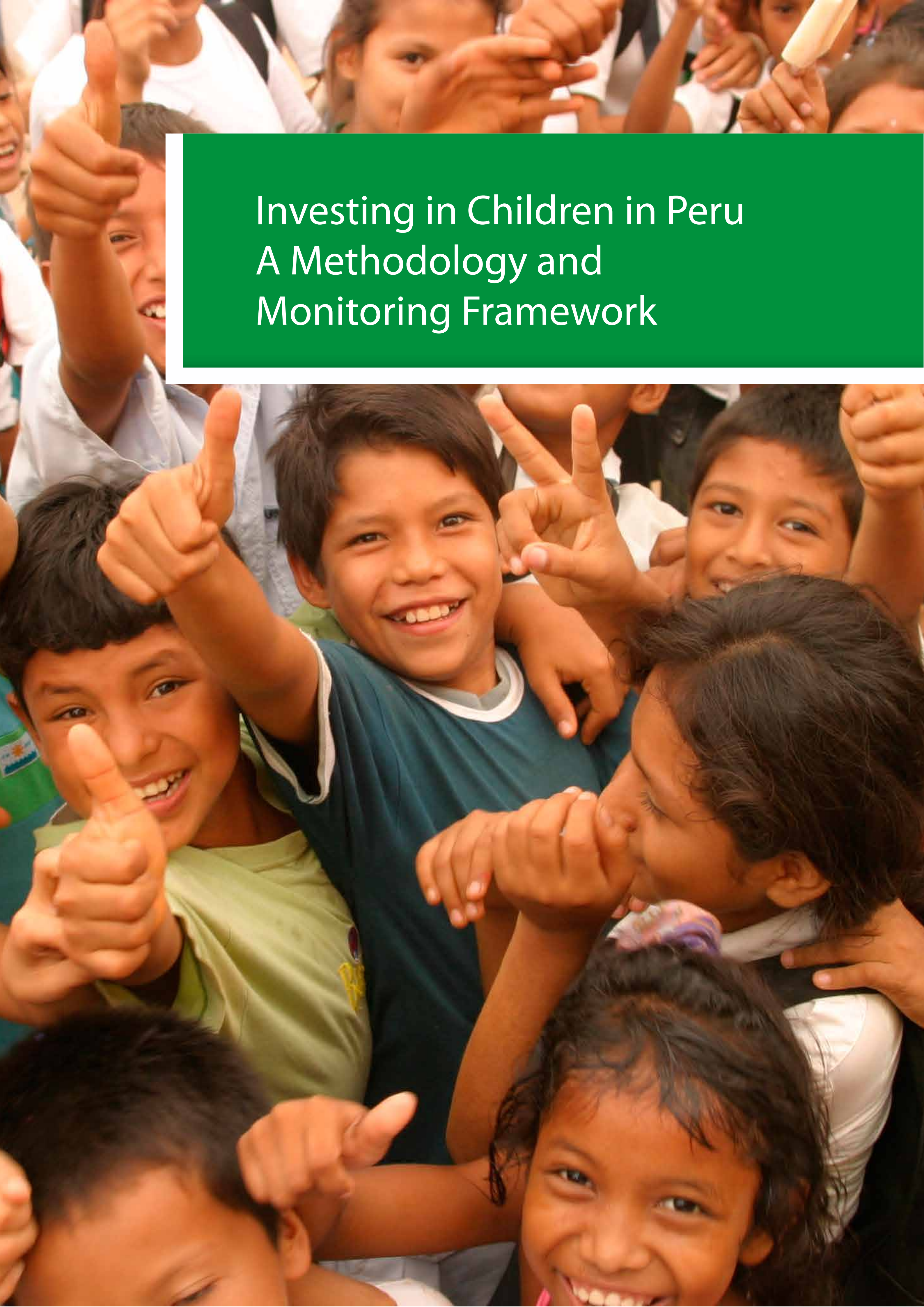
Investing in Children in Peru
A Methodology and Monitoring Framework



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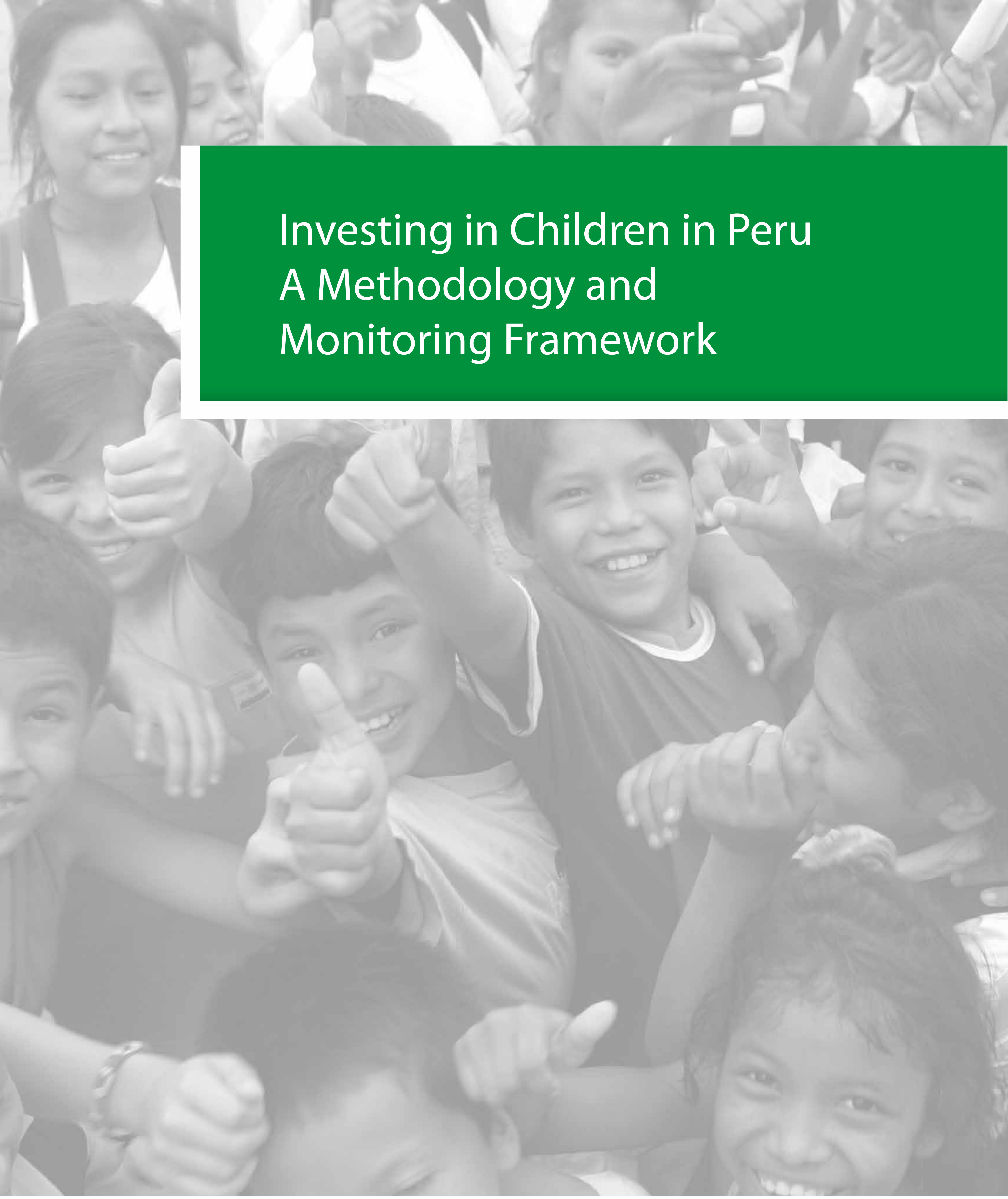

Investing in Children in Peru A Methodology and Monitoring Framework

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Lima, September 2014

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Acronyms

AMPE
Asociación de Municipalidades del Perú (Association of Municipalities of Peru)

ANGR
Asamblea Nacional de Gobiernos Regionales (National Assembly of Regional Governments)

APNoP
Acciones Presupuestarias que no Resultan en Productos (Budgetary Actions that do not result in Products)

CRC
Convention on the Rights of the Child

CEM
Centro de Emergencia Mujer (Women's Emergency Centre)

CEPLAN
Centro Nacional de Planeamiento Estratégico (National Centre for Strategic Planning)

ENDIS
Estrategia Nacional de Desarrollo e Inclusión Social (National Strategy for Development and Social Inclusion)

GPE
Gasto Público Específico (Specific Public Spending)

GPNE
Gasto Público No Específico (Non-Specific Public Spending)

GPNNA
Gasto Público en las Niñas, Niños y Adolescentes (Public Spending on Children and Adolescents)

INEI
Instituto Nacional de Estadística e Informática (National Statistics Insitute)

MCLCP
Mesa de Concertación para la Lucha contra la Pobreza (Roundtable on Poverty Reduction)

MEF
Ministerio de Economía y Finanzas (Ministry of Economy and Finance)

MIDIS
Ministerio de Desarrollo e Inclusión Social (Ministry of Development and Social Inclusion)

MIMP
Ministerio de la Mujer y Poblaciones Vulnerables (Ministry of Women and Vulnerable Populations)

MDG
Millennium Development Goals

PAN
Programa Articulado Nutricional (Articulated Nutrition Programme)

PELA
Programa Logros de Aprendizaje de la Educación Básica Regular (Programme for Learning Achievements in Basic Education)

PIA
Presupuesto Institucional de Apertura (Preliminary Institutional Budget)

PIM
Presupuesto Institucional Modificado (Revised Institutional Budget)

PNAIA
Plan Nacional de Acción por la Infancia y la Adolescencia (National Action Plan for Children and Adolescents)

PP
Programa Presupuestal con Enfoque de Resultados (Results-Based Budget Programme)

PpR
Presupuesto por Resultados (Results-Based Budgeting)

REMURPE
Red de Municipalidades Rurales del Perú (Peruvian Rural Municipalities Network)

SIAF
Sistema Integrado de Administración Financiera (Integrated Financial Management System)

SMN
Programa Salud Materno Neonatal (Maternal-Neonatal Health Programme)

VRAEM
Valle del Río Apurímac, Ene y Mantaro (Valley of the Apurímac, Ene and Mantaro Rivers)

UNICEF
United Nations Children’s Fund

Foreword

Since adopting the Convention on the Rights of the Child in 1990, Peru has made significant progress in improving the situation of children and adolescents. Through increasing budgets and implementing policies, Peru reduced child mortality by 76% between 1990 and 2012 and is now recognized as the country with the highest proportion of child mortality reduction in Latin America, among other achievements. However, 33% of children and adolescents (aged 0 to 17) still live in poverty – a rate that increases to 55% in rural areas, and 68% in indigenous communities of the Amazon region. [1]

In this context, the current government has worked to ensure that Peru's sustained economic growth over the last decade – with GDP growth of 5.2% in 2013 – promotes social inclusion. Recognizing the importance of investing in children and adolescents, the government has focused its attention on specific measurable goals, including: reduction of chronic child malnutrition and anaemia, universalization of early education for children 3 to 5 years of age, reduction of child mortality, improvement of learning achievements, reduction of adolescent pregnancy and reduction of all forms of violence against children and adolescents.

The identification of priority actions for children[2] and the improvement in budget allocation and implementation have been key to achieving these goals. Since 2007, the government has progressively adopted results-based budgeting, making it possible to link resource allocations to measurable results. The system promotes collaboration between different sectors and levels of government to improve the lives of Peruvians, particularly those most vulnerable.

In this context, interest grew in developing an accountability mechanism to track public investment in Peruvian children and adolescents. To take on the initiative, a working group – made up of the Ministry of Economy and Finance[3], the Ministry of Women and Vulnerable Populations[4], the Ministry of Development and Social Inclusion[5], the Roundtable on Poverty Reduction and UNICEF – developed a taxonomy of Public Spending on Children and Adolescents in Peru.

The taxonomy of public spending on children and adolescents has been designed through a participatory process. The concepts, definitions and criteria for quantifying public spending on children and adolescents have been endorsed by international experts, technical experts in Peru, civil society and the ministries represented in the working group. Based on this methodology, the group has made an initial estimate of the Government of Peru's investment in children and adolescents in 2013.

