

Budget Analysis as a tool for enabling realization of children's rights in South-East Europe

About Save the Children UK

Save the Children UK (SC UK) is an international non-governmental organisation working for and with children around the world who suffer from poverty, disease, injustice and violence, striving to find lifelong answers to the problems they face. SC UK South East Europe programme consists of programmes in Albania, Bosnia and Herzegovina, Kosovo, Montenegro and Serbia.

Summary

This paper will focus on the way that the countries of South-East Europe and their governments are dealing, or failing to deal, with education and child protection issues in a post-war, transition context. The paper also highlights the importance of Budget Analysis and Child Rights Impact Assessments (CRIA) as key elements for proper realisation of children's rights in SEE.

Background

The reasons we have chosen to work using Child Rights Impact Assessment and Budget Analysis tools in the SEE are multifold. The past decade has seen dramatic socio-economic changes in these countries. The collapse of former socialist regimes, a series of violent inter-ethnic armed conflicts and the uncertain process of transition to a free market economy have created a fragile political and economic environment. Although declaratively accepted, international instruments protecting the rights of children have not been implemented in the relevant national legislation.

The Governments have not been able to meet entitlements in health, education and social protection in terms of the quality of services and the scope and ways of funding. As a result, increasing numbers of children – as the most vulnerable social group - are now feeling the full force of the delayed transition into a market economy. Though there is moderate to brisk economic growth in the Western Balkans¹, the economies have yet to return to levels of the pre-1990 communist era. At the same time, poverty and social exclusion is widespread, especially for minorities, the disabled and the rural poor, the Roma and IDPs are especially discriminated against. Caught in this gap, vulnerable children are not benefiting from the current economic growth. Most severely affected are children in institutional care, children with disabilities, children in conflict with the law and Roma and IDP/refugee/returnee children.

Against this background it was important that INGOs, including SC UK, moved away from simply implementing short term projects and started helping these governments in ensuring that the good practice models become sustainable and supported by proper allocation of local resources.

¹ B&H, Montenegro and Serbia including Kosovo are all experiencing economic growth, between 4% Montenegro and 6.5% Serbia GDP per annum (N. MacDonald, 2003. Situation Analysis South East Europe)

Gaps in provision of child rights

In the terms of legislative framework all looks rather good on the paper. Bosnia and Herzegovina (B&H), Montenegro and Serbia have completed their Poverty Reduction Strategy Papers (PRSPs), while Kosovo is working toward finalising their Development Strategy. All four countries/entities have ratified UNCRC and both protocols, and all have joined Millennium Development Goals (MDGs) and Education for All (EFA) initiatives. As a result they have produced various strategic documents and Action Plans². While these documents provide theoretical framework for fulfillment of children's rights, practical changes are still missing. The predictions are that most of the countries in the region will slide back on MDGs if they don't make significant changes in legislation, policy, practice and budget allocation (SC Child Rights Situation Analyses, 2007, page 9).

Slow reform processes due to political instability lead to policy reform and child rights issues not featuring highly in the agenda of political parties and Governments in SEE. Policies are made centrally and there is little flexibility to respond to the needs. Policy decisions are made by politicians and civil servants, with no consultation with the end users, no mechanism of accountability. Mechanisms are needed to increase transparency and accountability of service providers and the involvement of stakeholders.

Additionally, there is a big gap between the adopted legislation/policy and its implementation and children are hardly ever involved in decision-making processes.

Although the above mentioned concerns are limiting the development of child friendly policies it is **inadequate and/or inappropriate financing and the lack of available resources** that present the main obstacles to the functionality of child protection system and proper education systems in these countries.

Available resources and services within the system of child protection and inclusive education

Across the region, social transfers represent a significant part of the public budget, and in many countries the majority of children live in households receiving at least some public transfer. However, the predominance of pensions means that, in general, public transfers are poorly targeted on households with children, simply because they are mostly not designed to reach them. In B&H, transfers for child protection are between 2 and 13 times lower than allocations for the veteran populations, which amount to nearly 4% of GDP. In Kosovo although social assistance (cash benefits) absorbs the vast majority of the budget (82.5%), it is quite insufficient and exclusive. Children's allowances are provided only to families with young kids (up to the age of 5), no any support or services are available for families with children with disabilities. Child well-being depends not only on income resources, but also on parental and governmental decisions on how resources are allocated.

Government priorities are reflected in expenditure levels on health, education, social and basic infrastructure. In SEE these point to a lack of focus on improving public services on which children are particularly reliant. Reforms aimed at improving the delivery and efficiency of health, education and other social services remain largely incomplete³ due in part to outdated methods of sector financing and inefficient and inequitable intra-sectorial allocation. Another key problem is how money is distributed, and its failure to reach the most excluded children. Programming is hampered by a lack of detailed information on resource allocation. There are possibilities of studying the allocation of resources within the household and thus assessing how parents are prioritizing household resources, but these are limited. At present, it is difficult to estimate the budget allocated for child specific social protection as ministries

2 National Plan of Action for Children's Rights in Montenegro 2004-2010; National Action Plan for Children in B&H, 2002-2010, National Action Plan for Children in Serbia, Child Rights Strategy in Kosovo/a, national education strategies.

3 Innocenti Social Monitor, UNICEF, 2006

of Labour and Social Welfare and other relevant ministries are just starting to introduce programme/result oriented approach in budget development.

Financing of Education

None of SEE governments has established protected budget lines to provide for removal of financial barriers to education of children at risk from exclusion. On average, 7% of donors' funds to SEE are invested into education (but only 11% of these funds are invested into basic primary education)⁴. Still, these investments remain scattered pilot initiatives that do not get integrated into the system.

