

The Present and Future of Child Budgeting

UNICEF expert workshop summary brief

THE WORKSHOP

Objectives and Background

On 27 March 2025, the UNICEF Greece Country Office in coordination with Greece's Ministry of Economy and Finance organized an expert workshop in Athens on "The Present and Future of Child Rights Budgeting".

The workshop gathered experts from across Europe for an engaging technical discussion on good practices on child budgeting. The workshop presented an opportunity to exchange and discuss for the first time in Greece how budgetary mechanisms and processes can be used to ensure the fulfillment of child rights and drive forward public investments for children.

At least 20 finance experts joined the workshop, in their majority from the Ministry of Economy and Finance (General Secretariat for Fiscal Policy/General Accounting Office) and the Ministry of Social Cohesion and Family Affairs.

The following pages capture a summary of the discussions during the workshop.



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UNICEF IN EUROPE AND CENTRAL ASIA

Child Budgeting in UNICEF

Alberto Musatti, Social Policy Specialist, UNICEF Regional Office for Europe and Central Asia

Child budgeting reflects the aim to strategize for the well-being of children, when translating laws, strategies and policies in national budget allocations.

The public sector and public finance – mainly through social sector spending – plays a critical role to the realization of child rights.

A child perspective in budgeting is important as it:

- Tackles child needs and deprivations through evidence-based planning and budgeting, prioritizing allocation of resources for multi-sectorial programmatic options, and directing resources based on context-specific issues
- Fulfills child rights based on specific institutional frameworks, engaging with all stakeholders based on a “whole of society approach”, and introducing the equity perspective
- Invests in human capital development to generate significant returns on investment, considering that the core indicators behind human capital creation are all related to child rights and well-being.

Child budgeting includes a series of coordinated initiatives that aim to strategize and prioritize children and youth in the national planning and budgeting process.

It is a process, not a tool or one-off exercise, which builds on existing systems. It is a process that requires time and commitment to generate results. In general, it could be structured around three core areas:

- Monitoring (policies evaluation, impact assessments, analysis of gaps and bottlenecks, assessment of public spending on children);
- Costing (of SDGs achievement, of a child rights strategy, of specific child rights policies);
- Financing (fiscal space analysis for the identification of financing gaps, alternative and innovative financing, development of mid/long term financing strategy).

Not all countries follow the same approach, while there are different Ministries and institutions (e.g. Parliaments) that are involved in various degrees in the process.

“Child budgeting reflects the aim to strategize for the well-being of children, when translating laws, strategies and policies in national budget allocations”.

ICELAND

The case for investing in children: The Smartest Economic Policy

Erna Blondal, Permanent Secretary of the Ministry of Education and Children, Iceland

Although the need to invest in children has been mostly associated with rights-based arguments, the use of evidence-based arguments highlights the economic benefit of these investments, or the cost associated with non-investment. Considering recent trends in demographics, such as aging population and the shrinking workforce, investing in children as national assets means investing in the future. Addressing inequities earliest is an effective strategy, which immediately generates huge societal benefits, and contributes to inclusive developments in the long-term.

“Children might be the 20% of today’s population, but they are 100% of the future’s”.

In Iceland, the additional costs due to Adverse Childhood Experiences (ACEs) are estimated at ISK 100 billion/year [\$775m/year]. ACEs is the most-used methodology to assess children’s wellbeing both during

childhood and later in life and can be used to estimate the costs to societies and governments arising from children who face disadvantages.

Key characteristics of the Icelandic approach are the prioritization of children in economic policy, evidence-based testing, and cross-sectoral coordination and planning.

Investment in children is based on an integrated approach to providing short-term outcomes during childhood, long-term outcomes in adulthood, and long-term benefits to society:

- Early Childhood Development (investing in the first 1,000 days after birth)
- Health and nutrition
- Quality education
- Protection against violence
- Social support

The Act on integrating services in the interest of children’s prosperity (2021) aims to provide children and their families with appropriate, integrated and timely assistance. It does it by ensuring effective coordination among the service providers, with a clear definition of the roles and responsibilities. The evidence of benefits from such integrated services was used as a political argument, to demonstrate that this is the best investment in terms of financial returns, compared to other types of government investments.

