



INTERNATIONAL SEMINAR

Investment in Children in Latin America and the Caribbean

A strategy to accelerate the achievement of the SDGs

13-14 March 2019

Santo Domingo, Dominican Republic



CONCEPT NOTE

BACKGROUND

Generating sufficient budgetary spaces and investing more and better in children and adolescents is one of the best strategies that countries have to accelerate the achievement of the Sustainable Development Goals (SDGs).

Since 2013, UNICEF annually organizes regional meetings on how to move forward with this strategy, and these meetings have been effective: the Latin America and the Caribbean region has been pioneer in the public investment progress towards the fulfillment of children's rights, going from the quantification and estimation of national and subnational public resources destined for children to the analysis of the quality of that investment.

This year's International Seminar on Investment in Children, is a new regional meeting, and the first hosted in a Caribbean country. This event is organized by UNICEF and the Government of the Dominican Republic, through the Ministry of Economy, Planning and Development, the Ministry of Finance and the General Budget Directorate, and aims to provide a privileged space for reflection, dialogue and exchange, in order to continue sharing experiences and tools on financing a better investment in children and adolescents with the governments of the region, decision makers, international and regional experts, civil society organizations, academia, private sector and other

relevant actors. The expectation is that the reflections of this valuable space for dialogue and exchange, together with the lessons learned from the region's experiences, contribute to the efforts to continue in the indispensable and urgent task of improving investment in children in the countries of the region, and therefore advance the achievement of the SDGs.

Multiple topics have been addressed throughout these spaces of reflection and exchange of ideas and experiences: i) strategies to institutionalize tools for measuring and monitoring the quantity and equity of the national and subnational budgets for children and adolescents; ii) identification of mechanisms to guarantee financing, sustainability and non-reversal of resources invested in children, based on experiences that respond to the mandates established in General Comment 19, including the role of the private sector in the mobilization of resources; iii) regional experiences of participation, transparency and accountability of investment in children and adolescents, including early childhood, to bring a rights' perspective to public finances; and, iv) analysis of the impact of the economic crisis on children and adolescents and the adoption of tools and strategies to address their effects, among others.

As a result, a valuable analytical group of professionals dedicated to promoting and working on public investment in children in the Latin American and Caribbean region has been established. Moreover, it is safe to say that these events have contributed to the initiation of processes for the quantification or efficiency analysis of public spending in children together with national governments, as well as to show the experiences and success stories of those countries that have advanced more rapidly, not only within our region, but they have taken these examples out of Latin America.

Likewise, the international seminars on public investment in children have allowed us to reflect on the imperative need for greater and better financial efforts for children under different approaches: a) framed in global milestones, such as the Millennium Development Goals and Sustainable Development, or General Comment 19 to Article 4 of the Convention on the Rights of the Child (CRC); b) with different actors, where although governments occupy a primordial place but engage in discussions with international organizations, academia, private sector and civil society; and c) in different contexts, both of economic growth and stability and, more recently, of deceleration.

Despite these outstanding advances in public management, it is true that the global and regional environment under constant transformation makes it more complex to fulfill the rights of children and adolescents. Indeed, the challenges that hyper globalization entails, accompanied by the challenges - good and bad - of the accelerated digital revolution, the advancement of climate change with the increase in the frequency of disasters, the demographic transition with the aging process and decisions on budgetary allocations that this causes, as well as the proliferation of migratory processes and their pressure on social services are confronting countries to new realities and economic, social and environmental tensions that threaten to hinder the way to accelerate the achievement of the SDGs. These phenomena represent a challenge, but also an opportunity for governments to redirect and deepen public policies and resources aimed at settling pending debts in the exercise of the rights of children and adolescents, while anticipating possible risks that should be addressed to ensure their welfare.