1 Based on data from INEI's 2013 National Household Survey.
2 Included in the Law for Financial Balance of the Public Sector Budget for the 2006 Fiscal Year.
3 Directorates of Fiscal Decentralization and Social Affairs; and of Spending Quality.
4 Directorate of Policies for Children and Adolescents.
5 General Directorate of Policies and Strategies, and General Directorate of Monitoring and Evaluation.

These results were presented before the Permanent Multi-Sectoral Commission in charge of implementing the National Action Plan for Children and Adolescents (PNAIA). The methodology has been adopted as the official mechanism for monitoring the plan's implementation and public spending on children and adolescents.

The initiative's working group intends to publish periodic reports on public investment in children and adolescents with information disaggregated by Peru's three levels of government.

We hope that this information will be useful for timely and informed government decision-making, as well as State and civil society efforts to realize the rights of children and adolescents in Peru.

General Directorate of
Public Budget
Ministry of Economy
and Finance

Vice-Ministry of Policy and
Social Evaluation
Ministry of Development
and Social Inclusion

Vice-Ministry of
Vulnerable Populations
Ministry of Women and
Vulnerable Populations

Roundtable on Poverty
Reduction

United Nations
Children's Fund

1 The importance of investing in Peruvian children and adolescents

By ratifying the Convention on the Rights of the Child, 194 countries, including Peru, have committed to **investing in children to guarantee them a full, healthy, safe and happy life starting from the time of conception**. As established by Article 4[6], **States Parties should designate the maximum available resources to realize the rights of all children without exception.** States show their commitment to children by the amount and quality of public resources allocated to realizing children's rights.

Increased investment in expanding opportunities and building the capacity of children and adolescents contributes to a country's social, economic, political and cultural development. There are three main arguments for investing in people, with an emphasis on children and adolescents:

Why invest in people, with an emphasis on children and adolescents?

Ethical argument → Social investment contributes to the realization of rights and equity

Economic argument → Social investment contributes to economic growth and increases productivity

Policy argument → Social investment contributes to social cohesion and democratic governance

6 "States Parties shall undertake all appropriate legislative, administrative, and other measures for the implementation of the rights recognized in the present Convention. With regard to economic, social and cultural rights, States Parties shall undertake such measures to the maximum extent of their available resources and, where needed, within the framework of international co-operation."

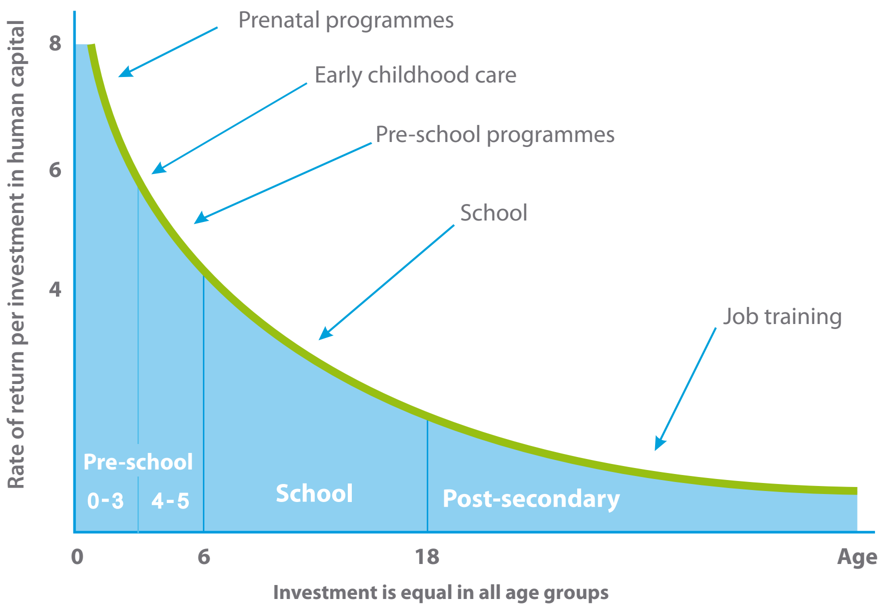
Ethically speaking, social investment is a means to effectively **realize the rights of children and adolescents (the right to life, identity, nutrition, health, education and protection)** in a **progressive[7], sustainable and equitable** way; in **environments** (family, school, community) that guarantee the basic conditions of **existence, coexistence and subsistence[8]** to develop their full potential at each stage of life. The exercise of a basic right in one stage of life positively influences the exercise of current and future rights. For example:

a. With better nutrition and health during the first years of life, a child will perform better at school.
b. By going to pre-school, a child is more likely to succeed at school in later years.

Economically speaking, prioritizing investment in policies, programmes and projects aimed at children and adolescents – with an emphasis on early childhood – helps equip them to improve their quality of life, overcome poverty, reduce inequity, enter the labour market and be more productive in adulthood. This investment, in turn, contributes to a country's competitiveness and comprehensive development.

National and international research has shown that investment in early childhood[9] – a time that has lifelong effects on a person's well-being – contributes to breaking the intergenerational poverty cycle by reducing socioeconomic, territorial, ethnic and gender inequalities[10]. Investment in early childhood has the highest cost-benefit ratio and the highest return per dollar invested: 7% to 16% annually (Rolnick and Grunewald 2007; Heckman et al. 2009).

Investing in early childhood yields the highest rate of return



Source: Heckman and Cameiro (2003), Heckman (2008).

7 Progressiveness implies conserving already guaranteed rights, not implementing measures that limit rights, and gradually increasing the exercise of rights to the point of universalization.
8 The exercise of their rights to life, freedom and integrity guarantees the basic conditions of existence, the exercise of their civil and political rights, the basic conditions for peaceful coexistence, and the exercise of their economic, social and cultural rights and basic conditions for subsistence.
9 Early childhood (from conception to the first years of life) is the most critical stage for growth and development of all human beings, during which the brain forms and develops at its fastest rate.
10 CEPAL, CELADE and UNICEF, Child Poverty in Latin America and the Caribbean, December 2010.

The later the investment, the greater the cost. Investment should continue through childhood and adolescence to sustain progress made in early childhood and to avoid generating negative returns.

Politically speaking, equitable and sustainable social investment in children and adolescents expands opportunities to improve the well-being of all. This investment reduces existing inequalities and promotes a more participatory and cohesive society that guarantees the basic conditions of existence, co-existence and subsistence – factors that are essential for democratic governance.

Better investment in living conditions during pregnancy, early childhood, childhood and adolescence determines the likelihood that children will grow up to be active citizens who contribute to a more equitable and just society.

2 Children as a public policy priority

Since adopting the Convention on the Rights of the Child (CRC) in 1990, Peru has made important progress in the development and implementation of national policies related to children, such as the Code for Children and Adolescents and the National Action Plan for Children and Adolescents (PNAIA). These instruments have helped protect and realize the rights of children and adolescents, contributing to:

- Peru becoming the country with the highest proportion of reduction of child mortality in the Americas: the rate decreased by 76% between 1990 and 2012.
- Chronic child malnutrition reducing from 28.5% in 2007 to 17.5% in 2013.
- Access to early education for children ages 3 to 5 increasing from 58.6% in 2005 to 74.6% in 2012.

These advances are the result of coordinated efforts between the State and civil society in recent years.

2.1. Context: children in policies and budgets

Over the past ten years, advocacy and evidence generation have made some of the biggest contributions to prioritizing children and adolescents in Peru's policies and budgets. In Peru, social participation has been at the heart of public policy development. The State, civil society and international agencies have actively worked together, particularly to improve comprehensive services for children. This relationship has been a continuous learning process on public policy development and the access and democratization of public information. The following sections highlight three milestones that have contributed to making children a priority in Peru's policies and budgets:

National campaign for children

In 2005, with the aim of prioritizing public investment in comprehensive services for children, a civil society coalition promoted the national campaign, "In the Public Budget, Children Come First"[11]. This campaign built a social base that promoted the participation of children and adolescents in participatory budgets and the prioritization of projects that would contribute to improving their quality of life.

In November 2005, the National Accord Forum signed the "Commitment for the immediate Improvement in the Quality of Spending, with a Long-Term Perspective", which proposed 12 priority actions for children, with particular emphasis on rural children. This commitment was reflected in the Law for Financial Balance (Law 28653), protecting budgetary resources allocated to children and prioritizing children in budgetary increases.

This mobilization process continued with the Roundtable on Poverty Reduction's (MCLCP) national and decentralized campaign "Looking for a Million Friends", which aimed to incorporate children in the plans of political parties participating in the 2010 regional and municipal elections. From 2013, the Roundtable promoted the "Good Treatment for Children" campaign to promote the recognition and protection of the rights of children and adolescents in the lead up to the 2014 regional and municipal elections.

Priority actions

The implementation of the 12 priority actions for children proposed in the 2006 Law for Financial Balance (Law 28653), demonstrated the government's difficulties in achieving effective and sustainable results[12]. At the same time, the National Accord and the MCLCP identified and shared, in political spaces[13], cost-effective actions[14] that could promote the comprehensive development of children. Building on these findings, the government applied results-based management to the 11 priority actions[15] for children through the 2007 Public Budget Law (Law 28927)[16]. This law planted the seed for public administration reform in Peru. In this context, the State and civil society groups that were part of the MCLCP Executive Committee agreed to monitor the implementation of the priority actions[17].

11 Through the network of regional and local roundtables on poverty reduction, the campaign achieved national scope.
12 The budget was allocated and executed by copying the previous budget without taking results into account.
13 The Congress of the Republic being the most relevant sphere.
14 Actions that, in turn, are easy to communicate to decision-makers and functionaries at the three levels of government.
15 In the Public Budget Law of 2007, the number of priority actions was reduced from 12 to 11.
16 MCLCP 2007b.
17 MCLCP 2007a. As a strategy, it was agreed to start by following up on one of the eleven prioritized actions, carrying out an evaluation at the end of the first six months, and then progressively expanding to follow up on the other actions, with the idea of continuously improving procedures and building institutional capacities for monitoring at the national and local levels.

Table 1: The eleven priority actions for children

1. Birth and identity registration.
2. Care for pregnant women.
3. Care for children under five.
4. Treatment for acute diarrhoeal diseases and acute respiratory infections.
5. Care for new-borns less than a month old.
6. Monitoring teacher and student attendance.
7. Prioritized education for children between the ages of 5 and 7.
8. Development of mathematics and reading comprehension skills in the second grade of primary school.
9. Supervision, monitoring, pedagogical support and training for teachers.
10. Solutions for vulnerable school infrastructure.
11. Supply of safe water and quality control of drinking water.

Monitoring budgetary programmes for children

Subsequently, as a part of the results-based budgeting process, Article 15 of the 2008 Public Budget Law established the implementation of Peru's first five strategic budgetary programmes. The aim of these programmes is to promote the incorporation of mechanisms that contribute to the achievement of measureable results in child-related issues, such as "strategic budgetary programming, concrete goals, results indicators and monitoring and evaluation of the strategic programmes".

Since 2008, the government and civil society have carried out joint monitoring of the five strategic budgetary programmes: the Articulated Nutrition Programme (PAN), Maternal-Neonatal Health Programme (SMN), Programme for Learning Achievements in Basic Education (PELA), and Access to Identity. Throughout this process, opportunities for joint monitoring have been expanded and strengthened. National and regional reports have included recommendations that have contributed to improving the implementation of these policies and achieving results[18].

18 Boggio 2011.

2.2. Children and adolescents in policies and plans

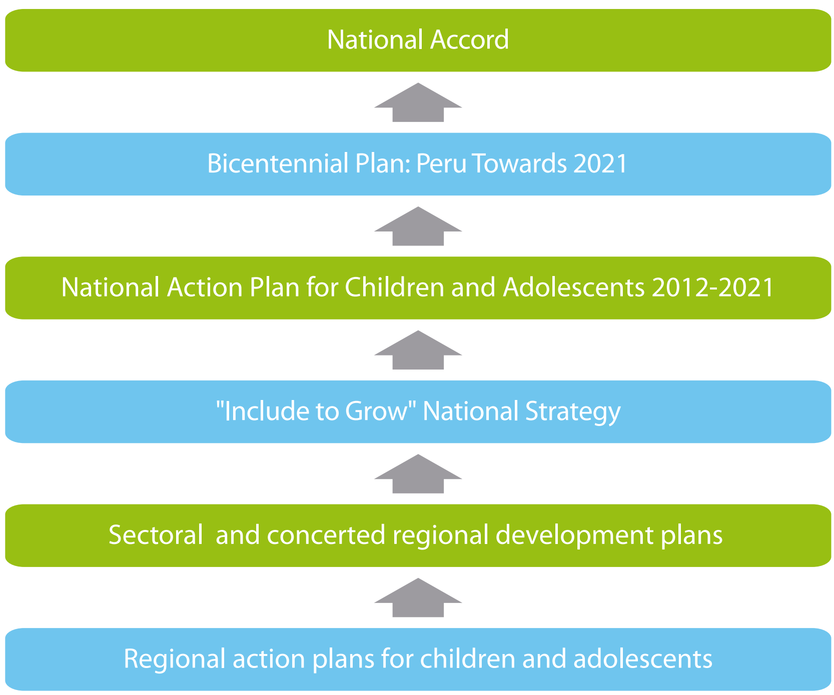
Children are a priority in Peru's main national policies. Five of the 32 national policies in the 2002 National Accord promote a more just and equitable society where children have access to the same opportunities. These include access to quality education, health services, food security, adequate nutrition and protection in family and community environments.