Current funds invested in education are not sufficient to support schools to programme their work to respond to children's needs because the system of education financing in SEE is ineffective and inequitable. Schools in underdeveloped areas remain chronically under-resourced due to the input based methods of financing (based on past levels). The 70-90% of the budget allocated to administration leaves very few resources for teaching activities, whilst only 1-2% of funds are allocated to teachers' development. The process of decentralization is part of overall educational reform, with the ministries of education in each country being in different stages of implementation.

Children's right to access to education and quality education cannot be fully implemented in this situation. General net enrolment rate into basic primary education is as high as 91-97%⁵, but lack of disaggregated data hides the fact that enrolment rates for marginal groups are much lower: 20-30% for Roma children⁶, and only 10-15% for disabled children⁷. Together with IDP/refugee/returnee and poorest children, those marginalized groups also have higher rates of dropping out of education. Lack of disaggregated data makes it impossible to present absolute numbers of these children being either included or excluded from education. Access to Early Childhood Development (ECD) programmes is generally low (4-30%)⁸, with significant disparities for Roma (0.2 – 3.9%)⁹ and disabled children (1%)¹⁰, even though ECD represents a vital element in preventive and curative approach in combating poverty and social exclusion. Gender disparities exist generally, but they are significant among ethnic minorities and disabled children. Education system, deprived of resources, is unable to give young people skills and attitudes they need to contribute to revival of region's economies and political stability.

The new financial instrument for pre-accession activities (IPA) funded by the European Commission consolidates all the existing budgets. SC UK SEE is continuously lobbying to ensure that IPA funds support pre-primary and primary education in line with investments into secondary and higher education. Also, Save the Children plans to influence the decentralization process in a way that responds to children's needs and supports school development, especially in the poorest regions.

Financing of Child Protection

Financing of social protection is one of the main obstacles to the functionality of child protection system. The main reasons lay in the lack of vision and strategy, inadequate administrative system structure and inconsistent vertical and horizontal allocations.

⁴ Education for All (EFA) Monitoring Report 2007

⁵ Official statistics from MoEs in the four countries

⁶ Estimated figures from Unicef, OSCE and Save the Children UK

⁷ Situation analysis South East Europe prepared for Save the Children UK by Neil MacDonald

⁸ Official statistics from MoEs in the four countries

⁹ Figures from Unicef's report: 'Breaking the cycle of Exclusion' (Feb 2007).

¹⁰ Official statistics from MoEs in the four countries

Actions undertaken by SC UK SEE

SC UK in SEE aims to work together with the SEE governments to ensure that there are no violations of children's rights and to ensure that they are aware of the diverse consequences that their economic reforms cause and that their social development strategies are informed of the process and that they put mitigating elements in place.

For example, the SC UK Bosnia and Herzegovina (B&H) programme has been working with UNICEF and the government to estimate the impact of B&H's electricity privatisation on child poverty and how to mitigate negative consequences. The assessment involves analysing existing quantitative data, plus new quantitative and qualitative information from stakeholders. This work highlights the implications that increases in prices and/or limited availability of utilities have on children's access to schooling, school performance, health and development.

We are also in the initial stages of a Budget Analysis in Serbia and B&H. We hope that our work in this area will identify gaps in existing budgets. Also by carrying out appropriate costing analysis we aim to provide government with evidence that can support them in designing budgets which reflect the real needs of quality education and social protection.

Overall, SC UK will work on moving from project-based cooperation agreements with ministries in charge of sector of one of thematic areas (education and child protection) towards programme based cooperation and multilateral agreements with ministries of education, social welfare, health and finance. At community level, this would translate for example into cooperation of various stakeholders in identification of children excluded from education and removing of financial, administrative and cultural barriers in education, as well as influencing the quality of education in a way that it reflects community needs.

Building of control mechanisms to hold governments accountable will be provided through a two-fold approach:

1. building internal control mechanisms through capacity building of local NGO partners and their networking at national and regional levels, as well as raising public opinion on education issues .
2. building external control mechanisms through:
 - influencing the process of institutional changes SEE countries are expected to undertake through stabilization and EU accession process. SC UK will lobby EU to emphasize inclusive education agenda throughout the education reform process. SC UK has already achieved significant results at the EU level: child rights got inserted into Feasibility Study for Serbia and Montenegro, and child welfare and social policy reforms were recognised as mid-term priority for these countries,
 - strategic co-operation and co-ordination with key international stakeholders (OSCE, CoE, UNICEF and Alliance members) in the area of inclusive education, thus participating and providing input into work of various working groups, task forces and ministerial conferences, exchanging experiences, and creating joint platforms in advocacy initiatives.

Conclusion

All of the countries have produced various strategic documents and Action Plans, as well as relevant documents addressing issues of education and protection of most marginalized children. While these documents provide a *theoretical framework* for fulfillment of children's rights, there are still gaps in legislation and *implementation is very weak*. Not only are resources lacking overall but the resources which do exist are applied in ways which do not maximize realization of children's rights.

These overall shortcomings are attributed to the lack of political will and human and financial capacity and are likely to lead to the countries sliding back on Millennium Development Goals.

In a very difficult transition and post-war context, government policies are reactive rather than pro-active. Governments are not sufficiently aware that *all* their activities impact children to a greater or lesser extent and in any case do not have the technical capacity to assess that overall impact holistically or to redesign policy appropriately.

Save the Children believes that the Governments of SEE should firstly develop more effective child protection and education financing and management systems which will lead to sustainable and measurable changes for all children; and secondly learn to use evidence of impact on child rights in all policy areas.

Contact person:
Anamaria Golemac Powell
SEE Policy and Advocacy Manager
Save the Children UK
South East Europe Programme
a.golemacpowell@savethechildren-uk.org.ba