The draft country programme document for Panama is presented to the Executive Board for discussion and comments. The Board is requested to approve the aggregate indicative budget of $2,000,000 from regular resources, subject to the availability of funds, and $3,200,000 in other resources, subject to the availability of specific-purpose contributions, for the period 2007 to 2011.

* E/ICEF/2006/18.
** In accordance with Executive Board decision 2002/4 (E/ICEF/2002/8/Rev.1), the present document will be revised and posted on the UNICEF website in October 2006, together with the summary results matrix. It will then be approved by the Executive Board at its first regular session of 2007.
Basic data
(2004 unless otherwise stated)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child population (millions, under 18 years)</td>
<td>1.2</td>
</tr>
<tr>
<td>U5MR (per 1,000 live births)</td>
<td>24</td>
</tr>
<tr>
<td>Underweight (% moderate and severe, 1997)</td>
<td>7</td>
</tr>
<tr>
<td>Maternal mortality ratio (per 100,000 live births, 1998)</td>
<td>40</td>
</tr>
<tr>
<td>Primary school attendance (% net, male/female, 2002/2003)</td>
<td>100/99</td>
</tr>
<tr>
<td>Primary school children reaching grade 5 (%) 2003</td>
<td>88</td>
</tr>
<tr>
<td>Use of improved drinking water sources (%) 2002</td>
<td>90</td>
</tr>
<tr>
<td>Adult HIV prevalence rate (%) end 2003</td>
<td>0.9</td>
</tr>
<tr>
<td>Child work (%) children 5-14 years old, 2000</td>
<td>3</td>
</tr>
<tr>
<td>GNP per capita (US$)</td>
<td>4 450</td>
</tr>
<tr>
<td>One-year-olds immunized against DPT3 (%)</td>
<td>99</td>
</tr>
<tr>
<td>One-year-olds immunized against measles (%)</td>
<td>99</td>
</tr>
</tbody>
</table>

\* More comprehensive country data on children and women are available at www.unicef.org.

The situation of children and women

1. In the last decades, the Government and citizens of Panama have made great efforts to ensure that the human rights of children are respected. The Committee on the Rights of the Child recognized these efforts in 2004 in its most recent review of the situation of children. The universal primary school enrolment, elimination of iodine deficiencies, vaccination coverage above 85 per cent, and high levels of public investment in education and health are some of the indicators proving the nation’s commitment to the survival, development and protection of children. Accordingly, many Millennium Development Goals may be met in the next few years or by 2015, with the exception of those on poverty and malnutrition, as indicated below.

2. However, concern has been expressed by the Government and the Committee on the Rights of the Child and in the Common Country Assessment (CCA) about the high levels of inequality existing in the country. The Committee called this inequality the “old and grave disparities” that affect children, particularly those from rural areas and indigenous communities. Panama, with a Gini coefficient of .58, is the fifth most unequal society in Latin America, and the eleventh in the world. As a result, the richest 20 per cent of the population has an average annual family income 32 times higher than the poorest 20 per cent. The poverty rate, at 36.8 per cent of the population, has nearly stagnated since 1997, and remains a challenge for reaching Target 1 of Millennium Development Goal 1 by 2015. Chronic malnutrition, closely associated with poverty, increased from 1997 to 2003 by almost three percentage points and now affects almost 21 per cent of all children below age 5. This high rate positions Panama as the country in Latin America likely to have the most difficulties in reaching the Millennium Development Goal of halving hunger by 2015.
3. Poverty in Panama has an indigenous and afro-descendant face. The indigenous population represents close to 10 per cent of the population. There is no corresponding data for the afro-descendant population, and the general lack of disaggregated data for this group of people hinders analysis and clearly shows the invisibility and exclusion they have experienced for many years. Indigenous people are over-represented among the poor, with 98.4 per cent of them living below the poverty line, twice the national average. Only 35 per cent of indigenous women access professional birth attendance, compared with a national average close to 93 per cent. More than half (56.6 per cent) of indigenous children under 5 are affected by chronic malnutrition. Birth registration and child labour are protection issues of great concern for this group.

4. Indigenous and afro-descendant peoples are also the populations most affected by HIV/AIDS. Although the national average prevalence rate is 0.9 per cent, in provinces and districts with higher number of indigenous and afro-descendant communities, this figure is estimated to double. Mother-to-child transmission (MTCT) of HIV, reported at around 50 new cases each year, could possibly be eliminated in the next two years, although an increase in testing of pregnant women may elevate the number of reported cases. A positive trend is that all children with reported cases of HIV, close to 300, are receiving free paediatric treatment in national hospitals, but as testing and reporting improve, the number of such children may rise. Orphaned and vulnerable children are also a cause for concern, especially since an increasing number of them are sent to institutions instead of being referred to foster families and to community care and protection. Discrimination and stigmatization are also seen as challenges by national non-governmental organizations (NGOs) fighting against the spread of the virus.