Investing in children in Iceland encompass the following approach:

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- Public finance is not considered as merely a management tool, but as a vehicle for realizing rights and delivering long-term change and prosperity.
- The Icelandic law on public finance provides for a thematic area on family and children. Many child-related investments are spread across sectors (health, education, nutrition, social protection), resulting in children being unnoticed unless budgets are tagged thematically.
- The tagging must be backed by clear, rights-based definitions of what constitutes investment in children both directly (such as education and child health) and indirectly (such as cash transfers or clean water).

The tagging must be linked to real measurable results and progress for realizing UN Convention on the Rights of the Child (CRC) and the Sustainable Development Goals (SDGs).

UN Convention
on the Rights of
the Child [here](#)

Sustainable
Development
Goals [here](#)



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SCOTLAND

The experience of preparing and publishing the first child's rights and wellbeing impact assessment for the Scottish budget

Liz Levy, Head of Children's Rights Unit, Scottish Government, Scotland

Since the 2025/2026 [budget](#), the government of Scotland introduced a Child Rights and Wellbeing Impact Assessment (CRWIA). A Ministerial workshop was held to examine equality and socioeconomic impacts of budget decisions.

Although CRWIAs have been used since 2015, in 2024 Scotland passed the UNCRC Incorporation Act, making them a legal requirement for all legislation and strategic decisions affecting children's rights and wellbeing. The process of producing the CRWIA for the Scottish budget followed the below steps:

- Identification of provisional new budget for the upcoming budget.
- Quantification of budget change (comparison of coming year's budget with previous year) and resulting impact (increase, decrease or same budget).
- Assessment (positive or negative) budget allocations impact on the UN CRC requirements.
- Assessment based on the consideration of changes in the

demand for services based on evidence.

- Assessment of a potential negative impact identified leading to incompatibility with UN CRC requirements.
- Overall comparison (positive, neutral, negative) of the impact between coming and previous year budget.

"Scotland passed the UNCRC Incorporation Act, making them a legal requirement for all legislation and strategic decisions affecting children's rights and wellbeing".

The main challenges in the CRWIA process were: the tight timeframe (five weeks) for assessing more than 600 decisions on the impact on children's rights; and the changes in budget allocations and spending decisions, on the basis of political negotiation.

Suggested areas of improvement include:

- Publishing CRWIA at the same time as the budget statement.
- Make a pre-budget statement outlining fiscal priorities, expected revenues and proposed expenditure.
- Increase participation of children and young people in budget decisions.

- More in-depth assessment of impact on children's rights, especially negative impact.
- Set out the proportion of budget lines that will be spent on children and young people.
- More details on how the budget impacted different groups of children.
- Set out plans for tracking budget allocations.
- Include information about how the impact assessment shaped the decisions about the budget allocation.

In general, CRWIA was welcomed by the Government and various child rights actors, as a significant and positive step towards embedding children's rights in budget decision-making. CRWIA contributed to greater focus and scrutiny of the budgetary impact on children and young people. An analysis of child rights outcomes of spending decisions was produced for the first time and became an important part of the conversation.



SPAIN

Ex-ante assessment of the impact of budget allocations on children, adolescents and families

José Garcia-Blanch de Benito,
Head of Unit, Ministry of Finance,
Spain

In 2009, building on the OECD work related to cross-cutting budgets, Spain started working on thematic, transformational budgeting, specifically gender budgeting, which led to the issuance of new budget reports reflecting specific cross-cutting themes. The process was handled by the Ministry of Finance (MoF), in parallel with the traditional budget formulation, structured around several high-level working groups.

Guided by the UN Convention of the Rights of the Child and accompanied by a strong framework, ex-ante impact reports on infants, adolescents, and families were reflected in the national legislation. The MoF is leading the process, whereas other line Ministries contribute with data on how their programs impact child and family rights.

After years of manual data collection, the IT system Frieda was developed to streamline input from Ministries for cross-sectional budget reports. Ministries, guided by a MoF directive, report on program relevance to children, specific activities, impact type, cost percentage of direct impact, and affected child welfare dimensions (as defined by the Ministry of Youth). The

resulting budget report includes methodology, policy overviews, program narratives, impact summaries, and statistical data, complemented by a Power BI presentation.

