



PACIFIC ISLANDS FORUM SECRETARIAT

PIFS(22)FEMM.Info.9

FORUM ECONOMIC OFFICIALS MEETING

FORUM ECONOMIC MINISTERS MEETING

10-12 August 2022
Port Vila, Vanuatu

INFORMATION PAPER 9: INVESTMENT IN EARLY CHILDHOOD DEVELOPMENT

Purpose and Recommendations

Purpose

This Paper provides Forum Economic Ministers with an update on regional and national efforts to date towards the implementation of a coordinated, whole-of-government approach to improving early childhood development outcomes including actions progressed on Ending Childhood Obesity (ECHO). It builds on previous Early Childhood Development (ECD) Papers presented to Forum Economic Ministers highlighting the critical role appropriate and effective ECD and ECHO systems play in delivering on children's rights, responding effectively to human capital shocks brought on by COVID-19 and other shocks, and contributing to long term socio-economic development.

Summary

The 2050 Strategy for the Blue Pacific Continent is the Pacific's opportunity to shape our future in order to secure long-term wellbeing and prosperity. Children born today will be critical actors in realizing Pacific Island Forum Leaders' 2050 vision "...for a resilient Pacific region of peace, harmony, security, social inclusion and prosperity that ensures all Pacific peoples can lead free, healthy and productive lives"¹. This requires investment now to ensure Pacific children reach their full potential in building a future for themselves, their families, their communities, countries and the Blue Pacific Continent.

The Pacific's commitment to ECD and ECHO is demonstrated through Pacific Island Forum Leaders' call in 2018 for a whole of government, whole of community approach to NCDs, childhood obesity, stunting and early childhood development, and the subsequent establishment of the Pacific ECHO Network in 2018 and the multi-sectoral Pacific Regional Council for ECD in 2019 to coordinate the efforts in heeding this call from Leaders.

Investing in young children today is an essential driver of the resilience agenda by helping ensure brain development in formative years through better health and nutrition, safer and nurturing environment and early learning. These positive experiences will set children up for better

¹ PIF Leaders vision for the Blue Pacific Continent as stated in the 2050 Strategy for the Blue Pacific Continent, endorsed at the 51st PIF Leaders Meeting held in Suva, Fiji from 11 – 14 July 2022. <https://www.forumsec.org/2050strategy/>

educational outcomes, higher productivity, better health and placing Pacific communities on a better trajectory to achieve the Leaders' 2050 vision.

Since 2018 the Pacific, as a collective and in several Member countries, have taken steps to fulfil the commitments on ECD and ECHO through policy interventions, increased resourcing and the establishment of mechanisms to coordinate holistic actions. This Paper provides Forum Economic Ministers with an update on these actions.

A. Overview/Summary

The Pacific's commitment to ECD and ECHO is demonstrated through Pacific Island Forum Leaders' call in 2018 for a whole of government, whole of community approach to NCDs, childhood obesity, stunting and early childhood development.

2. The topic of ECD and ECHO has received increased attention in Pacific countries in recent years, a growing recognition of its importance in the future development of the Blue Pacific Continent particularly in the context of the *2050 Strategy for the Blue Pacific Continent*. A healthy young Pacific population sets the region on the right track to achieving the Leaders' vision for 2050. If young children, our future leaders, are unable to fulfil their social and developmental potential, this not only harms their future and ability to achieve their highest potential, but also the communities in which they live impacting productivity and resilience.

3. Since 2018 the Pacific, as a collective and in several Member countries, have taken steps to fulfil the commitments on ECD and ECHO through policy interventions, increased resourcing and the establishment of mechanisms to coordinate holistic actions. This Paper provides Forum Economic Ministers with an update on these actions.