5. Women’s rights are threatened by several factors, particularly those related to gender-based violence and abuse: family violence, commercial and sexual exploitation of girls and adolescents, girl trafficking, unequal pay, unequal opportunities in the labour market, and low levels of political representation. Indigenous women also suffer higher levels of illiteracy, lack of access to maternal health services and even a lack of legal registration — which makes them not only excluded but even invisible. In the case of adolescent girls, the mutually reinforcing trends of early dropout from secondary school and high levels of teenage pregnancy, with a greater incidence in the indigenous and afro-descendant communities, also contribute to trans-generational poverty and gender disparities. All these issues have been indicated as areas of concern by the Committee on the Elimination of Discrimination against Women. Therefore, they have been raised as challenges to be addressed in national public policy by both governmental authorities and national civil society organizations working towards the realization of women’s rights.

6. The establishment of a more inclusive educational system has been viewed as another challenge to be met in order to achieve greater learning opportunities for children and adolescents in line with the Millennium Development Goals and the Convention on the Rights of the Child. This challenge includes ending the exclusion of disabled children from formal basic education, especially in response to the demands of indigenous organizations for an educational system more adapted to their culture and language.

7. The country’s challenges of poverty, inequality, discrimination and abuse have been analysed in the CCA. The document indicates that the major causes of human
rights violations are associated with inequitable public investment — which has been historically skewed against the most excluded populations — and the need for better institutional capacity in the State to respond to these challenges. Weak citizens’ participation in public policy design and evaluation, as well as the limited involvement of local governments, communities and families in finding solutions to these problems, also hobble effective responses to children and women’s rights violations. The situation is further fuelled by racism, cultural discrimination and traditional gender roles. Public planning and the creation of public awareness of these issues are hindered by weak information systems and knowledge-generation. All these factors serve to perpetuate exclusion and invisibility.

8. The Government, with the concerted support of the United Nations system, has already begun to respond to these challenges, making the achievement of the Millennium Development Goals for children and women one of its main priorities in public policy. To do this, the Government has developed several strategies: (a) a social protection policy, which involves food bonuses and cash transfers to women living in extremely poor families (most of them indigenous), provided they register their children and themselves, they go to pre-natal services, they vaccinate their children, and they ensure their children are attending school; (b) the development of a new legal and institutional framework to ensure adequate integral protection of children’s rights, particularly for the most excluded children and adolescents; (c) rising public investment in education and social protection; (d) a new policy for a more inclusive education and a bolder strategy to reduce the incidence of HIV/AIDS, particularly among children; (e) a national policy that addresses gender inequality, particularly regarding unequal economic opportunities and gender-based violence; (f) a policy to protect children from commercial sexual exploitation, trafficking, institutionalization and others forms of abuse and neglect; and (g) a national policy that decentralizes and enhances the capacities of local governments and communities to better respond to children’s human rights issues.

9. Citizens and civil society organizations (CSOs) are also playing an increasingly active role in children's and women’s rights issues. National NGOs, faith-based groups, and private sector companies are supporting children and women in fulfilling rights, including education, nutrition, protection from abuse and violence, eradication of child labour, and HIV/AIDS treatment and prevention. Children have started to develop their own organizations, particularly through school governments, while organized women have increasingly made their voices heard in mass media and public opinion. These efforts, though sometimes scattered and weakly articulated, may help spur even greater citizens’ involvement in the protection of children’s and women’s rights.

Key results and lessons learned from previous cooperation, 2002-2006

Key results achieved

10. The 2004 mid-term review (MTR) reported the following key results: (a) the adoption of protection laws covering health and education for pregnant adolescents and paternal responsibility and the Law against the Sexual and Commercial Exploitation of Children and Adolescents; (b) the elaboration of the National Strategic Plan for Children and Adolescents 2003-2015; (c) the construction in
indigenous communities of 185 mini-aqueducts, at low cost with appropriate technology, reaching 20,000 people; (d) the declaration of the country free of iodine deficiency disorders, following an inter-agency evaluation; and (e) the teaching of sexual and reproductive health, emphasizing HIV prevention, in grades 4, 5 and 6.

