A FAIR SHARE TO END CHILD LABOUR

UNIVERSAL SOCIAL PROTECTION FOR CHILDREN IN LOW-INCOME COUNTRIES
ACKNOWLEDGEMENTS

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## CONTENTS

1. EXECUTIVE SUMMARY .................................................. 4
   RECOMMENDATIONS .................................................. 5

2. INTRODUCTION .......................................................... 6

3. SOCIAL PROTECTION WORKS - AND CAN END CHILD LABOUR . 7

4. SOCIAL PROTECTION MUST REACH THOSE IN MOST NEED ... 8

5. SOCIAL PROTECTION FOR CHILDREN HAS LIFELONG BENEFITS 9

6. THE FINANCING GAP .................................................... 10

7. FINANCING UNIVERSAL SOCIAL PROTECTION FOR CHILDREN 11

8. A WINDOW OF OPPORTUNITY TO DELIVER SOCIAL PROTECTION FOR THE MOST MARGINALISED CHILDREN 15

9. A FAIR SHARE OF SOCIAL PROTECTION TO END CHILD LABOUR: RECOMMENDATIONS 18

ANNEX 1: PREVENTABLE CHILD DEATHS IN LOW-INCOME COUNTRIES (LIC) & LOWER MIDDLE-INCOME COUNTRIES (LMIC) 19
1. EXECUTIVE SUMMARY

Today, over half of the world’s poorest citizens are children – and they are entering poverty and child labour at an unprecedented rate. In the time it takes you to read this page, over a dozen more children aged 5-11 will have been forced into child labour. By the end of the day, there will be 10,000 new child labourers – and one more billionaire.

This cannot be our legacy. We have an urgent, moral imperative to staunch the rapid flow of children entering poverty and child labour, and it can be done with shared investments in social protection for the world’s most marginalised children.

Social protection is the right of everyone from birth, yet 74% of children worldwide, and 90% of children in low-income countries, live without it. Adequate and reliable social protection can accelerate an end to child labour by preventing the kind of extreme poverty which forces children out of school and into work. This has been proven time and again – no more so than in wealthy countries, most of which have benefited from social protection and public services for over a century, and which still do today. Well before the pandemic, social protection was given the lion’s share of government budgets across the member states of the European Union; during the pandemic, spending on additional social protection measures reached an average of $847 per capita in high-income countries.

Despite the hard evidence that social protection has worked in donor countries, the amounts afforded to social protection in aid are shameful. In 2017, ODA to social protection represented just 0.0047% of the GNI of the OECD/DAC countries, in stark contrast to social protection forming 40% of all government expenditure domestically. In 2020, bilateral ODA to social protection actually went down – despite donor countries knowing the critical role of social protection during the crisis. In the face of this decrease, the international financing institutions stepped in with one-off emergency loans. Positively, this enabled many lower-income countries to research and trial pathways to deliver emergency social protection programmes, creating a unique – if fragile – basis on which more permanent programmes may be built in the future. Given the scale of effort undertaken and the political will demonstrated by lower-income countries to provide new social protection programmes, it would be an incredible backwards step for the international community to fail to seize one of the few opportunities in the COVID era to get the Sustainable Development Goals on track.

Social protection which covers all life stages is critical in the fight against inequality, and income protection including cash transfers for adults plays an important role in ending extreme poverty. However, interventions which directly target children can be lifesaving when maternity and protections from birth are taken into account, and transformative in ending child labour and enabling education.