These policies, which prioritize children as central to sustainable development and democratic governability in Peru, were developed and adopted through dialogue and consensus between the government and political, religious and civil society organizations[19].

Bicentennial Plan: Peru Towards 2021

The **Bicentennial Plan[20]** states that, by 2021, Peru should be a country in which **malnutrition, illiteracy and child mortality have been eradicated**. Two of the plan's six strategic areas address actions for children and adolescents. The first, which focuses on fundamental human rights and dignity, provides for the implementation of joint social monitoring by the national government, local governments, communities and adolescent organizations, to eradicate all forms of child and adolescent labour that put the full development of children and adolescents at risk. The second, on opportunities and access to services, includes equitable access to a comprehensive education; universal access to quality, comprehensive health services; and adequate nutrition for babies and pregnant women; among other aspects.

Diagram 1: Children and adolescents in policies and plans



19 See: <http://www.acuerdonacional.pe/home>.
20 The plan sets economic and social goals for Peru to work towards in the next ten years; CEPLAN 2011.

National Action Plan for Children and Adolescents

The **National Action Plan for Children and Adolescents 2012-2021** (PNAIA 2021)[21] articulates and links Peru's child-oriented public policies. The plan reflects the Government of Peru's willingness to prioritize policies aimed at guaranteeing children's rights – building on international agreements and conventions ratified by Peru, such as the CRC and the Millennium Development Goals (MDGs).

The PNAIA 2021 establishes an agenda for creating **conditions that guarantee the rights of children and adolescents, as well as their access to opportunities – with equity and without discrimination** – for comprehensive and participatory development in their family, school and community environments. The PNAIA 2021 has four strategic objectives with a rights-based, life cycle, gender, intercultural and equity approach. The plan prioritizes the needs of children and adolescents to ensure their full development.

The multi-sectoral commission in charge of implementing the PNAIA 2021 is chaired by the Ministry of Women and Vulnerable Populations (MIMP), through the office of the Vice Minister for Vulnerable Populations. The commission is comprised of 18 public sector institutions, as well as representatives of civil society and the Consultative Council of Children and Adolescents. The purpose of the commission is to monitor and contribute to the effective achievement of the plan's objectives, expected results, goals and implementation strategies.

The PNAIA 2021 is a multi-sectoral instrument whose intervention strategies rely on the support of different sectors and levels of government. The resources for its implementation are included in the budget of each of the involved parties – especially in their results-based budgetary programmes. Monitoring and evaluation of the PNAIA 2021 is performed by the MIMP and is financed by the ministry's institutional budget, as well as resources from national and international cooperation agencies.

National Strategy for Development and Social Inclusion: Include to Grow

The "Include to Grow" National Strategy for Development and Social Inclusion reflects the current government's social policy. The strategy, led by the Ministry of Development and Social Inclusion (MIDIS), was adopted in April 2013 with the signatures of 14 Ministers of State[22]. The strategy is used as a management tool to guide the work of all relevant sectors and levels of government, requiring their commitment to **close gaps** that affect the most vulnerable populations so that **all Peruvians can exercise their rights, develop skills and have access to opportunities**[23].

The strategy takes a life cycle approach. **Three of the strategy's main components are related to children and adolescents**: Child Nutrition (from 0 to 3 years); Early Childhood Development (from 0 to 5 years); and Comprehensive Child and Adolescent Development (from 6 to 17 years). These three components are tied to the four PNAIA 2021 objectives. The strategy's remaining two components focus on: Economic Inclusion (from 18 to 64 years) and Protection for the Elderly (65 years and above).

21 This plan was approved on 14 April 2012 by Supreme Decree 001-2012-MIMP, and has the year 2021 as its horizon, coinciding with the bicentennial of Peru's independence.
22 Supreme Decree 008-2013-MIDIS.
23 An example of this is the recent "Commitment to promote early childhood development as a public policy priority", signed by five ministers of State and the presidents of the ANGR, AMPE and REMURPE.

The **first two components** of this Strategy are focused on **closing gaps in chronic child malnutrition and comprehensive development of children under five**. The **third component** focuses on **fostering the personal and academic development of children and adolescents to** facilitate their entry into the workforce as adults.

Achieving results for excluded populations targeted by the "Include to Grow" strategy requires coordination between different sectors and levels of government. Delivering goods and services to meet the needs of excluded populations depends on the competencies, functions and priorities of each level of government.

Inter-sectoral strategies

In October 2013, five ministers of State, along with the presidents of the National Association of Regional Governments (ANGR), the Association of Municipalities of Peru (AMPE) and the Network of Rural Municipalities of Peru (REMURPE) took an important step towards making early childhood development a public policy priority. A multi-sectoral commission was set up to draft a "Children Come First" policy and Integrated Action Plans for the period 2014-2016 (Supreme Resolution 413-2013-PCM). In addition, the education, health, development and social inclusion ministries recently signed agreements with the General Directorates of Social Development, Health and Education of regional governments to promote the Aprende Saludable "Learn in Good Health" initiative. The "Learn in Good Health" programme aims to improve the health and nutrition status of children and promote healthy practices in the educational community[24].

Regional and local plans

Regional and local governments have also prioritized children and adolescents. **Concerted Development Plans[25]**, designed with citizen participation, establish medium and long term goals. Regional and local governments also prepare their own **action plans for children and adolescents**, with defined goals and targets, which inform the development of policies, programmes and investment projects for children. In accordance with the PNAIA 2021, these plans contribute to improving the well-being of children in each region.

24 Second Intergovernmental and Intersectoral Healthy Learning Meeting performed on February 19 of the year 2014.
25 Organic Law for Regional Governments, Law 27867, and Organic Law for Municipal Governments, Law 27972.

3 Public spending on children and adolescents

At the global level, the measurement and analysis of public spending on children and adolescents are fundamental tools for **achieving social policy objectives and realizing children's rights**. This is a growing practice that allows countries to improve the equity, efficiency and effectiveness of public resources. In Latin America and the Caribbean, there are a number of countries that have made efforts to measure their investment in children and adolescents through participatory initiatives that have included the government, the private sector, civil society, universities and international cooperation agencies.

In general, studies classify the analysis of social and child-oriented public spending by function. In the cases of Mexico, Argentina and Haiti, public social spending on children and adolescents is classified into four categories: specific, indirect, expanded and public goods expenditures. Other countries like Jamaica, Brazil, Paraguay and China have included programmes focused on mothers, pregnant women and/or women in their analysis. This approach focuses on rights and gender equity-based policies and budgets for women's development, which directly influences the comprehensive development of children and adolescents. Participatory initiatives that involve other population groups make it possible to identify interventions that indirectly benefit children, even when the direct beneficiaries are adults.

While the methodologies adopted by each country to measure public spending on children and adolescents vary[26], there is homogeneity in their methodological principles, as well as in their concepts and classification criteria. In each initiative, public spending has been addressed and analysed from a social, economic and child rights perspective. Mexico is the only country that categorizes spending in budgetary lines related to the different rights of children and adolescents. This is an important step that merits further consideration for the implementation of the CRC.

In Peru, the analysis of public spending in children began in 2002. Save the Children's study "Children … really first?"[27] analysed spending on actions that directly impact children and adolescents in the areas of health, education, sanitation, nutrition, well-being and justice between 1990 and 2000. In 2006, UNICEF supported the study "Report on social spending in Peru 2000-2005"[28], which presents an analysis of social spending in Peru in comparison with other countries in Latin America.

26 These methodologies have been based on existing institutional structures, available information, and the political, social and economic contexts of each of the countries.
27 Universidad del Pacífico and Save the Children, 2002.
28 Instituto Apoyo and UNICEF, 2002.

Based on these initiatives, baselines have been created for monitoring and evaluating public spending on children and adolescents, enabling countries to:

- Have timely information for decision-making on planning and budgeting related to children and adolescents.
- Highlight the needs of children and adolescents in the budget and incorporate the rights-based approach in discussions, definitions and monitoring of policies.
- Strengthen transparency and accountability mechanisms for the demand of rights of children and adolescents.
- Improve the allocation and quality of public spending and incorporate ways to protect resources for children and adolescents. In the case of Mexico, resources for children have been guaranteed in the national budget since 2012.

4 Budgetary and programmatic framework in Peru

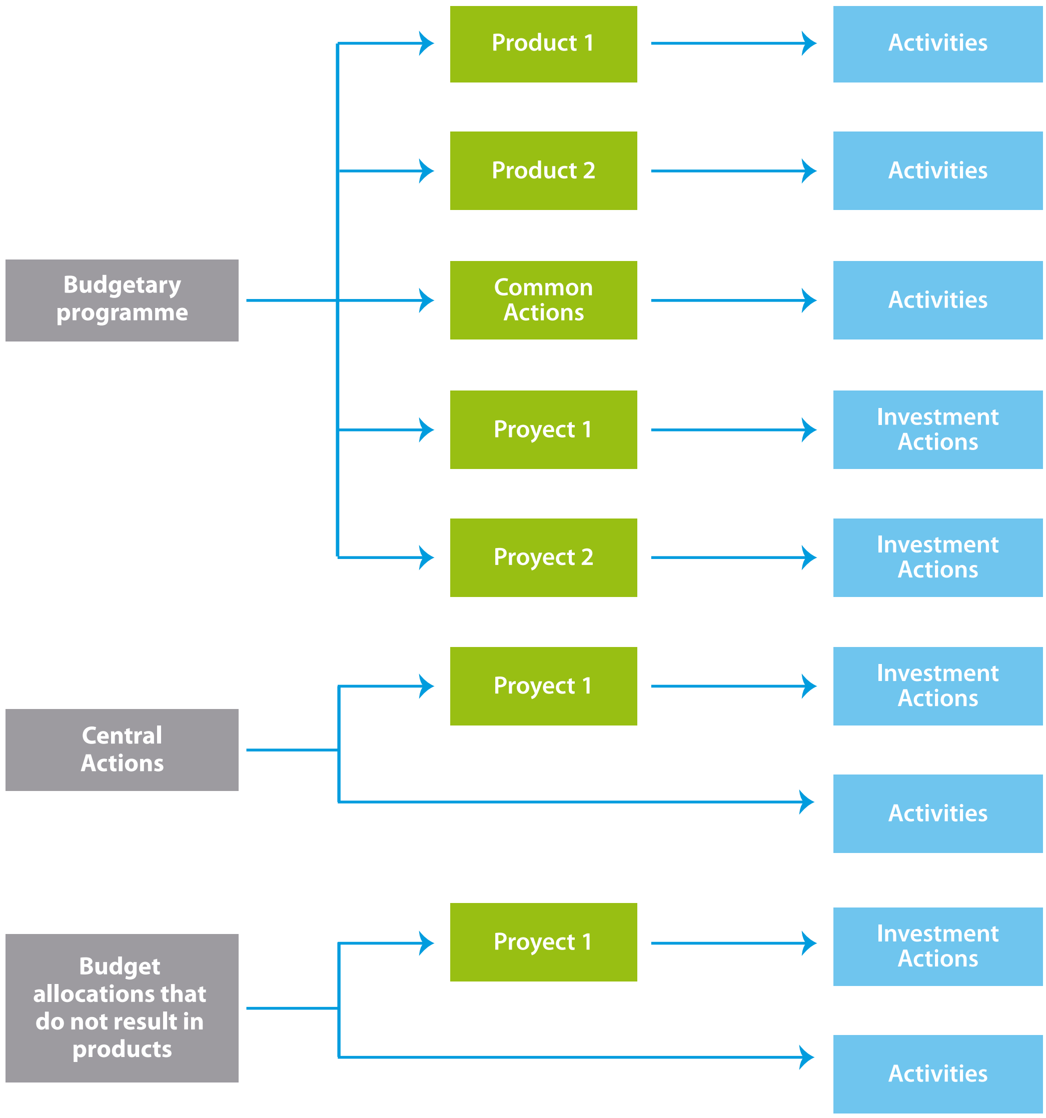
In 2005, the Government of Peru started a process aimed at quantifying budget allocations for children and adolescents within the framework of the Law for the National Action Plan for Children and Adolescents 2002-2010[29]. In order to comply with the law, the Ministry of Economy and Finance (MEF) created a system to classify all goal-level activities related to implementing the plan's actions. However, this system was discontinued once the law was no longer in effect.