The availability of impact reports of budget allocations for children adds significant value by supporting legal compliance, raising child rights awareness across government, guiding practical actions for child welfare, and mapping current initiatives and stakeholders.

To further enhance the impact report in the future, key actions include:

- Ensuring full coverage of child-related programs
- Upgrading IT and Power BI tools
- Developing a unified statistical database using welfare proxies
- Linking child and family welfare to government actions
- Incorporating tax expenditures
- Quantifying impacts by type
- Integrating programs from all government levels.

“The availability of impact reports of budget allocations for children adds significant value by supporting legal compliance, raising child rights awareness across government, guiding practical actions for child welfare, and mapping current initiatives and stakeholders”.

GREECE

Enabling thematic budgeting in the framework of the performance budgeting approach

Efi Tsanti, Director, Directorate for the Evaluation of General Government Actions, General Secretariat for Fiscal Policy, Ministry of Economy and Finance, Greece

Since 2022, the General Secretariat for Fiscal Policy (Directorate for the Evaluation of General Government Actions, General Directorate of Fiscal Policy and Budget) of the Ministry of Economy and Finance has implemented performance budgeting using the OECD presentational approach. This is now evolving toward a performance-informed model that will incorporate execution data alongside projections, supported by the Gov-erp IT system. The initiative aims to improve budget preparation, execution, monitoring, transparency, parliamentary dialogue, and accountability. Complementary spending reviews have also been introduced to reinforce fiscal discipline, resource efficiency, and create fiscal space.

Green budgeting was introduced gradually, beginning with a pilot exercise during 2020–2021; program tagging per the EU taxonomy (positive, negative, neutral) began for the 2023 budget and was expanded in 2024–

2025 to include mixed and unlisted expenditures, introduce the overall score for the program, alongside the gradual integration of green indicators at the program level. The updated methodology now assesses performance budgeting programs for all the central administration bodies against six EU environmental Sustainable Development Goals (SDGs), with future steps focusing on incorporating listing for tax expenditures and revenue, as well as deeper integration of green indicators. An integrated approach under the performance budgeting umbrella is comprised of the following components:

- Spending reviews
- Programme classification
- Green budgeting
- Performance information and measurement
- Functional classification based on the Classification of the Functions of Government model (CoFoG).

The performance budgeting model is structured across three classification levels (policy area, programme, and sub-programme) and includes detailed information at the programme level, namely: human resources, budgeted expenditures, strategic objectives, expected outputs and outcomes, financed activities, spending reviews, and performance indicators, including green metrics and tagging. At the sub-programme level, it links to the functional classification of the budget.

Integrating various classifications (economic, administrative, functional) at the sub-programme level enables

multiple analytical perspectives and enhances accountability at the parliamentary level through transparent data, tagging, reporting via a new IT system, and initial information about budget-projection figures. This comprehensive structure can support thematic budgeting and can be enriched with targeted indicators, with its success depending greatly on full integration into the budget cycle.

“ Integrating various classifications (economic, administrative, functional) at the sub-programme level enables multiple analytical perspectives and enhances accountability at the parliamentary level”.

By 2027, a new integrated IT system will be launched to support multiple budget classifications and tagging (economic, administrative, programme, functional, green) as well as performance data including Key Performance Indicators (KPIs). Strengthening communication of performance budgeting outputs to the Hellenic Parliament and other stakeholders is essential to ensure its effective use. Additional priorities include building capacity within line ministries and legally formalizing the necessary provisions to support this initiative.

Key challenges linked to thematic budgeting include, determining the appropriate level of detail, such as data on child-related expenditures across programs, to support evidence-based policymaking, addressing growing demands for thematic budgets, and developing a methodology that supports national decision-making, while ensuring international comparability. Building on existing processes and leveraging international models like CoFoG and the SDGs can help link performance information with enhanced analysis of the budget use and impact.