B. Discussion

Progress Update

Ending Childhood Obesity (ECHO)

4. The World Health Organisation's (WHO) ECHO report makes clear recommendations for action to tackle child obesity, focused on improving diets through regulating food marketing and fiscal policy and physical activity levels in children. Cognizant of the increasing rates of childhood overweight, obesity and malnutrition, and the harmful impact of food marketing on child health, the Regional Committee for the Western Pacific Region reaffirms the need for multisectoral and multi-stakeholder action to protect children from the harmful impact of food marketing². It also endorsed the *Regional Action Framework on Protecting Children from the Harmful Impact of Food Marketing in the Western Pacific* developed to establish or strengthen policies and actions to protect children from the harmful impact of food marketing, as appropriate to national contexts.

5. The Pacific has a persistent problem of childhood obesity that requires immediate action. Pacific Ministries of Health and their partner agencies including development partners have made

² Based on resolution WPR/RC70.R1 [WPR-RC070-Res01-2019-en.pdf\(who.int\)](#)

commitments to address this challenge. A Pacific ECHO Network (Terms of Reference attached as **Annex 1**) was established in 2018 in recognition of the need for a Member driven coalition that provides a platform for collective advocacy and action on proven population based prevention measures. The Network is supported by the Pacific Research Centre for the Prevention of Obesity and Noncommunicable Diseases (C-POND) based at the Fiji National University functioning as its Secretariat.

6. The Pacific ECHO Network recognises that no single intervention can halt the rise of the growing childhood obesity epidemic and requires a whole of government/whole of community approach, with more coordinated, multi-sectoral action and engagement of all stakeholders³ to: (i) coordinate policy development that are health promoting and tackle childhood obesity⁴; (ii) implement interventions remedying obesogenic environments and promoting obesity prevention; and (iii) monitor and evaluate interventions to tackle childhood obesity. The need to strengthen government and joint action is recognised in the WHO Commission on Ending Childhood Obesity, the Global NCD Action Plan and the Decades of Action on Nutrition.

7. Since the establishment of the Network, twenty (20) of the twenty-one (21) PICs⁵ included in the Network have endorsed the nomination of country focal points. Three working groups, comprising country focal points, academics and representatives from technical agencies including the World Health Organization (WHO) and Pacific Community (SPC), have been established for the priority areas. Though country focal points agreed to implement plans for collective actions to complement individual country efforts, progress on this has been slow.

8. In establishing the Network, three priority areas for collective (regional) action have been identified:

- i. *restriction of the marketing of foods and non-alcoholic beverages to children:* Countries acknowledged the need for a collective regulatory approach tailored to individual country needs to regulate their food marketing environments; and proposed the development of a regional toolkit to assist in developing national marketing regulations. Though work on the toolkit hasn't progressed as expected, the Network can utilise the recently endorsed Pacific Legislative Framework for Non-Communicable Diseases to guide the development of this toolkit. The Framework sets out legislative policies, legislation plan and draft legislative provisions to address the marketing of unhealthy foods and non-alcoholic beverages to children. A consultative meeting is organised for August 2022 with 7 selected countries to map out where these countries are at in regulating food marketing to children and to assist countries in developing clear timelines, budget and monitoring and evaluation indicators based.
- ii. *fiscal measures:* In efforts to review fiscal measures designed to impact consumption of unhealthy food and beverages, member countries collectively agreed to the development of a sugar-sweetened beverages (SSB) toolkit to support country-level action, building on existing materials and information. Work in this area is progressing and partner agencies are organising a taxation workshop towards the end of 2022 to address key issues around taxation on foods and sugary drinks that continue to be a challenge for Pacific countries.

³ government, implementing agencies, civil society, private sector, development partners, academia, media organizations and communities

⁴ including, but not limited to education; food and agriculture; commerce and industry; development; sport and recreation; communication; and trade

⁵ The 21 countries that are part of the Pacific ECHO Network are: Cook Islands, Commonwealth of the Northern Marianas, Federated States of Micronesia, Fiji, French Polynesia, Guam, Kiribati, Republic of the Marshall Islands, New Caledonia, Niue, Republic of Palau, Papua New Guinea, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, Vanuatu, Wallis and Futuna, Nauru and American Samoa (yet to nominate its focal point).