While child-centred social protection programmes in low- and middle-income countries have almost always taken the form of targeted and conditional cash transfers, the rapid rise in child poverty and child labour combined with weak data makes a universal approach to child benefit more timely than ever. Universal social protection which gives children the strongest possible foundation should include support to mothers during pregnancy and to parents/guardians for at least four months after childbirth, alongside a cash benefit for each child which supports every stage of their childhood – through to the end of upper-secondary education in line with the commitment to deliver 12 years of quality education for every child. These direct social protection measures should work alongside in-kind schemes such as school feeding programmes, immunisation programmes, and quality public services including health care; and with legislative changes to increase the duration of compulsory education and to increase the working age.
The financing gap to provide this historic level of support for every child in every low-income country is $53 billion a year. This is the equivalent to just two days of last year’s COVID relief spending in G7 countries. This gap can be met by governments in low-income countries allocating a ringfenced 6% of their domestic budget, and external financing equivalent to just 0.073% of the OECD/DAC countries’ GNI. This external financing element should also include contributions from a new global social protection fund, designed to accelerate the implementation of social protection floors and programmes in low-income countries, and provide reliable resources to help maintain them.

Child benefits work. They end child labour and increase school completion rates. They help grow the economy and increase employment. They are ambitious, but affordable. And without them, not only will child labour and child poverty continue to increase, the world’s poorest children will continue to be thirteen times more likely to die.

The globalisation of social protection is an historic idea whose time has come. It is critical now for financing, policy-making, and social protection to work together as one: adequately and fairly financed social protection for children must be recognised as central to ending extreme poverty and child labour, and legislated for and protected as such.

**RECOMMENDATIONS**

- Governments must commit to implement and finance a universal child benefit (UCB) and maternity benefits to ensure no child is left behind.
  - For low-income countries, 6% of domestic budget must be spent on child-focused social protection, potentially through a ring-fenced tax worth 1% of GNI, reallocated domestic budget, the elimination of illicit financial flows, and/or ending harmful tax breaks for multinational corporations.

- Donor governments must increase bilateral and multilateral ODA for social protection, ringfencing 0.073% of GNI to LICs by 2030.

- Basic income and income protection for adults play a critical role in supporting children’s development and combatting child labour; governments must continue to implement social protection measures which support citizens throughout each stage of life. Efforts should be made to redress the balance for marginalised groups which currently receive no social protection coverage.

- Governments must commit to establish a global social protection fund to serve the following purposes:
  - Accelerate the implementation of social protection floors and social protection measures in low-income countries by providing technical support and funding to research and build infrastructure, taking advantage of the knowledge gained and systems introduced during the global pandemic.
  - Provide ongoing funding to LICs as part of donor efforts to close the financing gap to deliver social protection throughout each stage of life, with efforts to redress the balance for groups currently under-served by social protection, including children.

- Governments and the international financing institutions must not implement or force austerity measures in the wake of the pandemic, especially in countries which have yet to establish and implement all social protection floors, acknowledging that such measures unfairly target women and children.
2. INTRODUCTION

Social protection is the right of everyone from birth, and the Universal Declaration of Human Rights pays specific attention to the needs of children to have social protection.

Child-sensitive and child-focused forms of social protection – including cash transfers, in-kind benefits, health care and childcare – enable families to survive, and support children to thrive from birth. Alongside quality public services, adequate and reliable social protection can accelerate an end to child labour, by preventing the kind of extreme poverty which forces children into work. When families have access to social protection, such as a basic income, this enables them to cover their most fundamental needs and to send their children to school instead of work, breaking the cycle of poverty.

Today, over half of the world’s poorest citizens are children – and they are entering poverty and child labour at an unprecedented rate. In September 2020, a UNICEF and Save the Children analysis found that 150 million more children had entered multidimensional poverty as a result of the pandemic, pushing the number of children living without the ability to access health, education, nutrition, water and sanitation and housing services to 1.2 billion. The number of child labourers is also projected to be increasing at unprecedented rates: while 5,000 children were forced into child labour every day between 2016-2020, even a moderate estimate suggests this is likely to be 10,000 children a day between 2020 and 2022.

This appalling litany of injustices against children also demonstrates the disastrous impact of the unfair response to the COVID-19 pandemic. Almost all of the world’s funding to mitigate the effects of the pandemic was spent in wealthier countries. In these countries property prices have soared; and stock markets are the highest they have ever been despite being in the middle of a pandemic. Meanwhile, the poorest and most vulnerable children and their families have been left to fend for themselves with just 0.13% of the COVID support funding going to multilateral appeals for low-income countries.