11. In addition, since 2004, the programme has successfully supported key national efforts: (a) the draft of a new comprehensive Law for the Integral Protection of Children, which responds to the recommendations of the Committee on the Rights of the Child in providing an updated legal and institutional framework for the formulation, coordination, and implementation of public policies for children; (b) the formulation of a national policy for a more inclusive education; and (c) the piloting of social protection mechanisms, which have already helped poor indigenous families to register their children, increase their vaccination coverage, increase access to maternal health services, and increase school attendance.

Lessons learned

12. The MTR indicated that emphasis must be given to national public policy development as well as to decentralization and local public policies in order to respond more effectively to the unequal realization of the Millennium Development Goals. UNICEF evaluations in other Latin American countries have indicated that programme interventions aimed at influencing public investment decisions are highly cost-effective, contributing to improved programmes in education, nutrition and child protection. In order to strengthen the coordination between local initiatives and national public policies, it was suggested that the programme structure be simplified to cover only one programme, instead of two or three, as approved for 2002-2006 country programme. This adjustment was particularly justifiable, given the level of resources available for the next period of cooperation, less than $1 million a year.

13. The MTR also indicated that continuing efforts were needed to build the capacities of governments, districts and civil society to plan, implement, monitor and evaluate programmes. It was recommended that evaluation, in particular, be further developed to uncover common threads among seemingly disparate and sectoral efforts.

The country programme, 2007-2011

Summary budget table

<table>
<thead>
<tr>
<th>Programme</th>
<th>Regular resources</th>
<th>Other resources</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public policies for children’s rights</td>
<td>1 750</td>
<td>3 000</td>
<td>4 750</td>
</tr>
<tr>
<td>Cross-sectoral</td>
<td>250</td>
<td>200</td>
<td>450</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2 000</strong></td>
<td><strong>3 200</strong></td>
<td><strong>5 200</strong></td>
</tr>
</tbody>
</table>

Preparation process

14. In order to strengthen the coordination and coherence of United Nations operations in the country, the preparation and consultation process behind the
country programme coincided with that of the United Nations Development Assistance Framework (UNDAF). The elaboration of the UNDAF was coordinated with the Ministry of Foreign Affairs and the Ministry of Economy and Finance, and included a consultation with national partners of the United Nations system. This coordinated approach helped to define the national development goals that will guide the United Nations development cooperation, the major outcomes expected from the UNDAF, and the main results the United Nations agencies have committed to support.

15. The UNDAF formal consultation process was complemented by informal dialogues with the Ministry of Social Development, the coordinator of the Social Cabinet, and CSOs, which provided a valuable contribution to the formulation of the specific outputs.

16. The main input to the UNDAF was the Strategic Vision for Economic Development and Employment (Visión Estratégica de Desarrollo Económico y de Empleo) developed by the Ministry of Economy and Finance. The UNDAF was also informed by line Ministries’ policies, particularly in areas such as social protection, education, health and the environment. Since the UNDAF includes an explicit commitment to using a human rights framework, the recommendations of the Committee on the Rights of the Child influenced programme interventions.

**Goals, key results and strategies**

17. In the long term, the country programme goal is to ensure the fulfilment of the rights of women and children through reducing socioeconomic, ethnic and gender-based disparities in a sustainable way. Within this framework, the country programme will be guided by the following goals for 2011: (a) reduction of chronic child malnutrition by 25 per cent, in order to achieve a 50-per-cent reduction by 2015 and as a first step to completely eradicate child malnutrition in the country; (b) the completion of 10 years of quality basic education by children, regardless of their ethnic origin, socio-economic background, physical condition, or place of residence; (c) the elimination of MTCT, protection for orphaned or vulnerable children, and the dissemination of information to all children and adolescents on HIV/AIDS prevention, particularly in indigenous and afro-descendant communities with high prevalence; (d) protection for children and women from sexual and commercial exploitation, lack of legal registration, permanent residence in institutions, and trafficking, violence and abuse.