Since 2007, Peru has progressively adopted results-based management, a key reform that includes results-based budgeting (PpR) for the National Public Budget System. PpR is a public management strategy that ties resource allocations to measurable products and results in favour of the population. PpR is being implemented through four instruments: budgetary programmes (PP), monitoring based on performance and physical production indicators of the budgetary programmes, independent evaluations, and management incentives, as well as other tools determined by the MEF's General Directorate of Public Budget in coordination with the sectors involved in achieving the results set out in the budgetary programmes.

Effective implementation requires commitment and collaboration from relevant sectors and levels of government, definition of roles, generation of information on products and results for decision-making, institutional management tools and accountability mechanisms. Diagram 2 shows the programmatic structure of spending of the National Public Budget System.

29 Law 28487, in its Article 3, stipulates that the national budget shall include an activity numerator as a part of the functional programmatic classifying system associated with the PNAIA 2002-2010.

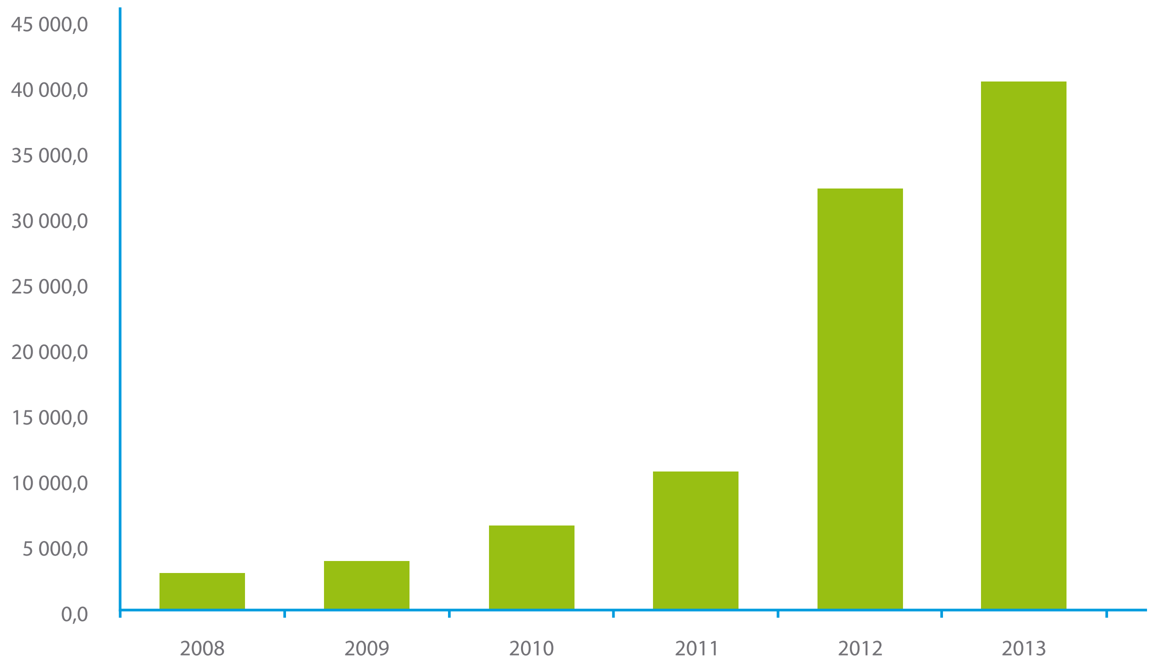
Diagram 2: Programmatic structure of public spending



4.1. Progress in results-based budgeting

As noted, Peru started developing results-based budgeting with the definition of 11 child-focused priority actions of the 2007 Public Budget Law. The 2008 Public Budget Law established the first five strategic budgetary programmes aimed at achieving the Millennium Development Goals. These 5 programmes represented 5% of the initial institutional budget (PIA). As of 2014, there are 73 budgetary programmes that represent 51% of the PIA.

Figure 1: Evolution of results-based budgeting 2008-2013



(*) Percentage of the budget, without considering debt and pensions, and excluding contingency funds.
Source: Sistema Integrado de Administración Financiera (SIAF).

5 Taxonomy of public spending on children and adolescents

In Peru, the initiative to create a taxonomy of public spending on children and adolescents (GPNNA) emerged as a common interest of State institutions and civil society to contribute to **improving budget allocation and implementation for social issues, with an emphasis on children and adolescents,** through the development of a methodology for calculating and monitoring the GPNNA.

The taxonomy is the result of collaborative efforts between the **Ministry of Economy and Finance** (Directorates of Fiscal Decentralization and Social Affairs; and Spending Quality), the **Ministry of Women and Vulnerable Populations** (Directorate of Policies for Children and Adolescents), the **Ministry of Development and Social Inclusion** (Directorate of Policies and Strategies), the **Roundtable on Poverty Reduction** (MCLCP) and the **United Nations Children's Fund** (UNICEF). The methodology has been endorsed by international experts, civil society members and the ministries represented in the working group. The taxonomy has been presented before the Permanent Multi-Sectoral Commission in charge of implementing the PNAIA 2021 and has been adopted as the official mechanism for tracking public spending on children and adolescents and for monitoring the plan's implementation. The process of developing the taxonomy included the following steps:

Table 2: Development process of the taxonomy of public spending on children and adolescents

1. Formation of the inter-institutional working group.
2. Identification of policies and goals related to children and adolescents.
3. Definition of concepts and criteria.
4. Analysis of the budget and identified budget sequences.
5. Identification and determination of the weighting factors for non-specific spending.
6. Summation of the amounts in the identified budget sequences (weighted or not).
7. Linking the budget allocated for children and adolescents with policy objectives and goals.

The following section presents the definitions, criteria and weighting factors agreed upon in the process of preparing the GPNN A methodology.

5.1. Definitions of public spending on children and adolescents

Public spending on children and adolescents (GPNNA) represents **the State's effort to improve the lives of children and adolescents** and promote their collective well-being – allowing them to acquire capacities to participate in their own development. With this in mind, specific terms (outlined below) were created with the intention of facilitating coherence and homogeneity in the taxonomy and the budgetary analysis.

Specific public spending on children and adolescents

Specific public spending on children and adolescents (GPE) is defined as any public sector spending targeted at children and adolescents (aged 0-17). The term also includes expenditures dedicated to families and specific groups (i.e. teachers) that have a direct impact on the quality of life of children and adolescents. In other words, the term refers to all aspects that contribute to the production of public services aimed at improving the living conditions of children and adolescents.

The GPE accounts for all the costs of budgetary programmes, products, projects or activities directly related to children and adolescents. The GPE is coded with the number "2" in the public budget database.

Non-specific public spending on children and adolescents

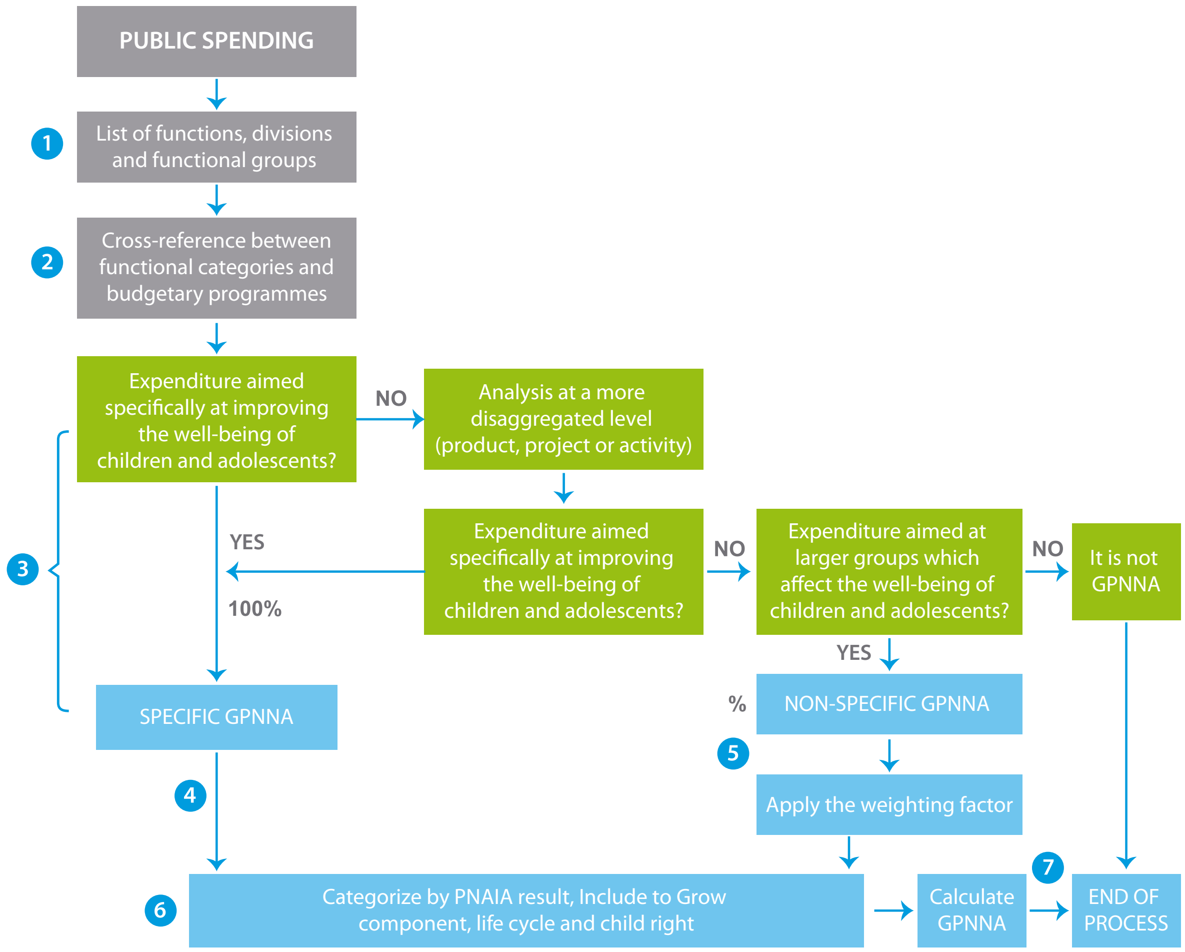
Non-specific spending on children and Adolescents (GPNE) refers to all public sector spending that indirectly contributes to improving the lives of children and adolescents (aged 0-17). These are expenditures focused on communities or the entire population that have an indirect effect on child well-being.

The GPNE considers a proportion of the budgetary programmes, as well as products, projects or activities with indirect impact on children and adolescents. The GPNE calculation uses a weighting factor based on the population of children and adolescents as a proportion of the total population to which the intervention is directed (for example the weighting factor varies between urban and rural areas). The GPNE is coded with the number "1" in the public budget database.

The following diagram shows the process for developing the taxonomy and also outlines the quantification of public spending on children and adolescents. To automate the process, a programme was prepared in Stata 13, using the databases from the Comprehensive Financial Administrative System (SIAF)[30]. The database is made up of two parts: 1) national and regional budgets and 2) local budgets. With the help of the Stata programme, it is possible to: a) combine both databases; b) subtract the transfers from the national government to the regional and local governments, avoiding duplication[31]; c) link the databases with the identified budget sequences; and, d) make calculations by category, result of the PNAIA 2021, component of the "Include to Grow" strategy, age group and child right.

30 The budget's functional and programmatic structure was used, identifying in detail the products, projects and activities in the SIAF database.
31 The donations and transfers by the national and regional governments to local governments and transfers to the Comprehensive Health System account were subtracted to avoid double counting. The amount subtracted from the public budget, prior to calculating the GPNNA, was S/. 3,173 million nuevos soles (PIA).