THE SITUATION OF CHILDREN AND ADOLESCENTS IN THE CURRENT CONTEXT

The progress achieved worldwide, and especially in this region, in terms of compliance with the rights of the child after 30 years of the validity of the CRC has been significant in many and diverse areas of development¹. However, the slow global economic growth, social inequalities and environmental degradation that are characteristic of the current global reality, impose challenges for the international community and especially for the children and adolescents of the world. Half of

¹ See Latin America 30 years after the approval of the Rights of the Child (ECLAC-UNICEF, 2018).

the world's poor are still children, since in 104 countries, predominantly of medium and low income, 662 million children are considered multidimensionally poor². In countries of this type in Latin America and the Caribbean³, the number of multidimensional poor increased from 38.6 million people (circa 2013) to 39.7 million in 2016⁴. Regarding monetary poverty, although from 2000 to 2014 poverty and extreme poverty in Latin America and the Caribbean, measured by income, were considerably reduced⁵, in 2015 and 2016 these rates increased to reach 30.7% and 10.0% respectively, determining that in 2016, 186 million people were poor and 61 million people were extremely poor⁶. Likewise, the improvement that occurred in the distribution of income between 2008 and 2014 in Latin America deteriorates as of 2015⁷, with high levels of income concentration persisting, which still situate it as the most unequal region in the world.

This increase in poverty and inequality has the face of a child, since while those under 15 years of age constituted 25% of the population of Latin America, they accounted for 38% of the population living in poverty (70.1 million of children) and 42% of people in extreme poverty (25.6 million children), with a proportionally greater incidence among indigenous peoples, the Afro-descendant population and in rural areas. Thus, 50% of indigenous children aged 0 to 9 years are in the lowest income quintile, while less than one third of non-indigenous children of the same age group are in the same quintile. It is also observed that the condition of vulnerability of the regional population was worsened by the fact that slightly more than half of the population (50.9%) are in a situation of vulnerability, that is, with incomes below 1.8 poverty lines⁸.

Although this overrepresentation of children in poverty figures responds to different factors, the absence of social protection floors for children and their families is one of the most important of them⁹, and is largely explained by the still insufficient levels of social spending in Latin America and the Caribbean and, by extension, investment specifically in children and adolescents. Although social spending as a percentage of GDP has grown in the last 15 years in the region, it funds about 18% of consumption of families with children, adolescents and youth, compared to other regions, such as East and Pacific Asia and Europe, where they finance approximately 29% and 34% of their consumption, respectively. Therefore, it is a very opportune time for the valuable analytical group of professionals in the region dedicated to promoting and working on issues of public investment in children to reflect and discuss both the best way to increase or reallocate financial resources for the different social sectors that guarantee adequate levels of social protection for children and adolescents, as well as lines of action to increase their coverage, effectiveness and quality.

This task becomes even more complicated given the possibility of an unfavorable global environment that can hinder the social protection of children and adolescents, having a negative impact on its financing and, consequently, on the fulfillment of rights. First, some unfavorable dimensions of hyper globalization can be accentuated, causing a global slowdown and the deepening of inequality, such as the intensification of international competition to reduce labor and fiscal costs, and the greater volatility of capital flows and aggressive fiscal optimization by

² The Multidimensional Poverty Index (WPI) looks beyond monetary income and shows how poverty is the experience of facing multiple and simultaneous gaps in the field of health, education and living standards, with gaps such as lack of access to drinking water, to sanitation, to adequate nutrition or to primary education or health services

³ Middle and low income countries considered in Latin America and the Caribbean are: Belize, Bolivia, Brazil, Colombia, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Paraguay, Peru, Dominican Republic, Saint Lucia, Sao Tome and Principe, Suriname and Trinidad and Tobago.

⁴ See Global Multidimensional Poverty Index (UNDP, 2018)

⁵ Poverty went from 45.9% to 28.5%, a reduction of 17.4 percentage points, and extreme poverty fell from 12.4% to 8.2%, a decrease of 4.2 percentage points.

⁶ See Towards a regional agenda of inclusive social development: bases and initial proposal (ECLAC, 2018)

⁷ There was a greater relative increase in the income of paid work, both salaried and independent, of the first quintile or poorest quintile (3% and 2.8% per year, respectively), compared to the fifth richest quintile or richest quintile (2, 3% and -0.3% per year, respectively).