18. The programme will seek the following key results: (a) the national social protection system is supported, allowing indigenous, rural and urban poor women and children to enjoy key social services and fulfil their human rights (such as the right to an identity, to education and to health); (b) a new legal and institutional framework is developed and put in place, allowing for better coordination and implementation of policies protecting children and women; (c) a system to monitor the effectiveness and equity of public investment is developed and is used as a planning and evaluation tool by the Government; (d) a national educational policy is developed, allowing for greater inclusion, respect for and support to an intercultural educational environment, and for a greater understanding and practice of human rights principles in schools; (e) the Ministries of Health and Education, NGOs and community-based organizations develop their capacity to eradicate MTCT, to protect orphaned and vulnerable children and adolescents, and to prevent the spread
of HIV among children and adolescents; (f) national and local public policies on nutrition, inclusive education, HIV/AIDS, gender equality and child protection are implemented and evaluated in poor communities of Chiriquí, Darién, Panamá, and Colón, focusing on districts belonging to the indigenous autonomous territories (known as Comarcas) and communities where the afro-descendant populations live; (g) CSOs, indigenous and afro-descendants organizations, the mass media, and private sector corporations are helped to develop their capacity to monitor the situation of children’s and women’s rights, both at the national and subnational levels.

19. The strategies designed to achieve these key results were derived from the public policy approach. UNICEF-supported activities and results will be clearly linked to national and local public policies, rather than being implemented as discrete projects. This means that the programme will rely heavily on capacity development for national and local governments and CSOs. Furthermore, achieving the key results will depend more on the leveraging of resources than on direct financing from UNICEF and will, in turn, call for an emphasis on advocacy tools and technical assistance at the public policy level. Finally, the programme will use evaluation as a strategic tool to inform national public policy decisions, local public policy initiatives, and citizens’ participation in monitoring public policy outcomes. The focus on evaluation is key to improving the quality and equity of public policy interventions for children and women.

**Relationship to national priorities and the UNDAF**

20. The country programme responds directly to the objectives of the Strategic Vision for Economic Development and Employment, which calls for reducing poverty, eliminating inequities and modernizing the public sector. National policies on inclusive education, social protection, child protection, gender equality and HIV/AIDS were also used as a reference.

21. The UNDAF, closely aligned with national priorities, states three major areas of concentration for the United Nations development assistance: reduction of poverty and improvement in income distribution; universal basic social guarantees for the realization of human rights; and the modernization of the State and public sector reform. UNICEF will support all three areas.

**Relationship to international priorities**

22. The country programme, through the UNDAF, will contribute directly to the realization of the Millennium Development Goals. More specifically, UNICEF will support the country’s advancement on goals for the reduction of poverty and malnutrition, the achievement of basic education for all children, the promotion of gender equality, and the reduction of HIV/AIDS prevalence.

23. The country programme will cover the focus areas of the UNICEF medium-term strategic plan for 2006-2009 in basic education, HIV/AIDS, child protection, and public policies for children and women’s rights. The emphasis will be placed on intersectoral activities that may achieve results simultaneously in several strategic areas, using tools such as public expenditure analysis, social sector planning and evaluation, legal and institutional reform, and citizens’ monitoring of children’s rights.
Programme components

24. The country programme will organize its support mainly through one major component: public policies for children’s and women’s rights.

25. **Public policies for children’s and women’s rights.** This component seeks to enhance the capacity of the national and local governments to achieve better results for children in the four key areas of reducing malnutrition, inclusive education, HIV/AIDS and protection for women and children. Included are five sub-components: (a) institutional reform, gender equity and child protection; (b) social sector investment and enhanced public policy planning; (c) decentralization and local public policies; (d) citizens’ monitoring and mobilization for children’s and women’s rights; and (e) programme monitoring and evaluation.

26. The **institutional reform, gender equity and child protection** sub-component will support the revision and creation of legislation for the integral protection of children’s rights. This legal framework will in turn contribute to institutional reform in child protection to improve the effectiveness of public policies in areas such as the sexual and commercial exploitation of children and women, child trafficking, de-institutionalization of children, children and adolescents in conflict with the law, and child labour. The new legal framework will build on the legislative achievements of the past cooperation, such as the laws on the protection of the health and education of adolescent girls, on parental responsibility, and on ending commercial and sexual exploitation of children. Other programmatic interventions will seek more effective results in public policies regarding family and gender-based violence.

27. The **social sector investment and enhanced public policy planning** sub-component will help to develop a system to monitor and better execute public investment in women and children. The system, already in place in other Latin American countries, will be adapted to the country, and capacities for its best use will be developed within the social sector Ministries and the Ministry of Finance. The system will be also instrumental for designing public investment programmes for women and children, and for establishing clear priorities for use of existing Government resources in order to improve equity and effectiveness in public policy interventions. This sub-component will also support improvement of public policy results in the areas of chronic malnutrition, inclusive education and HIV/AIDS, in line with the National Strategic Plan for Children and Adolescents 2003-2015. Initiatives on malnutrition will be informed by the past successes in eliminating iodine deficiencies. Support to public investment will expand to other areas such as planning and evaluation, and institutional coordination.