Social protection which protects both children and their caregivers creates more resilient families, yet this level of protection remains limited mainly to wealthier countries – even during the pandemic. If all families, particularly those who are most in need, have access to the kind of social protection which provides a resilient foundation, and which works in tandem with responsive, relevant, and resourced public services, it is clear from decades of evidence that the impact on children and on child labour could be transformative.

However, the ILO’s World Social Protection Report 2020-2022 demonstrates the scale of the challenge ahead. Just 26.4% of children worldwide have access to at least one social protection. For sub-Saharan Africa, that figure drops to 10.4%. Urgent efforts are needed to establish social protection systems for children to tackle the ongoing increase in both child poverty and child labour.

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3. Ibid.
5. U.S. stocks rise to all-time highs, as Dow closes above 35,000 for first time, July 2021
3. SOCIAL PROTECTION WORKS - AND CAN END CHILD LABOUR

Social protection has been fundamental to the economic growth and development of most high-income countries for over a century. Investment in social infrastructure to provide universal education and health care has been accompanied by social protection, such as state-provided sick pay and pensions, as far back as the late nineteenth century in Europe. It is no coincidence that increased access to education, legislation to raise the age for compulsory education and the age of the workforce, improved access to primary health care and implementation of social protection programmes brought an effective end to child labour in Europe in the early 20th century.

Even in more recent years, the impact of social protection on poverty in Europe has been profound. An analysis of developed economies over three decades found that relative poverty rates dramatically reduced after the introduction of welfare measures: in France, for example, the relative poverty rate between 1970 and 1997 dropped from 21.8% to 6.1%.

In the last year alone, wealthy countries have once again demonstrated their reliance on social protection as a way to protect citizens and national economies during the global pandemic – although it should be acknowledged that the main beneficiaries of COVID-19 support in high-income countries were businesses, rather than citizens.

Yet significant positive impacts of measures implemented to support families have already been reported. In the United States, poverty actually fell by well over 2%, largely as a result of the COVID stimulus cheques provided by the federal government in 2020. This meant almost 8.5 million US citizens were lifted out of poverty by social protection.

A 2018 World Bank study using household surveys found that social safety net transfers reduced the incidence of absolute poverty (US$1.90 per day) by 36%, and relative poverty (the bottom quintile) by 8%. This demonstrates that providing sustained protection for those in most need can truly be transformative.

In 2021, the ITUC commissioned a simulation-based study across one LIC (Rwanda), three LMICs (Bangladesh, Ghana, India), and four UMICs (Colombia, Costa Rica, Georgia, Serbia) to demonstrate the impact of social protection on economic growth. The study found that investments in social protection generate a positive impact, and appear to have a higher effect on economic growth in countries with a lower GDP per capita. On average, a 1% increase in social protection investments produced a multiplier of 13% increase in absolute GDP, a 7% reduction of the number of people living under the national poverty line, a 1% reduction in income inequality, a 1.8% increase in government tax revenues, and a 0.6% increase in employment.

Moreover, there is evidence that social protection programmes also reduce child labour: a 2016 analysis of cash transfer programmes in sub-Saharan Africa conducted by FAO, UNICEF and Oxford University Press found they increased school attendance and reduced paid and unpaid child labour in Kenya, Lesotho, and Zimbabwe, with monies being used to cover direct household costs (such as food) and indirect schooling costs (such as school uniforms). In 2020, a UNICEF Innocenti study across social protection programmes in Malawi, Tanzania, and Zambia also demonstrated reduced child labour outside of the home and increased participation in education – with the share of cash transfers being used for education coming second only to basic household needs like food.
Social protection which directly responds to crises can also reduce child labour. A rapid review of responses to past crises conducted by UNICEF in April 2020 highlighted the positive impact that child-focused interventions – in particular cash transfers – had previously had during both health and economic crises, with social protection responses to the AIDS epidemic in several sub-Saharan African countries demonstrating an increase in early childhood education and reduced child labour.16