⁸ See Towards a regional agenda of inclusive social development: bases and initial proposal (ECLAC, 2018)

⁹ Globally, only 35 percent of children have effective access to social protection, that is to say, almost two thirds of children - 1.3 billion children - lack coverage. On average, spending on family benefits and children between 0 and 14 years of age represents 1.1 percent of GDP, which indicates a significant deficit of investment in children (See World Report on Social Protection 2017-2019, Universal social protection to achieve the Sustainable Development Goals, ILO, 2017).

transnational corporations¹⁰. Second, digital technology, for better or for worse, continues to change the lives of children in the region and their opportunities, and in the immediate future will deepen their impact¹¹. Countries will have to make an effort and ensure that the effects of digital technology take the path of inclusion, in order to reverse the preexisting situation of inequality and not allow any child to be left behind. Thirdly, the consequences of current global warming could be severely aggravated if the set of actions required to limit the temperature increase to 2 ° C¹² are not quickly adopted, which could severely restrict the food and water safety of children and adolescents, significantly increase the risks of disasters, deteriorate health conditions, accentuating exponentially their poverty and inequality. Finally, the proliferation of migration processes in the region affects the rights of migrant children or children seeking refuge, exposing them under conditions of intense vulnerability or facing situations of forced labor.

Result of these external factors, together with the internal dynamics, with different degrees of tension, the countries of the region face a challenging context. The deceleration of some economies and with it the reduction of the capacity to generate income, the volatility of capital, the deepening of tax evasion and the increase of fiscal competition, while reducing the available financial resources, can deepen poverty, inequality and the vulnerability of their childhood and adolescence, determining in turn the need for greater resources to cover to an increasing number of excluded children. Therefore, to leave this crossroads and break the perverse circle requires the countries of the region much ingenuity to materialize the fiscal space necessary to develop quality investments in social protection that counteract the perverse effects of these factors, optimizing their institutions and structurally fighting the levels of poverty, inequality and vulnerability. It is also possible to appreciate that other economies continue to grow, so they are in a magnificent position to allocate extraordinary resources to guarantee the development of their present and future generations. Precisely, this seminar is presented as a great opportunity to reflect on the importance of public investment in children, but now not only in terms of its intrinsic value but also in relation to its relationship with other sectors of development, such as education, health, social protection and special protection, to guarantee the rights of children and adolescents.

Thus, the seminar focuses on the double challenge faced by the countries of the region in terms of children's rights and their financing: on the one hand, facing the still pending challenges and accumulated lags, and on the other hand, to assume the new and complex challenges derived from the current environment, all this, in a context of little additional space for the generation of financial resources and institutional weaknesses that cannot be ignored. Finally, it is noteworthy that this is the first time that one of these events takes place in the Caribbean region, which has its own characteristics among the countries that make it up, which vary with respect to many of the Latin American countries.

OBJECTIVE

The objective of the seminar is to facilitate a space for reflection and discussion in order to exchange ideas and experiences with the governments of the region, decision makers, international and regional experts, civil society organizations, academia, the private sector and other relevant actors on the financing of different social sectors that contribute to guarantee adequate levels of social protection for children and their families, and thus accelerate the achievement of the Sustainable Development Goals.

The main objectives of the Seminar will be:

¹⁰ See Report on trade and development, 2018: power, platforms and the chimera of free trade (UNCTAD, 2018)

¹¹ See the State of the World's Children 2017, Children in a digital world (UNICEF, 2017)

¹² See Report of the Intergovernmental Panel on Climate Change (IPCC, 2018)

- Know the current trends of public investment in childhood and adolescence in Latin America, its magnitude, effectiveness and efficiency.
- Discuss alternatives to find sufficient budgetary or fiscal space to increase the financial resources for the different social sectors that guarantee social protection for children and adolescents, mobilizing efficient and quality resources, both to deal with outstanding debts and to attend to the incidents that the emergent transformations of the global context.
- Encourage dialogue between governments of Latin America and the Caribbean regarding the definition of plans and implementation of actions aimed at fulfilling the commitments acquired on the Sustainable Development Goals.
- Link strategic actors from governments, civil society organizations, the private sector and recognized research centers in the region with the purpose of reflecting on financing alternatives for the fulfillment of children's rights in a comprehensive manner.