28. The sub-component on **decentralization and local public policies** will focus its support on the indigenous autonomous territories (Comarcas) and to the bordering provinces of Chiriquí and Darién, where the most excluded populations live. It will build on the water and sanitation initiatives of the former country programme that contributed to improved sanitary conditions in remote rural and indigenous communities. This endeavour will also target poor urban neighbourhoods in the cities of Panamá and Colón, where most afro-descendants are concentrated. In these territories, the sub-component interventions will be aimed at developing and supporting local information systems for highlighting the exclusion of indigenous and afro-descendant people and for enhancing local public policy results. Local public investment programmes will also be helped to better respond to these human
rights violations. These efforts may involve the improvement of institutional coordination and local legal frameworks to enable better targeting of municipal-level policies. In addition, the sub-component will contribute to improving citizens’ engagement in local public policies and to social monitoring of the actual results achieved for women and children in key areas such as reducing malnutrition, inclusive education, HIV/AIDS responses and the protection of children and women against violence and abuse. Finally, this sub-component will support all activities regarding emergencies, contributing to the efforts of the United Nations inter-agency Emergency Team.

29. The sub-component on citizens’ monitoring of and mobilization for children’s rights will support interventions to develop the capacity of citizens to engage in the formulation and evaluation of public policies for children and women. Key to this endeavour will be the following outcomes: development of social monitoring mechanisms that will evaluate the situation of children’s and women’s rights in a regular, geographically disaggregated manner, allowing for greater public awareness of invisibility and exclusion regarding children and women; the development of regular assessments on the quantity and quality of information about children in the mass media, and the building of strategic partnerships to improve media capacity to inform on issues — such as public investment on children and women, equity and the effectiveness of public policy interventions — from an ethical human-rights perspective; indigenous and afro-descendant organizations supported in the development of a children’s and women’s rights agenda of their own; support given to children’s expression and organization in schools; and the development of strategic partnerships with corporations and the private sector, particularly in growing economic activities such as tourism and commerce, as part of this sector’s social responsibility for the promotion and monitoring of children and women’s rights.

30. Consistent with the emphasis on evaluation throughout the programme, a specific sub-component will direct resources towards bolstering this capacity. Some expected outcomes are the strengthening of evaluation capacities in government and civil society organizations, and improvement of the quality and effectiveness of public policy interventions for children, with a view to reducing disparities and enhancing the evidence base for public policy.

**Major partnerships**

31. In line with the UNDAF, initiatives on HIV/AIDS, social protection and inclusive quality education will be closely coordinated with United Nations agencies, including the World Health Organization/Pan American Health Organization, the United Nations Development Programme (UNDP), the United Nations Educational, Scientific and Cultural Organization and the United Nations Population Fund (UNFPA). In the creation of a more protective environment for children and a wider respect for human rights, key United Nations partners will include the Office of the United Nations High Commissioner for Refugees, the International Labour Organization, UNDP and UNFPA. Collaboration and programme coordination will be enhanced by the UNDAF-specific mechanisms for more integrated programme management and technical support. Emergencies will also be dealt with jointly, and the United Nations Emergency Team will be strengthened accordingly.
32. The Government has also contracted loans with the World Bank and the Inter-American Development Bank to improve the quality of education. The country programme will coordinate with programmes and policies derived from these initiatives.

33. Partnerships with CSOs, the private sector, indigenous and afro-descendants movements, and children’s school governments are a major feature of this country programme. The informed participation of these groups in policy planning and evaluation will be actively sought.

**Monitoring, evaluation and programme management**

34. The UNDAF defines a mechanism for the collective evaluation of all United Nations-supported activities. This involves annual planning and monitoring sessions, and possible biannual evaluations, on common issues such as HIV/AIDS, inclusive education and social protection. These activities will be integrated with the regular national mechanisms to monitor progress towards the achievement of the Millennium Development Goals, and will complement evaluations to monitor follow-up on the recommendations of the Committee on the Rights of the Child.

35. The country programme, as part of the UNDAF, will be carried out and managed in close coordination with the Ministry of Economy and Finance, the Ministry of Foreign Affairs, the Ministry of Social Development, and other line Ministries in the social sector. UNICEF is committing core funds to ensure planning coordination and evaluation and to support activities in communication and social mobilization. This will be translated into a small number of technical staff working in the UNICEF office. Some operational services take place through the UNICEF regional office, but in the future, closer coordination with the United Nations may involve merging all administrative functions within a common United Nations framework.