4. SOCIAL PROTECTION MUST REACH THOSE IN MOST NEED

At no time in living history have so many households, in almost every country in the world, been as vulnerable to poverty as in the COVID era – all at the same time. For the wealthiest countries, a fundamental way in which governments have attempted to mitigate the rise in household poverty is through rapidly increasing social benefits to protect jobs and incomes. However, many middle-income countries have also worked to provide similar protections since the outset of the pandemic, as well as some lower-income countries. The ILO reported in May 2021 that 209 countries and territories had announced at least 1,698 social protection measures; over half of these were new programmes or benefits.17 However, while spending per capita reached an average of US$847 for high-income countries, in low-income countries, the average per capita spending was just US$4.18 It is important to note that this is an average taken at a time of emergency response; given the short time frame and lack of existing programmes in many low-income countries, even this meagre amount may not have touched those who needed it the most.

The creation of new – albeit temporary – social protection benefits necessitated the development of some form of delivery infrastructure, or at the very least a basic mechanism. The most recent World Bank real-time review provided some analysis of these delivery mechanisms, with the caveat that no thorough study has yet been undertaken. Unsurprisingly, countries with existing social protection and registers, up-to-date data on citizens, and good digital access were able disburse new benefits rapidly and effectively. However, several data-poor countries initiated local-level data collection processes, despite the challenges of the pandemic, to try to improve the targeting of benefits to those who needed them most. Importantly, digital technology in lower-income countries was not limited to mobile money transfers: using phone records and satellite data, governments including Togo, DRC, and Malawi have been able to identify and registers households eligible for new benefits.19

These innovations, whether successful or not, offer an unprecedented opportunity to research different delivery and targeting mechanisms, and provide a useful starting point to establish and/or scale up social protection systems in lower-income countries. This must not be squandered, and support is needed to ensure countries can take swift advantage of their new knowledge, fledgling systems, and – crucially – political will.

19 Ibid.
The most recent data from the ILO shows a wide gap between social protection between adults and children: 46.9% of the whole population has access to at least one form of social protection, but just 26.4% of children are in the same position.20

This disparity is usually a result of government priorities in establishing social protection schemes, as the initial focus tends to be on creating state pension schemes for older persons. Direct benefits for children come later in the policy process, although state income for both older persons and working-age adults can also have a beneficial impact on children.

Social protection which covers all life stages is critical in the fight against inequality, and income protection including cash transfers for adults plays an important role in ending extreme poverty. However, a growing body of evidence over the last two decades has demonstrated that interventions which directly target children can be lifesaving when maternity and protections from birth are taken into account, and transformative in ending child labour and enabling education.21

Child-centred cash interventions have historically come in the form of conditional cash transfers, whereby monies are disbursed to low-income families who meet conditions such as sending children to school; or unconditional cash transfers (UCTs) or universal child grants, which are disbursed more widely, often without means testing.

An early example of a conditional cash transfer (CCT) to end child labour is Brazil’s PETI scheme, which started in the 1990s but was eventually absorbed into Bolsa Familia. Using a combination of household targeting and geographical targeting based on areas where child labour was high – and in particular the worst forms of child labour – 66% of the benefit went to households in the poorest quintile, with reductions in child labour and increased school attendance evident across several regions of Brazil. Indeed, CCTs targeted towards children have had a positive impact on the rate of child labour across Latin America.22 Moreover, a systematic review of 35 studies encompassing Asia, Africa, and Latin America demonstrated that both conditional and unconditional cash transfers positively affect school enrolment,23 and a recent study of seven unconditional cash transfer programmes to predominantly ‘ultra-poor’ households in sub-Saharan Africa found that agricultural child labour in the family unit reduced in most countries.24 Given the prevalence of this form of child labour, it is clearly worth considering how the impact of UCTs can be harnessed and taken to scale.