Diagram 3: Flowchart of the analysis of public spending on children and adolescents



5.2. Criteria for the construction and analysis of the taxonomy

The estimate of public spending on children and adolescents reflects the financing of policies, programmes and projects for children and adolescents, and is the result of the sum of a series of direct and indirect expenditures on that population.

In the programming structure of the public budget, the items of expenditure were identified based on an analysis of their functional classification (function, functional division and functional group); and programmatic classification (results-based budget, central actions and budgetary actions that do not result in products, APNoP) of the budget.

Expenditures for children and adolescents were identified in 15 functions and 35 results-based budgetary programmes (PP). The information from the 15 functions (functional classification) was cross-referenced with the 35 PP (programmatic classification) to identify the budget sequences that directly or indirectly aim to improve the well-being of children and adolescents and realize their rights. For cases where it was not possible to categorize whether the expenditure is specifically aimed at children, a more disaggregated analysis was conducted, sometimes down to the level of activity. More than 250 budget sequences have been identified as public spending on children and adolescents.

In preparing this analysis, the following **common criteria** were agreed upon for incorporating budgetary items in the taxonomy of public spending on children and adolescents:

1. **Central actions:** these are not considered in the taxonomy because they are an administrative expense.
2. **Public goods:** only those related to the delivery of basic social services are considered.
3. **Common actions:** these are considered either in their totality or as a percentage, depending on the type of expenditure categorized in the classifying system at the most aggregated level.
4. **APNoP:** both projects and activities are classified and counted in accordance with the budgetary programme (PP) classifier and the functional group to which they belong.
5. **Results-based budgetary programmes:**
   - When a PP or functional group is considered a specific expenditure on children and adolescents, all the projects are considered as a group. This is due to the temporary nature of projects and the constant development of new ones.
   - When a PP or functional group is NOT considered a specific expenditure on children and adolescents, it is disaggregated to the project or activity level, and only those line items that are focused on children and adolescents are selected. Each item is either categorized as GPE, GPNE or not counted (see Diagram 3).

5.3. Weighting factors for non-specific spending

For all non-specific spending, that is, spending aimed at the entire population or a broader population group than children and adolescents, a population-weighting factor is applied in order to capture the amount directed solely to children and adolescents. The next section specifies the weighting factors that are used:

General weighting factors

General weighting factors are applied when the budget sequence covers the entire population and only the child and adolescent population, the population of children and adolescents in urban areas, or the population of children and adolescents in rural areas are to be counted. These weighting factors are:

- Percentage of children and adolescents between 0 and 18.
- Percentage of children and adolescents between 0 and 18 living in rural areas.
- Percentage of children and adolescents between 0 and 18 living in urban areas.

Determined weighting factors

These weighting factors are applied based on the intention of spending for the programme, product, project or activity where spending goes to sub-groups of the infant, child or adolescent population. The weighting factors used for the identified budget sequences are:

- Percentage of adolescents between 14 and 17.
- Percentage of adolescents between 12 and 17.

- Percentage of children and adolescents per family (in cases where interventions are focused directly on families).
- Percentage of children and adolescents 0 to 17 served by the Service Improvement programme of the Criminal Justice System.
- Percentage of the child and adolescent population under the age of 15 with disabilities.
- Percentage of the population of children and adolescents 0 through 17 in the districts of Alto Huallaga, Valle del Río Apurímac, Ene and Mantaro (VRAEM) and VRAEM's area of influence.
- Percentage of children and adolescents affected by family and sexual violence receiving treatment in Women's Emergency Centres.
- Percentage of children and adolescents between the ages of 15 and 17 relative to the population between the ages of 15 and 29.

Table 3: List of indicators used for the weighting

Variable	Source	Year*	Indicator	Weighting factor
Population under the age of 18.	INEI estimates and projections of total population by age.	2013	Percentage of children and adolescents between ages 0 and 18.	0.34
Population under the age of 18 by geographic area.	INEI technical report on the situation of children and older adults (September).	2013	Percentage of children and adolescents between ages 0 and 18 living in rural areas.	0.42
Population under the age of 18 by geographic area.	INEI technical report on the situation of children and older adults (September).	2013	Percentage of children and adolescents between ages 0 and 18 living in urban areas.	0.35
Population between ages 14 and 17.	INEI estimates and projections of total population by specific age.	2013	Percentage of adolescents aged 14 to 17.	0.08
Population between ages 12 and 17.	INEI estimates and projections of total population by specific age.	2013	Percentage of adolescents aged 12 to 17.	0.11
Population under 18 years of age in the household.	INEI National Household Survey.	2012	Percentage of children and adolescents per family (in cases of direct interventions with families).	0.38
Number of beneficiaries of the Service Improvement Programme of the Criminal Justice System.	Victims and Witness Unit of the Public Ministry (January – November).	2013	Percentage of children and adolescents aged 0 to 17 served by the Service Improvement Programme of the Criminal Justice System.	0.32
Population under 15 with disabilities.	INEI Specialized National Survey on Disabilities.	2012	Percentage of the population of children and adolescents under 15 with disabilities.	0.08
Population of children and adolescents ages 0 to 17 in the districts of Alto Huallaga, VRAEM and VRAEM's area of influence.	INEI National Population and Housing Census.	2007	Percentage of children and adolescents aged 0 to 17 in the districts of Alto Huallaga, VRAEM and VRAEM's area of influence.	0.43
Number of cases of sexual violence victims registered by the Women's Emergency Centres, at the national level.	Statistics of the National Programme against Family ad Sexual violence, of the Ministry of Women and Vulnerable Populations (January – November).	2013	Percentage of children and adolescents affected by family and sexual violence who have attended Women's Emergency Centres .	0.3
Population between ages 15 and 17.	INEI estimates and projections of the total population by age.	2013	Percentage of children and adolescents aged 15 to 17 relative to the population aged 15 to 29.	0.21

* Corresponds to the most recent year for which information is available.

5.4. Categorization of the budget

After an estimate was made for public spending on children and adolescents, the budget was categorized based on: a) the implementation of the 25 results of the PNAIA 2021; b) the three “Include to Grow” components related to children and adolescents; c) the life cycle, based on three age groups: early childhood (from 0 to 5 years), childhood (from 6 to 11 years) and adolescence (from 12 to 17 years); and d) the fulfilment of children’s rights.

In the case of the PNAIA 2021, the analysis was detailed and exhaustive to identify the spending, in many cases down to the activity level. If a budget sequence was linked to two or more PNAIA 2021 results, a weighting factor was applied. To categorize by component of the “Include to Grow” strategy, the analysis reached a more aggregated level of PP, or products within the PP, and included the related APNoP. This categorization is currently under review with the MIDIS.

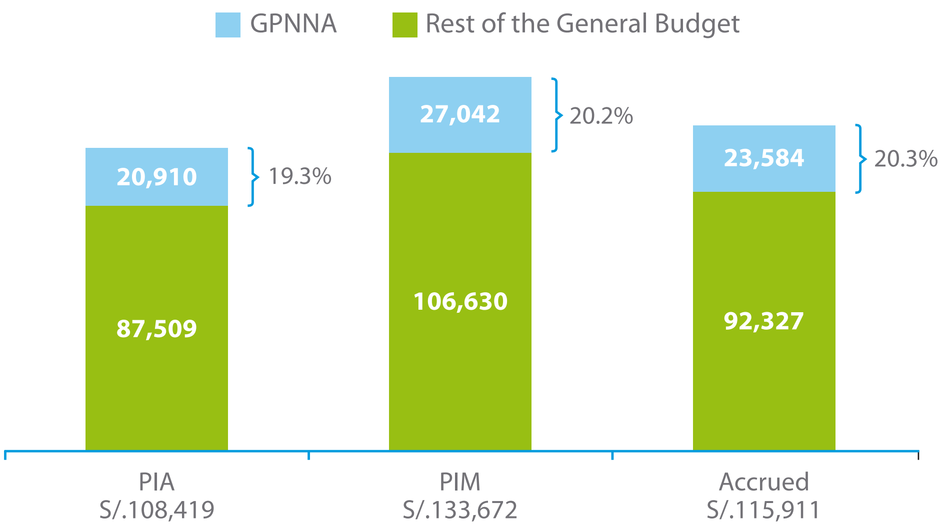
For the categorization by child right, the budget classified according to four basic **children’s rights**:

1. **The right to survival**: which includes the rights to receive adequate food, housing, safe drinking water, primary health care and a dignified life.
2. **The right to full development**: including the right to formal education, leisure time and recreation, cultural activities and information about their rights.
3. **The right to protection**: these rights include protection against all kinds of mistreatment, neglect, exploitation and cruelty, as well as the right to special protection in times of war and from abuse, the right to legal procedures and guaranteed protection.
4. **The right to participation:** comprises the right to freedom of expression, participation, (including the right to express their views and be heard), information and freedom of association. The enjoyment of these rights helps children access other rights and become active members of society.

6 How much does Peru spend on children?[32]

According to the Public Budget Law for the 2013 fiscal year, the Government of Peru had an initial institutional budget (PIA) of S/. 108,419 million nuevos soles (NS), an amount that was increased by S/. 25,253 million NS, for a modified institutional budget (PIM) of S/. 133,672 million NS. In 2013, S/. 115,911 million NS were executed, representing 86.7% of the PIM, with a total of S/. 17,761 million NS unspent.

Figure 2: Public spending on children and adolescents in the General National Budget for 2013 (In millions of nuevos soles)

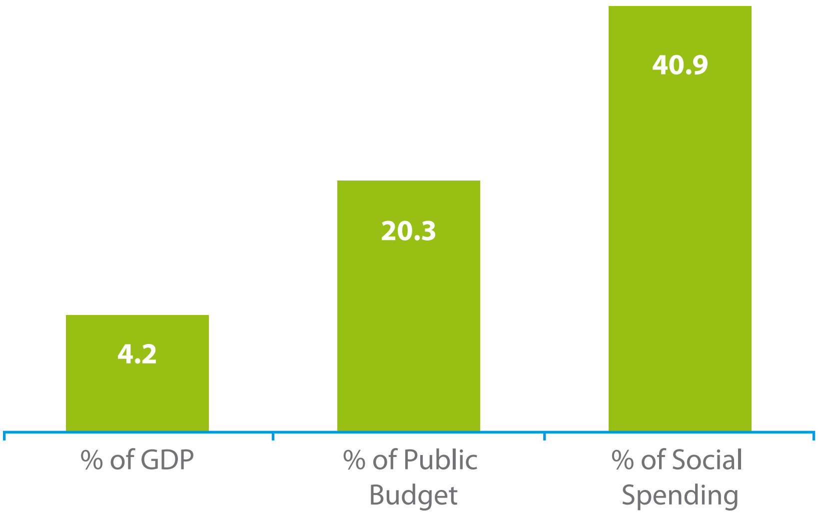


Source: Prepared by the authors based on information from the Integrated Financial Administration System (SIAF). Account closing date: 07 April 2014.

32 All the figures presented in the document follow normal rounding-off, that is, if the decimal part is less than five it is rounded down. Otherwise, it is rounded up.

During 2013 the Government of Peru directed approximately 20.3% of its resources to children and adolescents. When accrued, this percentage is the equivalent of S/. 23,584 million NS. This represents an investment of 4.2% of the country's gross domestic product (GDP) and 40.9% of social spending. This spending includes the financing of policies, programmes, projects and activities aimed at improving the well-being of children and adolescents.

Figure 3: Macroeconomic and fiscal share of public spending on children and adolescents (Accrued)

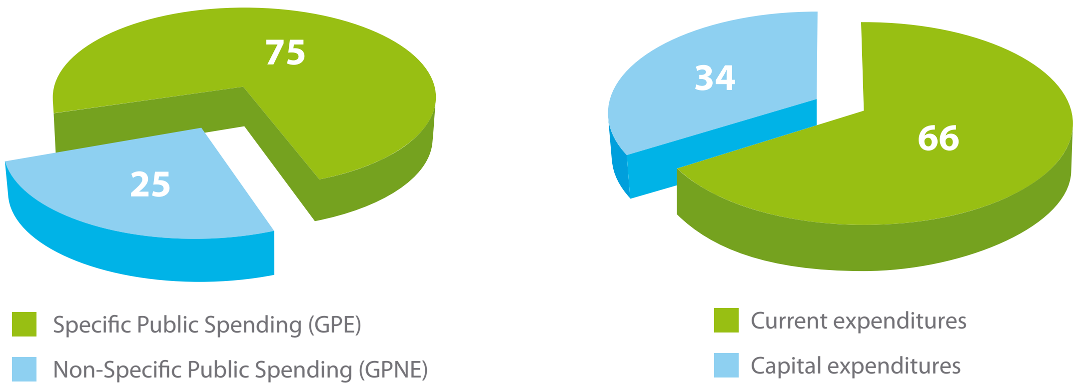


Source: Prepared by the authors based on information from the Integrated Financial Administration System (SIAF). Account closing date: 07 April 2014.