- iii. *physical activity promotion*: ten countries expressed interest in progressing the second component of the regional campaign development⁶ focused on formative research component. Four countries of the ten countries (Fiji, French Polynesia, New Caledonia and Wallis & Futuna) have commenced with this. A key challenge has been the difficulty in securing resources to conduct the formative research.

9. As a proposed fourth priority area, WHO is currently developing a standardized tool for childhood obesity surveillance that could be used for children aged 5-10 years of age to map trends and assess impacts of interventions undertaken in 2019, and to complement existing tools which support monitoring in adolescents.

10. Despite the commitments, challenges remain in maintaining and sustaining the Pacific ECHO Network. Establishing the Network as a country-driven platform has not translated effectively in practice as the Secretariat and the Network Partners (SPC and WHO) continue to drive the plans of action that countries have identified and collectively agreed to. There is a need to strengthen the coordination of the Network to ensure it is Member driven to respond to their needs. To create greater ownership, a clear governing mechanism is required with a coordination team, chaired by a Member country, and supported by network partners.

Early Childhood Development

11. ECD indicators show children in the Pacific are not reaching their full potential. According to the World Bank's Human Capital Index, a young child born today in the Pacific will only be 47% productive when he/she reaches 18 - that is half of his/her full potential - due to poor health, education and welfare support while growing up. Nutrition and education have been identified as areas of concern, with stunting occurring in one of four children on average in the region.

12. The Pacific established in 2019 the ministerial level Pacific Regional Council for Early Childhood Development (PRC4ECD), to lead and drive the ECD actions in the region. To support its oversight and advocacy role, the Council launched its Pacific Child website at 51st Pacific Islands Forum Leaders Meeting (PIFLM) in July 2022, as a critical platform for Pacific countries to exchange information and learnings, and resources to ensure young children in the Blue Pacific continent reach their full potential.

13. The Fiji Prime Minister and Chair of the 51st PIFLM, Hon. Josaia Voreqe Bainimarama, accepted the Council's invitation to serve as a Pacific Champion for Early Childhood Development, a role tasked with leading the advocacy for children to always be at the centre of actions taken to progress the region's development objectives. This is particularly critical in the implementation of the *2050 Strategy for the Blue Pacific Continent*.

14. The inaugural PRC4ECD Steering Committee meeting⁷ recognised the need to build on existing successes and to anchor the PRC4ECD interventions and the Pasifika Call to Action on ECD

⁶ The Network has collectively agreed to develop a regional campaign to promote physical activity among children aged 5-17 years old. The first phase of campaign development involved the collection of baseline information from countries through an online survey on existing physical activity programmes and/or campaigns for children in countries, as well as the key messages, key behaviours targeted and key deliverables of these programmes. The results of this survey then informed the formative research for the campaign which country focal points agreed to coordinate as the next prioritised action for the network

⁷ Held on July 14th, 2022 and presided over by PRC4ECD Council Co-Chairs, Fiji Minister for Health and Medical Services, Hon Ifereimi Waqainabete, the Samoa Minister for Finance, Hon Mulipola Anarosa 'Ale Molio'o, and PRC4ECD Steering Committee Co-Chair, Cook Islands Secretary for

to the 2050 Strategy for the Blue Pacific Continent and other regional commitments including embedding ECD in national sustainable development plans (NSDPs) and connecting these to regional commitments. The Steering Committee endorsed the PRC4ECD Communications Plan and support that CROP and development partners can provide in the preparation for the biennial Pacific Early Childhood Development Forum proposed for February 2023 in Fiji.

15. Other key action points include exploring pathways for supporting and strengthening data systems in countries, undertaking research to inform interventions from the learnings outlined in the ECD Regional Status Report to be released in September 2022, seek appropriate opportunities to advocate for children's issues at regional and global decision-making forums including their active participation, and explore links between ECD and other relevant priorities such as gender-based violence (GBV) while continuing to highlight ECD as a pathway to climate resilience and adaptation capabilities.

