union and SEE faced sharp declines of nation income and pressure on government expenditure. In many countries government revenue and overall levels of government spending fell more sharply than GDP. While Social Sectors were in a number of countries protected as a % of national GDP, in others spending on health and education fell even more than overall public expenditure. In real terms, budgets for health, education and social protection were often significantly reduced.

Since 1998, all the countries in the region have seen a return to economic growth, with recovery particularly marked since 2003. Government expenditure levels are also beginning to recover, and indicative plans suggest this will continue. It is not clear however that children and young people have been priorities for increased spending, with infrastructure taking precedence over human capital. The recovery provides a major opportunity of investing or re-investing in children. There is also room for better prioritisation in within the government budget, especially between the different levels of social sectors, and better targeting of social protection systems. At the same time children and young people do not seem to have a constituency of support to make this happen.

This TOR aims to develop tools that will UNICEF move upstream in its policy analysis and help governments translate their obligation under the CRC into practice. It builds on work carried out by UNICEF mapping the trends and causes of child poverty in the CEE/CIS, and gives a special focus on ways to influence national budgets and resource allocation in favour of children.

UNICEF staff in Country Offices working on economic and social policy need to be able to analyse and track budget and resource allocation processes in their country and be able to dialogue effectively on priorities with Ministries of Economy and Finance and with partners such as the World Bank, ADB and bilaterals working in the field of policy and governance. These tools need to be developed taking explicitly into account that countries in the region till recently were highly centrally planned and decentralisation processes are weak or new. They should also reflect the recognition that budgets are not a purely technical matter but also evolving capacities. It also reflects the political and ODA environment.

1. Overall Objectives

- The overall goals are closely linked to implementation of the CRC in the region, and in particular the obligation of states to invest in children 'to the maximum extent possible of available resources'. It aims to strengthen UNICEF's work in the region on policies, budgets and governance and in particular develop knowledge and skills of UNICEF staff in the technical and political dimensions of public expenditure management; enable UNICEF staff to assess the capacity of counterparts and strengthen the scope for effective policy dialogue on investment for children; and enhance the capacity of UNICEF staff to commission work on public expenditure management, and to exercise quality assurance on work commissioned by UNICEF

Specific objectives of this TOR are to:

- (a) Carry out a critical review of tools being used in public expenditure analysis in the region from the perspective of resource use for children?
- (b) Develop a set of simple tools of assessment and action for use by UNICEF Country Offices that will allow
 - a rapid appraisal of national expenditure patterns (in terms of equity, efficiency and effectiveness and outcomes for children)
 - a 'guide' for UNICEF interaction with Ministries of the Economy/ Finance and line Ministries in former centrally planned economies
 - a menu of policy and programming options for interventions that will bring about change in resource allocation mechanisms at different levels.
- (c) Propose specific actions that will take this agenda forward in the CEE/CIS region

2. Main Tasks

- (a) A desk review of existing documentation on public expenditure related to children in the CEE/CIS region, identifying good practice and innovation in states and by partner organisations relating to
 - strategic planning
 - PRSP and MTEF frameworks where available
 - the budget structure across different tiers of government;
 - tracking expenditure and revenue trends;
 - intra-governmental fiscal relations and equalisation mechanisms, particularly in support of service delivery in the social sectors;
 - regulatory framework governing budget decisions
 - poverty indicators and salient demographic profiles.
- (b) Develop in detailed outline form 3 programming 'guides'
 - An 'assessment guide' that would allow diagnosis of country situations at different levels
 - A 'How to...' Guide on how to approach ministries of Economies/ Finance, develop the arguments for and create interest in process of developing a more child-responsive budget processes.
 - An 'intervention tool' that would describe options for taking the assessment forward within the country towards implementation of priority actions identified
- (c) Test the relevance of these tools through a country visit in an informal round table of local stakeholders, presenting the draft budget tools, receiving feedback, and incorporating this in a revised version.
- (d) Prepare recommendations and develop proposals for further development and operationalisation of the tools taking into account levels of awareness in UNICEF Country office staff and paradigms and mindsets among national planners across the region

3. Deliverables

- (i) An overview of the evolution of public expenditure management analysis in the CEE/CIS region, identifying trends in policy and practice, and delineation of opportunities for UNICEF to actively engage in policy dialogue and contribute to identification of fiscal space for creating opportunities for investing in children. [10 pages]
- (ii) An outline of 3 'Programming Guides' identified in 2b above [5-7 pages each]
- (iii) Recommendations for the further development and operationalisation of the analysis and the guides across the CEE/CIS region [e.g. incorporating outline TORs, methodology, logframe, etc]

4. No of working days

To be decided

5. Time Frame

2007-2008

6. Skills and Qualifications

- Advanced University degree in Economics, Finance and / or Social Policy
- Extensive professional experience in fiscal and social policy in middle income and developing countries
- Strong familiarity with and understanding of issues relating to children's rights.
- Professional experience of working in CEE/CIS countries
- Excellent analytical and writing skills.
- Russian language an advantage