With respect to the breakdown of the GPNNA spending, 75% is classified as specific spending – directed at children and adolescents ages 0-17 years – and 25% as non-specific spending – indirectly benefits children.

Around two thirds (66%) of the GPNNA is current spending, that is, allocated for the production of goods and service delivery. Capital expenditures, aimed at the acquisition/production of assets and investment, account for the remaining 34%. As much as 76.7% of the GPNNA is allocated for the implementation of the National Action Plan for Children and Adolescents, and 66.8% for the first three components of the National Strategy "Include to Grow".

Figure 4: Public spending on children and adolescents by spending category and transaction type (In percentage)



Source: Prepared by the authors based on information from the Integrated Financial Administration System (SIAF). Account closing date: 07 April 2014.

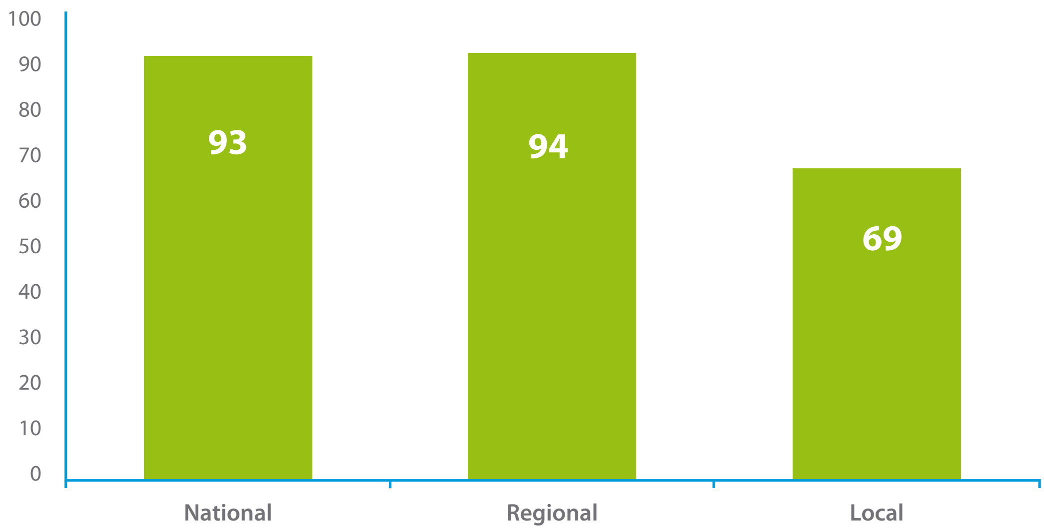
6.1. Which level of government executes the public budget for children?

When the GPNNA is disaggregated by governmental level, 32% is executed at the national level, 48% at the regional level and 21% at the local level.

Regional governments allocated 49% (S/. 8.6 billion NS) of their total budget for children and adolescents; local governments allocated 14% (S/. 2.5 billion) and the national government allocated 16% (S/.9.8 billion NS).

With respect to execution of the GPNNA, the national and regional governments each reached budget implementation rates greater than 90%, while local governments only executed 69%.

Figure 5: Execution of public spending on children and adolescents, by governmental level (In percentage)



Source: Prepared by the authors based on information from the Integrated Financial Administration System (SIAF). Account closing date: 07 April 2014.

6.2. Who executes public spending on children, by sector?

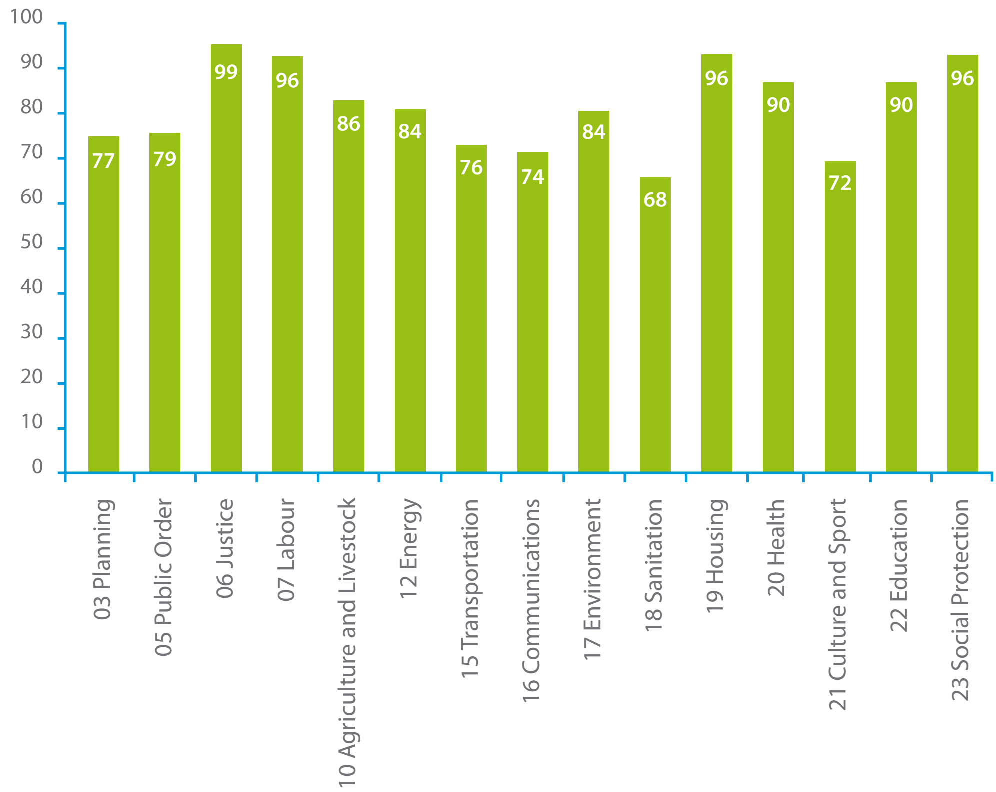
The following ministries assign the largest part of their total budget to children and adolescents: Development and Social Inclusion (71%), Education (51%), Health (31%) and Women and Vulnerable Populations (30%). This is due to the fact that these sectors mainly manage specific spending on children.

At the end of the 2013 fiscal year, the execution levels for most sectors of the GPNNA were above 90%, except for: Economy and Finance (71.9%), Transport and Communication (74.5%) and Agriculture (85.2%), as well as RENIEC (82.3%), Environment (85.9%) and the Office of the President of the Council of Ministers (82.0%) – sectors that mainly manage non-specific spending.

6.3. How are public resources spent?

The budget allocated for children and adolescents is spent as follows: Education (53%), Health (17%), Protection (10%) and Sanitation (7%). The remaining 13% of the resources are distributed among various other functions. Justice (99%), Labour (96%), Housing and Urban Development (96%), Social Protection (96%), Health (90%) and Education (90%) had the highest implementation rates at over 90%. Spending on sanitation had the lowest execution level (68%).

Figure 6: Execution of public spending on children and adolescents, by function (In percentage)



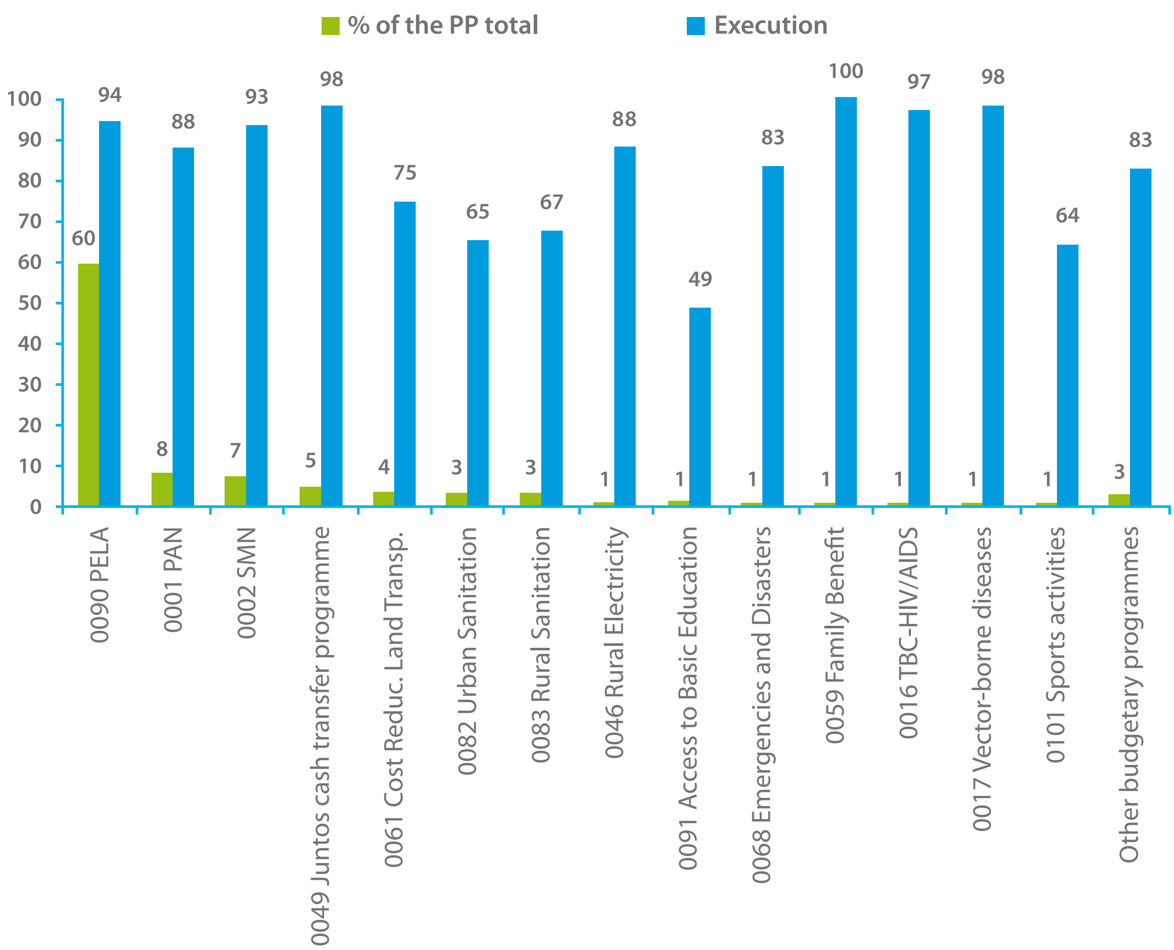
Source: Prepared by the authors based on information from the Integrated Financial Administration System (SIAF). Account closing date: 07 April 2014

Resources allocated to budgetary programmes (PP) represent 74% of the total GPNNA while the allocation of resources that do not result in products (APNoP) accounts for 26%. Execution is greater for the PP (89%) than the APNoP (83%).

Looking at the budgetary programmes, as seen in Figure 7, the greatest proportion of resources was distributed among four PP: (0090) Learning Achievements in Basic Education (60%); (0001) Articulated Nutrition Programme (8%); (0002) Maternal-Neonatal Health (7%); and (0049) the *Juntos* cash transfer programme (5%).

While the average execution of PP is 89%, some PP had below-average implementation rates; these include the PP (0091) for Increased Access of the Population to Regular Basic Education, at less than 49%; PP (0101) for Increased Practice of Sports Activities and (0082) for Urban Sanitation, at around 65%.