PANEL DISCUSSIONS KEY TAKEAWAYS

Methodological and technical challenges in incorporating the dimension of spending for children in the context of thematic budgeting

Moderated by Alberto Musatti, Social Policy Specialist, UNICEF Regional Office for Europe and Central Asia

Efi Tsanti, Director, Directorate for the Evaluation of General Government Actions, General Secretariat for Fiscal Policy, Ministry of Economy and Finance, Greece

Jose Garcia-Blanch de Benito,
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Directorate of Financial
Management, Ministry of Social
Cohesion and Family Affairs,
Greece

- Child budgeting can be a valuable tool to improve investments in children, with emphasis on its potential to influence budget negotiations and enhance policy focus linked to budget allocations across Ministries.
- Considering both direct and indirect expenditures on policies for children from various Ministries and measure their results is instrumental in making decisions on the budget allocations.
- Key implementation challenges include coordinating input from line Ministries, the decentralized management of a high volume of child-related programs, difficulty in classifying, tagging and evaluating expenditures, the need for clear definitions of impact and for methodologies that capture indirect impact.
- Performance budgeting principles can enhance child budgeting by enabling detailed tracking of spending through programs and sub-programs, supporting evidence-based decision-making, and highlighting areas affecting child outcomes.



From left to right: Eleni Apousidou, Head, Directorate of Financial Management, Ministry of Social Cohesion and Family Affairs, Greece; Jose Garcia-Blanch de Benito, Head of Unit, Ministry of Finance, Spain; Efi Tsanti, Director, Directorate for the Evaluation of General Government Actions, General Secretariat for Fiscal Policy, Ministry of Economy and Finance, Greece; Alberto Musatti, Social Policy Specialist, UNICEF Regional Office for Europe and Central Asia.

- Investments in the process of thematic budgeting are important, such as capacity building of line Ministries to identify child expenditures, developing child-sensitive indicators, ensuring functional IT systems, and inter-ministerial cooperation.
- Legislation on thematic budgeting is an important factor for ensuring an institutionalized and formalized approach across Ministries.

Thematic budgeting, especially child budgeting, as a tool for a more efficient development and financing of relevant public policies

Moderator: Konstantinos Vrettos, Head of Office, General Secretariat of Fiscal Policy, Ministry of Economy and Finance

Pavlina Karasiotou, Secretary General of Fiscal Policy, Ministry of Economy and Finance, Greece

Aris Alexopoulos, Head of the Centre on Population Dynamics, OECD

- Thematic budgeting is undoubtedly a quite informative tool alongside traditional budgeting, which enhances accountability, transparency and auditing, while in the same time it can boost social and parliamentary

dialogue. However, since budget preparation is a highly structured process with strong accounting elements, balancing the accounting and informational aspects is crucial. While using thematic budgeting to achieve this goal can be challenging, due to the constant addition of new informational requirements, a flexible approach that respects customary fiscal and accounting processes seems to be a prudent approach.

- Thematic budgeting faces structural challenges. Even though it can help in aligning budgets with long-term policy goals, enabling thus evidence-informed policymaking, challenges still persist, including policy overlaps, increasing demand for new dimensions of thematic budgeting, new policy and reform priorities, lack of legal framework, data limitations, limited resources for addressing increasing needs of different thematic budgeting, as well as limited availability of funding. Approaches to mitigate these challenges include strong institutional frameworks, implementation of alternative monitoring mechanisms, political commitment, transparency and stakeholder engagement.
- The introduction of policies related to child protection and family support, at least in Greece, has increased the last years, covering

a wide spectrum of policy areas, like education, health, family support and social protection. In this context, the development and implementation of ex-post monitoring and evaluation mechanisms and tools is a key element for providing useful information, especially during budget negotiations.

- Policies for children require clear goals to ensure effective outcomes. This can be supported by tagging policies related to children, assessing their results and effectiveness, based on a flexible process to accommodate shifts in priorities and replacing policies as needed, while maintaining consistency.
- Policies for children should account also for ageing, declining birth rates, longevity and in general demographic challenges, while focusing on family support and financial incentives. Greece has integrated successful policies, namely child benefits, tax incentives, childcare services, education access and work-life balance, including paternity leave and paid leave for the self-employed.
- Technological and financial innovations could enhance budgeting. Automation and IT systems can help integrate thematic and accounting data for strategic planning, while spending reviews and innovative financing could optimize resource allocation and expand funding for priority areas like child welfare.



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From left to right: Aris Alexopoulos, Head of the Centre on Population Dynamics, OECD; Pavlina Karasiotou, Secretary General of Fiscal Policy, Ministry of Economy and Finance, Greece; Konstantinos Vrettos, Head of Office, General Secretariat of Fiscal Policy, Ministry of Economy and Finance