The most relevant results and the experiences shared in the seminar will be systematized in a Report of the Seminar that will serve as input for the achievement of a greater incidence in the financing of social investment and social protection in children and its crucial relevance in the process of implementation of the SDG. This report will be fed, in turn, from the debates held in light of the challenges of current reality, and will also include revised commitments, taking into account the constraints of the current environment, and will systematize follow-up actions identified.

Video capsules will be carried out with the main moments of the session, as well as interviews with the featured participants, which will serve as advocacy tools.

MAIN TOPICS

The seminar proposes to address the topics summarized below, which will be developed in specific sessions during the event, allowing a fluid dialogue among the participants. The main conclusions of the event will contribute to the construction of the Seminar's Report.

I. Possible repercussions and transmission channels of the current global and regional environment on investment in children and on their financing alternatives

I.1. Economic context of Latin America and the Caribbean: economic growth, fiscal space and expectations in 2019.

It considers an analysis of the economic context in LAC, with uneven growths; of the relevance of public social spending; of the fiscal space that countries have, emphasizing the need to think about reallocations within budgets and not only in additional allocations.

I.2. Social investment in childhood and adolescence in the region. Trends, effectiveness and challenges.

It contemplates a reflection on the challenges implied by the commitments for equity in childhood, the analysis of public spending in children in Latin America and the Caribbean (how much and how effective is it?), and an analysis of spending on early childhood in the Dominican Republic, its realities, effectiveness and trends.

I.3. Alternatives of financing for public investment in childhood and adolescence for the achievement of the SDGs.

It addresses the analysis of the trends and realities of financing for development in Latin America and the Caribbean; of the available fiscal space for social protection systems financing; of financing alternatives for social construction efforts, through public-private partnerships; and, of the impact of the use of new financial mechanisms, such as social bonds.

II. Towards the strengthening of social protection in the region as an effective response to contexts of fragility and displacement.

II.1. Investment in social protection as a national development strategy.

It addresses the analysis of the conditions that social protection requires to prioritize children, under the Dominican case, as well as social spending oriented to children and adolescents in European and Latin American countries, from a comparative perspective; and, of modifications that a comprehensive review of its systems poses in the investment in social protection.

II.2. Public investment in health and education, universal coverage and the transition to quality.

It contemplates the analysis of health systems reforms to achieve universality, the challenges in terms of coverage and their financing; as well as the best state interventions available to reduce high school dropouts; and, of cases that show the recent trends of investment in public education.

II. 3. Investment in protection against violence: a pending debt in Latin America.

It considers the presentation of the results of a study on the analysis and costing of early childhood protection policies against violence in Latin America and the Caribbean and a discussion of reflection and debate on this relevant issue, with high government authorities, under the modality of discussion panel "living type".

METHODOLOGY

It is proposed a participatory methodology in order to collect the points of view and suggestions of the participants and speakers. In addition to the keynote address, it considers two sessions, which include five thematic panels, as well as a round of itinerant sessions to present various national and subnational experiences on the measurement of public investment in children and adolescents in the region. After the development of the panels (each panel will be composed of a maximum of three presentations), spaces for the exchange of opinions will be generated, based on motivating questions.

PARTICIPANTS

120 national and international / foreign participants.

- Isidoro Santana, Ministro de Economía, Planificación y Desarrollo Económico,
- Donald Guerrero, Ministro de Hacienda o su delegado
- Luis Reyes, Director General de Presupuesto del Ministerio de Hacienda,
- Kenia Lora, Directora Ejecutiva del Consejo Nacional para la Niñez y la Adolescencia
- Latin America and the Caribbean: regional experts, government officials, UNICEF social inclusion focal points, civil society organizations in the region, academia

- Dominican Republic: MEPyD, MH, National Congress, other government institutions, civil society organizations, academia
- International experts

DATE AND VENUE

Date: March 13 and 14, 2019.

Venue: Embajador Hotel, Santo Domingo, Dominican Republic.