Figure 7: Public spending on children and adolescents by budgetary programme (In percentage)



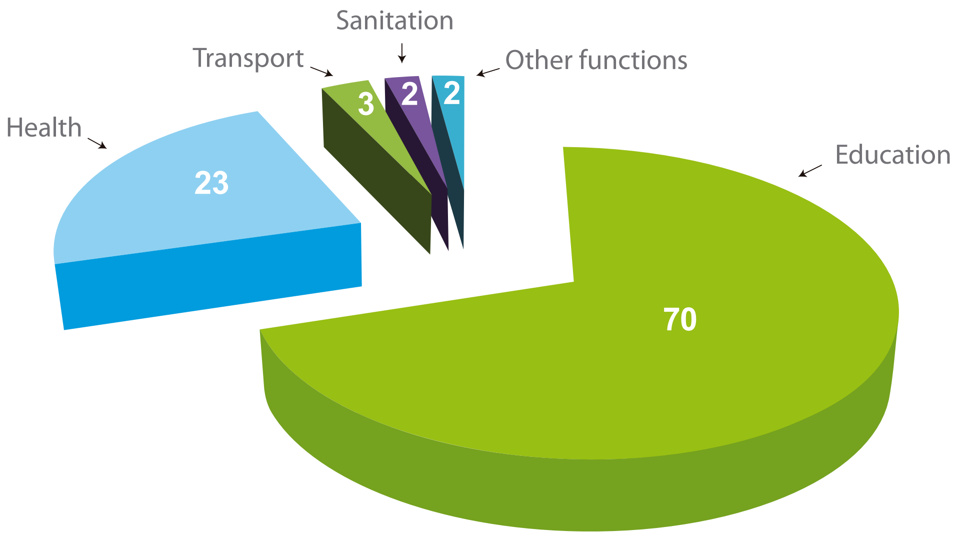
Source: Prepared by the authors based on information from the Integrated Financial Administration System (SIAF). Account closing date: 07 April 2014.

6.4. How do regional governments spend public resources?

During 2013, the 25 regional governments allocated a total of S/. 8,600 million towards improving the lives of children and adolescents. By the end of 2013, this amount had reached S/. 11,967 million, representing an increase of 39.2%.

The regional governments executed S/. 11,262 million (94.1%) of their total budget for children and adolescents. The majority of this GPNNA was spent on education (70%) and health (23%), as seen in Figure 8.

Figure 8: Regional government spending on children and adolescents, by function (In percentage)



Source: Prepared by the authors based on information from the Integrated Financial Administration System (SIAF). Account closing date: 07 April 2014.

6.5. How are public resources for children distributed?

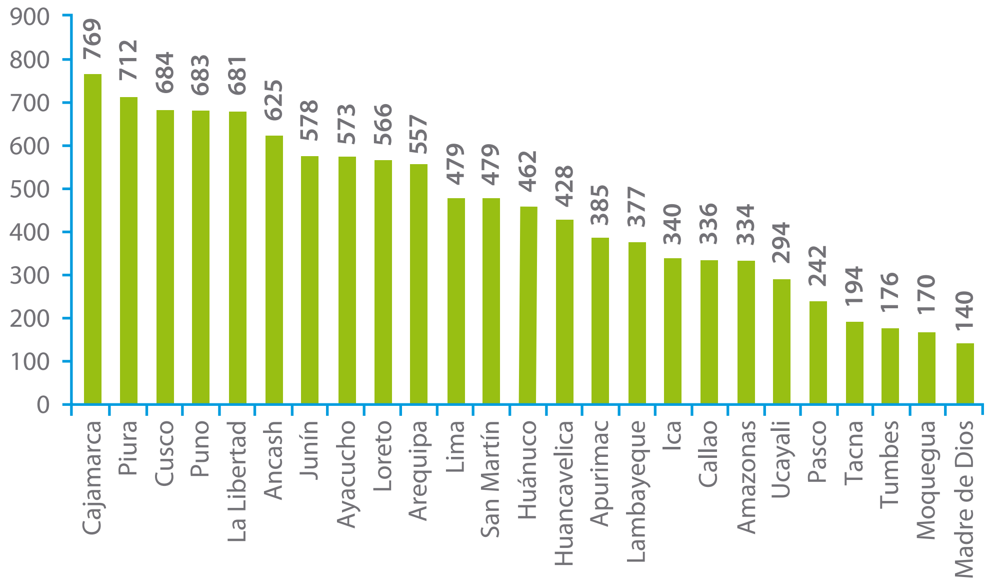
Considering the three levels of government (national, regional and local), the budget for children and adolescents (S/.23,584 million NS) was distributed as follows: 20% of the resources were spent in Metropolitan Lima, a territory where some resources are allocated that are not transferred to the subnational level. Discounting the GPNNA in Metropolitan Lima, most of the budget aimed at children and adolescents is concentrated (in absolute terms) in the regions of Cusco, Cajamarca, La Libertad, Piura, Puno and Ancash. Figure 9 shows that 77% of the GPNNA was spent in the remaining regions.

Figure 9: Distribution of public spending on children and adolescents, by region[33] (In millions of nuevos soles)

Source: Prepared by the authors based on information from the Integrated Financial Administration System (SIAF).
Account closing date: 07 April 2014.

The total budget for children at the regional government level was S/. 11,262 million NS. Of this amount, 7% of the resources were concentrated in the Regional Government of Cajamarca and 3% to 6% was dispersed among the remaining regional governments – except for Madre de Dios, which only represents 1%.

Figure 10: Distribution of public spending on children and adolescents, by regional government (In millions of nuevos soles)



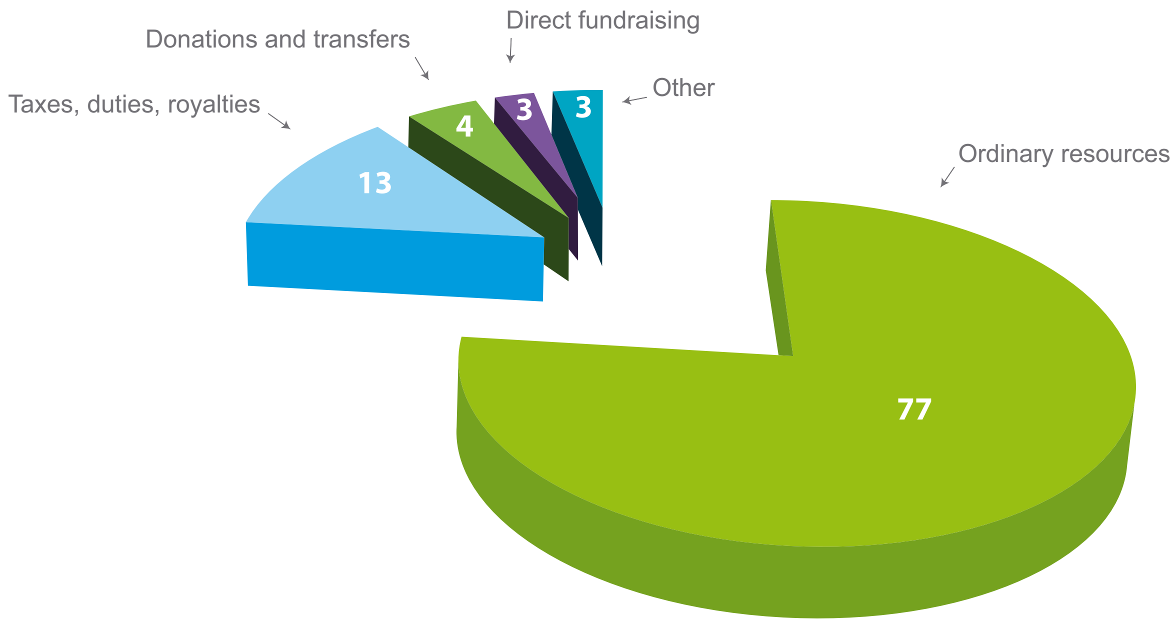
Source: Prepared by the authors based on information from the Integrated Financial Administration System (SIAF). Account closing date: 07 April 2014.

33 Corresponds to the territorial distribution of the GPNNA; includes the three levels of government.

6.6. How is public spending on children financed?

There are various sources of financing for the GPNNA. Ordinary resources account for 77%; taxes, duties and royalties make up 13%; and donations and transfers represent 4.21%. The remaining resources are generated through direct fundraising efforts (3%), the Municipal Compensation Fund (2%), and municipal taxes and official operational funds.

Figure 11: Sources of financing for public spending on children and adolescents (In percentage)



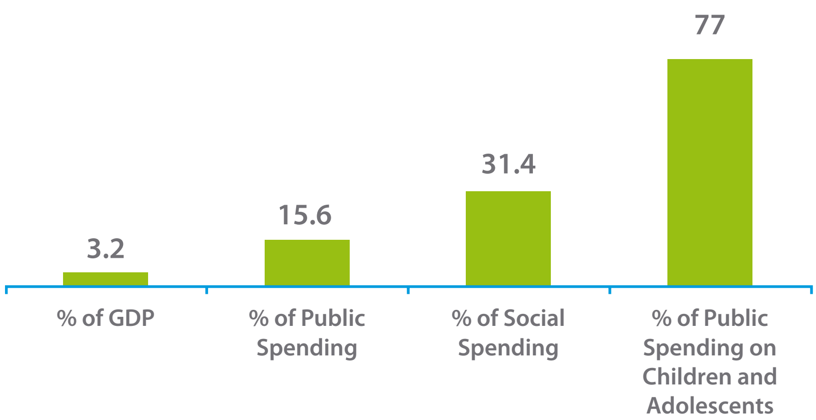
Source: Prepared by the authors based on information from the Integrated Financial Administration System (SIAF). Account closing date: 07 April 2014.

7 How much public spending goes to the National Action Plan for Children and Adolescents?

Due to its multi-sectoral nature, the PNAIA has no special financing. All the relevant sectors and levels of government contribute to funding the plan's strategies.

At the end of 2013, the budget for the implementation of the PNAIA 2012-2021 represented 77% (S/. 18,091 million NS) of the GPNNA – or 31.4% of social spending, 15.6% of the public budget and 3.2% of national GDP.

Figure 12: Macroeconomic and fiscal share of the National Action Plan for Children and Adolescents 2012-2021 (In percentage)



Source: Prepared by the authors based on information from the Integrated Financial Administration System (SIAF). Account closing date: 07 April 2014.

During 2013, the PNAIA´s budget increased from a PIA of S/. 16,806 million to a PIM of S/. 20,063 million NS, representing a 19% increase (S/. 3,257 million NS). A total of 90% of the available resources were executed (leaving a balance of S/. 1,972 million NS). This number is higher than the overall public budget implementation rate.

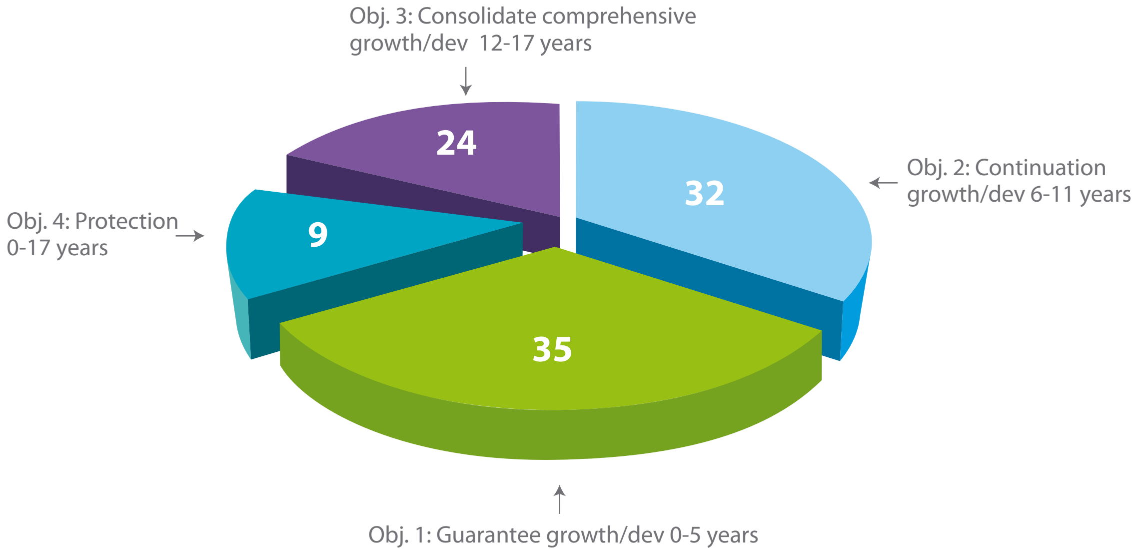
The PNAIA's results-based budget by strategic objectives is distributed as follows:

- Strategic Objective 1 (35%) - Guaranteeing the growth and development of children ages 0 to 5 years;
- Strategic Objective 2 (32%) - Guaranteeing the continuation of comprehensive growth and development of children between ages 6 and 11 years;
- Strategic Objective 3 (24%) - Consolidating the comprehensive growth and development of adolescents between ages 12 and 17 years;
- Strategic Objective 4 (9%) - Guaranteeing the protection of children and adolescents between ages 0 and 17 years.