16. This advocacy for children being at the centre of development aspirations must be translated to national strategic priorities particularly budgetary allocations and decisions. There are multiple key reasons for tracking ECD expenditure. Governments are concerned about costs, affordability, and cost-effectiveness, and the focus of increasing budgetary allocations is around budgetary utilisation and how previous budgetary allocations have been spent. Without comprehensive information on what, where and by whom ECD-related spending has occurred, gaps in budget coordination will be hard to detect. Segmented spending causes overall expenditures to be less effective. A review of all ECD-related public expenditure can have various coordination, budgetary and programmatic benefits and can facilitate pooling and tracking of multiple sources of financing. There are well-defined legal and policy obligations for countries which demand adequate protection of children to ensure their safety and successful development requiring rigorous monitoring and tracking of expenditure.

17. To increase Pacific countries' understanding of their status on multi-sectoral expenditure in young children, UNICEF has been supporting the Governments of Kiribati, Republic of the Marshall Islands, Solomon Islands and Vanuatu to develop an expenditure tracking and budget analysis for ECD in these countries.

18. The methodology comprises a combination of qualitative and quantitative methods, including structured desk research and primary data collection and analysis of documents and financial data, predominantly in the form of budget books. It aimed to provide an "investment/expenditure snapshot" of ECD in the country, tracking expenditure over time and analysing adequacy through various measures, such as in comparison to GDP and General Government Expenditure (GGE) as well as the ratio of Government and donor funding. Results were then compared with current ECD outcomes as well as national targets.

19. Overall, for three out of four countries, the share of expenditure funded directly by Governments is growing. In Kiribati, the ratio of recurrent Government expenditure to donor funding through the Development fund grew considerably, from 58 being funded by Government to 96 per cent, between 2017 and 2020. Similarly, in the Solomon Islands and Vanuatu, the analysis found the largest share of ECD expenditure to be funded through Government, at 82 per cent in 2017, rising to 89 per cent by 2020 in the Solomon Islands, and rising from 46.3 per cent to 70.3 per cent between 2017 and 2020 in Vanuatu, with a strong increasing trend. Only in the Marshall Islands did the budget

analysis find a relatively large dependency on external financing, with the Government only funding approximately 15 per cent of ECD expenditure – the increase of external funding being partially driven by a World Bank ECD project introduced in 2019.

20. These figures show that governments in the four countries are increasing their invest in ECD and reducing the reliance on donor funding. Though this is a positive outcome, sector-specific analyses reveal strong differences between sectors, with all countries simultaneously containing certain sectors within which ECD-related investments have declined over the last several years. A summation of by-country results:

- i. **Kiribati**⁸: Between 2017 and 2020, total ECD-related expenditure in Kiribati across the Government increased from AU\$ 4,893,157 to AU\$6,418,885, while the share of ECD expenditure of GDP increased from 2.01 to 2.21 per cent. This expenditure translates into AU\$283 (2017) to AU\$355 (2020) spent per child on ECD. In comparing ECD expenditure as a share of GDP with the internationally acknowledged minimum of 1 per cent, Kiribati investment in ECD is above this minimum threshold.
- ii. **Republic of the Marshall Islands**⁹: There has been an increase in ECD-related expenditure across Government between 2017 and 2020 from US\$ 6,115,345 in 2017 to 9,438,511 in 2020. The share of ECD expenditure of GDP increased moderately from 3 to 4.1 per cent. Overall, the increase of ECD expenditure was in par with both GDP and GGE growth. Expenditure per child increased from US\$713 to US\$1,196 between 2017 and 2020.
- iii. **Solomon Islands**¹⁰: there was an increase in ECD-related expenditure across Government, amounting to SB\$144,965,933 in 2017 and SB\$206,533,573 in 2020. The share of ECD expenditure of GDP also increased, from 1.2 to 1.6 per cent. In comparing ECD expenditure as a share of GDP, the Solomon Islands slightly exceeds the minimum threshold of 1 per cent. ECD expenditure per child aged 0 to 5 increased from SB\$1,238 in 2017 to SB\$1,682 in 2020, with the biggest increase occurring between 2017 and 2019.
- iv. **Vanuatu**¹¹: an increase in ECD-related expenditure across the Government occurred between 2017 and 2020, this amount increasing from VT645,114,947 to VT1,263,674,905, with the share of ECD expenditure of GDP increasing gradually from 0.7 to 1.3 per cent. In comparing ECD expenditure as a share of GDP, Vanuatu exceeds this minimum threshold of 1 per cent since 2020. ECD expenditure per child amounted to VT13,678 in 2017, increasing to VT25,298 in 2020, reflecting a relatively gradual increasing trend.