As for the 25 results of the PNAIA, results 4, 5 and 7 (which relate to access and completion of regular basic education) represent 68% of the resources allocated for the plan's implementation. Results 1 and 2 (which correspond to maternal-neonatal health and mother and child nutrition) represent 18%.

The average budget implementation rate for the 25 PNAIA results was 90%. Results 14 (children and adolescents are not victims of sexual exploitation), 17 (children and adolescents protected in situations of trafficking), 21 (child and adolescent victims of sexual violence), 20 (child and adolescent victims of family and school violence), 22 (children and adolescents without parental care), and 11 (adolescents in conflict with the law) each had a budget implementation rate greater than 98%. Conversely, these areas are receive the lowest resource allocations. Results 1 (children and adolescents in healthy conditions) and 2 (children under 5 with adequate nutrition) shared the lowest budgetary execution levels.

Figure 13: Public spending on children and adolescents, by strategic objective of the National Action Plan for Children and Adolescents 2012-2021 (In percentage)

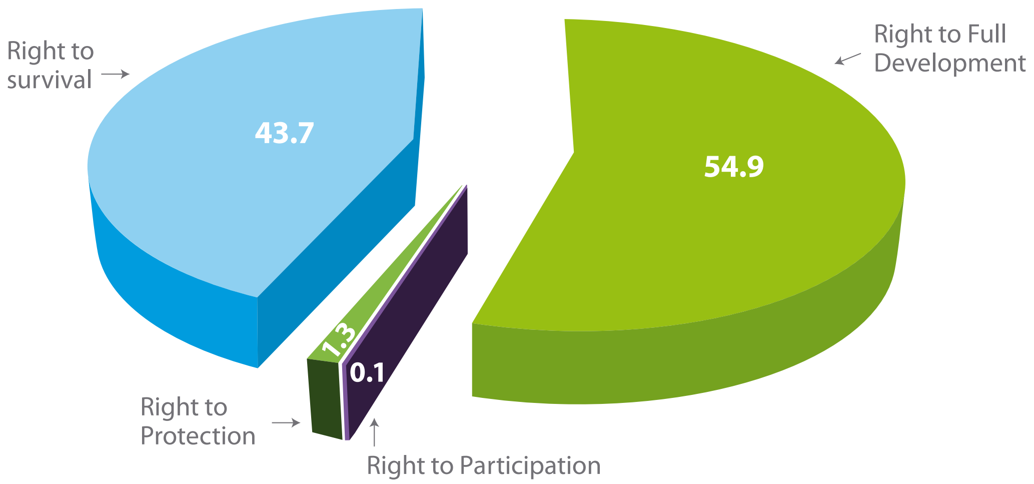


Source: Prepared by the authors based on information from the Integrated Financial Administration System (SIAF). Account closing date: 07 April 2014.

8 How are public resources spent by child right?

Almost all of GPNNA is allocated to realizing the right related to the full development of children and adolescents, with 54.9% (S/. 12,940 million NS), and the right to survival, with 43.7% (S/. 10,298 million NS). Resources allocated to fulfilling the right to protection represent 1.3%; the right to participation, just 0.1%.

Figure 14: Public spending on children and adolescents by child right
(In percentage)

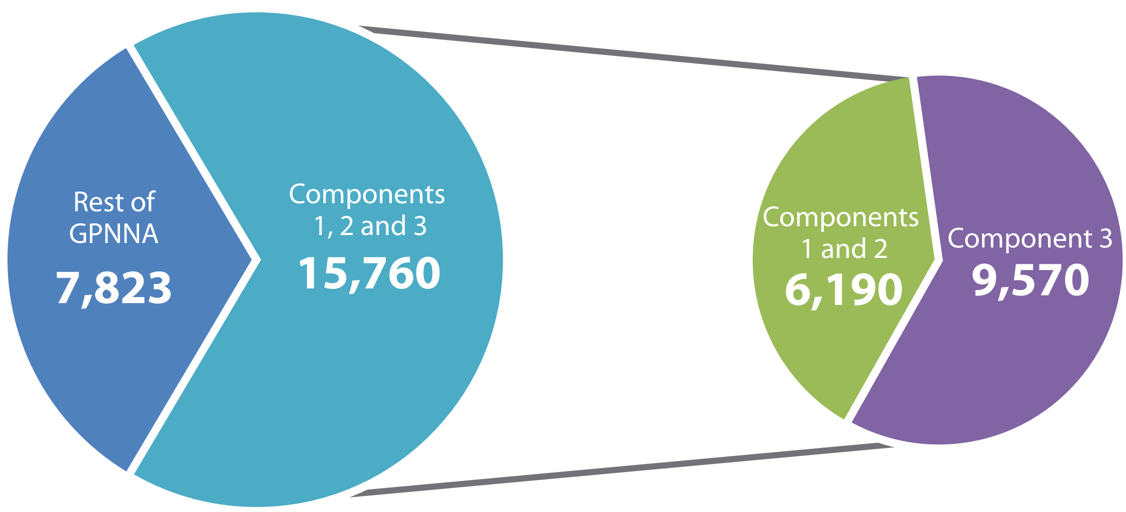


Source: Prepared by the authors based on information from the Integrated Financial Administration System (SIAF). Account closing date: 07 April 2014.

9 How much public spending goes to the Include to Grow strategy?

The budget allocated to components 1, 2 and 3 of the National Development and Social Inclusion Strategy "Include to Grow" was S/. 15,760 million NS[34], representing 13.6% of the public budget, 27.3% of social spending and 66.8% of total public spending on children and adolescents. Of this budget, 61% (S/. 9,570 million NS) was allocated for component 3 of the strategy and 39% (S/. 6,190 million NS) for components 1 and 2.

Figure 15: Public spending on children and adolescents in the Include to Grow strategy (In millions of nuevos soles)



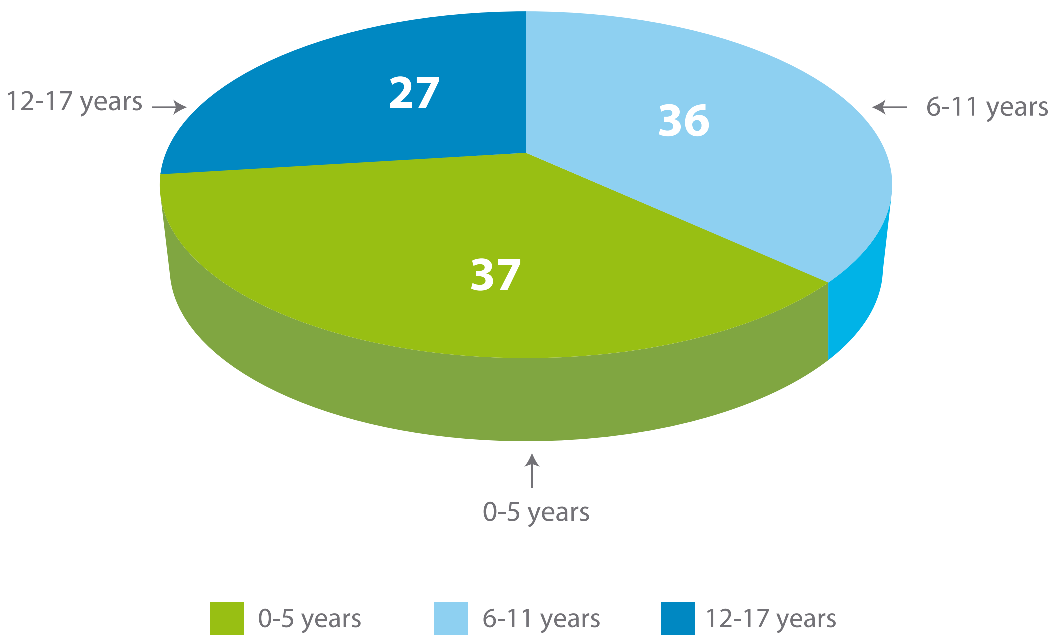
Source: Prepared by the authors based on information from the Integrated Financial Administration System (SIAF). Account closing date: 07 April 2014.

34 These are preliminary data based on the GPNNA taxonomy. These figures are expected to change once the present methodology is harmonized with the methodology that the MIDIS is validating internally.

10 How are public resources spent by age group?

Following the life cycle approach, 37% of the GPNNA was allocated to early childhood (from 0 to 5 years); 36% to children (from 6 to 11); and 27% to adolescents (from 12 to 17). This implies that early childhood development has been prioritized, which makes sense given that it represents 33% of the entire population between the ages of 0 and 17.

Figure 16: Public spending on children and adolescents, by age group (In percentage)



Source: Prepared by the authors based on information from the Integrated Financial Administration System (SIAF). Account closing date: 07 April 2014.

11 Conclusions

In 2013, 20% of public resources were devoted to children and adolescents. This represents 4% of Peru's GDP and 40% of social spending.

In comparison with other countries of the Latin American and Caribbean Region, public spending on children and adolescents in Peru is relatively low. In 2011, spending on children and adolescents varied between 5.3% of GDP in Nicaragua and 9.5% of GDP in Costa Rica. Guatemala had the lowest investment in children at 3.3% of GDP.[35]

The largest portion of public spending on children and adolescents (66%) is normally invested in the production of goods and services and not in capital.

The ministries that prioritize children and adolescents in their budgets are the Ministry of Development and Social Inclusion (71%), Education (51%), Health (31%) and Women and Vulnerable Populations (29%). The budget implementation rate of spending on children and adolescents is high, reaching 90% both nationally and regionally. However this rate is only 69% at the local level.

The budget implementation rate of public spending on children and adolescents by function is high, reaching at least 90% in the areas of labour, justice, housing, protection, health and education. The lowest implementation rate was registered in sanitation, with 68%.

Budgetary programmes account for 74% of spending on children and adolescents. The remaining 26% is spent through budgetary actions that do not result in products (at the accrued level).

The greatest proportion of resources was allocated to the programme for Learning Achievements in Basic Education (60%). Resources were allocated to a lesser extent to the Articulated Nutritional Programme (8%), Maternal-Neonatal Health (7%) and the Juntos cash transfer programme (5%).

The average implementation rate for budgetary programmes was 89%. However, there are programmes with low implementation rates, such as the programme for Increasing the Population's Access to Regular Basic Education (49%) and the programmes for Increasing Participation in Sports Activities and for Urban Sanitation (65%).

35 ICEFI/Plan International 2013. It is important to note that the methodologies provide approximate data. The methodologies can vary and are not strictly comparable.

One fifth of resources allocated to children and adolescents are assigned to Metropolitan Lima. This is due to the fact that some resources allocated in this territory are not transferred to the subnational level.

The majority of the resources for children and adolescents are financed with ordinary resources (77%). The second largest source for funding is taxes, duties and royalties (13%).

The government allocates 16% of the public budget for the implementation of the National Action Plan for Children and Adolescents, representing 3.2% of the country's GDP and 31% of social spending. On average, the budget implementation rate for the PNAIA 2021 was 90% – which is higher than the average implementation rate of the total public budget.

Among the results of the PNAIA 2021, the budget implementation rate was highest for those results with the lowest resource allocations. Implementation rates reached 98% in Results 14 (children and adolescents are not victims of sexual exploitation), 17 (children and adolescents are protected in situations of trafficking), 21 (child and adolescent victims of sexual violence), 20 (child and adolescent victims of domestic and school violence), 22 (children and adolescents without parental care) and 11 (adolescents in conflict with the law).

Of the total spending on children and adolescents, 55% was allocated to guaranteeing rights related to the full development of children and adolescents, 44% to survival, only 1% to protection and just 0.1% to participation.

Of the total spending on children and adolescents, 67% is related to the "Include to Grow" National Strategy. Of this total, 61% is allocated to component 3 of the strategy and 39% to components 1 and 2.

The government prioritizes early childhood (0 to 5 years) in its budget, representing 37% of all public spending on children and adolescents. This amount is followed by spending on children (6 to 11 years), at 36%, and on adolescents (12 to 17 years), at 27%.

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