21. An emerging lesson from the analysis work is the need to improve expenditure in Early Childhood Education (ECE), child health and nutrition, and social welfare and protection. Increased

⁸ ECD-related expenditure was analysed for the Ministry of Education (MoE), the Ministry of Health and Medical Services (MHMS), the Ministry of Women, Youth, Sport and Social Affairs (MWYSSA) and the Ministry of Justice (MoJ). The Government's budget books provided the main data source for ECD-related expenditure.

⁹ ECD-related expenditure was analysed for the Ministry of Education, Sports and Training (MoEST), the Ministry of Health and Human Services (MoHHS) and the Ministry of Culture and Internal Affairs (MoCIA). The Government's budget books provided the main data source for ECD-related expenditure.

¹⁰ ECD-related expenditure was analysed for the Ministry of Education and Human Resource Development (MEHRD), the Ministry of Health and Medical Services (MHMS), the Ministry of Women, Youth, Children and Family Affairs (MWYCFA) and the Ministry of Home Affairs (MHA). The Government's budget books provided the main data source for ECD-related expenditure.

¹¹ ECD-related expenditure was analysed for the Ministry of Education and Training (MoET), the Ministry of Health (MoH), the Ministry of Justice and Social Affairs (MJSW) and the Ministry of Internal Affairs (MIA). The Government's budget books are quite detailed and allowed for the identification of many ECD-specific programmes, such as an ECE unit and a number of ECD-related health and nutrition programmes.

expenditure in the education sector are important to achieve universal ECE access for all 5-year-olds and should include improving quality of and access to ECE, awareness of ECE, support to parents and the capacity of ECE teachers. Improved expenditure in health and nutrition and social welfare and protection actions are also essential to ensure a safe environment and nurturing of healthy young population for improved productivity and economic development.

22. There is a need across all the four countries, and the rest of the Pacific, to improve the tracking of ECD-related expenditure to get a comprehensive picture of government investment in this space. Tracking ECD-related expenditure can start with improved reporting on the type of expenditure made for ECD. To overcome this, several assumptions had to be made which impact on the accuracy of the findings, but necessary, given the absence of real data.

23. Key challenges to the ECD expenditure tracking and budget analysis include a lack of geographical disaggregation in budgetary data by budget line item and disaggregating budget line items and units to the program level. This required a number of assumptions regarding the share of general expenditure items being allocated towards children aged up to five and also limited the scope of depth of the analysis to identify financing gaps in specific ECD-subsectors. This is a matter that the PRC4ECD and its Steering Committee will continue to work on with UNICEF (as the Secretariat for the Council) and other partners.

C. Next Steps

24. There needs to be greater collaboration and interlinkages between ECD and ECHO for a more coordinated and holistic approach to delivering for Pacific children. It is critical for Members to increase their commitment to strengthening and sustaining the Pacific ECHO Network, the PRC4ECD, and to drive the implementation of ECD and childhood obesity priorities at both regional and national level and translate these to appropriate allocation of national budgetary resources to support and drive plans of action in the identified priority areas.

25. Other national and regional stakeholders including development partners must support Pacific governments to action these commitments and strengthen efforts to improve national and regional coordination and enhance collaboration and networking opportunities to better support the implementation of ECD and childhood obesity priorities.

26. For ECD, centralised tracking of ECD expenditure will provide detailed and better understanding of the effectiveness of programmes and information on where expenditure gaps exist and provide a comprehensive picture of expenditure in each sector more easily. Some Members are already do this, greatly benefitting the quality and availability of data on ECD expenditure.