Given the alarmingly rapid rise in child poverty and child labour in lower-income countries, taking a universal approach with no conditionality offers a way to both stop the increase and pull children out of poverty and child labour. As well as recognising the criticality of social protection to every child from their earliest stages of life, universal child benefits prevent children falling through the gaps, which can easily occur through inadequate systems for means testing. The importance of a universal approach has become all-too evident in the COVID era, when over 150 million more children are predicted to have fallen into multidimensional poverty – children who would not be counted using historic means-tested data.

At present, no low-income country offers a universal child benefit (UCB), yet there is a long history of the role UCB has played in the development of both high-income and middle-income countries. In Europe, UCBs have existed since the early 20th century; more recently, MICs such as South Africa and Mongolia have demonstrated that universal coverage can not only be achieved but also deliver substantial reductions in child poverty.

20 ILO 2021 op. cit.
21 Analysis conducted by the World Bank of impact evaluations of social protection for children
24 https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7717704/
Significant investments must be made in most regions if child-focused social protection is to be realised. The latest ILO World Social Protection Report shows that social protection expenditure in 133 countries for children aged 0–14 was, on average, 1.1% of GDP but with large regional disparities: from 0.4 per cent in Africa to 1.5 per cent in Europe and Central Asia.

6. THE FINANCING GAP

According to the latest World Social Protection Report, the financing gap for the provision of social protection has increased by over 30% since 2017 – but in low-income countries the gap has doubled. As a percentage of GDP, for low-income countries, the gap to achieve SDG 1.3 (social protection) and SDG 3.8 (universal health coverage) is 15.9% or $77.9 billion.

As occurred in wealthier states, social protection policy is being developed after public service policy in poorer countries; however, with substantially fewer domestic resources and slower economic growth, the least developed countries in the world cannot progress at the speed needed to end extreme poverty for millions of children and their families. Low-income countries are reliant on additional support through ODA to improve progress on social protection to maximise the benefits of improving public service provision. Unfortunately, ODA for social protection has been minimal for almost a decade: in 2017, this represented just 0.0047% of the GNI of the OECD/DAC countries, which included allocations to middle-income countries. This is despite the body of evidence that demonstrates social protection is critical to ending extreme poverty.

During the pandemic, the international financial institutions (the World Bank and the IMF) made what seemed like an incredible increase of 189% in their ODA – predominantly in concessional loans. However, the majority of this went to middle-income countries, and support to low-income countries was reduced compared to 2019. Yet the fact remains that the increase in provision of social protection programmes in lower-income countries was funded largely by loan-based contributions from the IFIs, as well as in other multilateral aid (particularly for states with humanitarian crises).

Social protection for the countries and families in most need is not sustainable if it comes solely from loans. Approaches that governments have taken to create fiscal space to deliver social protection programmes include re-allocating public expenditure, expansion of contributory schemes, eliminating illicit financial flows, and increasing tax revenue. Similarly, regressive forms of taxation and energy tax breaks can be abandoned or repurposed for social protection funding. Given the low financing base for many lower-income countries – for example, 2018 tax revenues in Africa were an average of 16.5% of GDP, compared to 34.3% in OECD countries – it is evident there remains a need for ODA to social protection to increase. This should be a combination of debt cancellation; bilateral funding; and multilateral funding - including a new global social protection fund to act as an accelerator to establish social protection floors and systems in the first instance.

The introduction of social protection in wealthier countries over a century ago delivered an enormous step forward for children’s rights: ending child labour, reducing child malnutrition, and enabling every child to go to school. Yet today, 90% of children living in low-income countries do not have any social protection. Children have waited far too long for their fair share of global wealth – the world has more than enough money to deliver universal social protection for every child.

Universal social protection which gives children the strongest possible foundation should include support to mothers during pregnancy and to parents/guardians for at least four months after childbirth, alongside a cash benefit for each child which supports every stage of their childhood – through to the end of upper-secondary education in line with the commitment to deliver 12 years of quality education for every child. These direct social protection measures should work alongside in-kind schemes such as school feeding programmes, immunisation programmes, and quality public services including health care; and with legislative changes to increase the duration of compulsory education and to increase the working age.

On this basis, this briefing paper has extrapolated the cost of a universal child benefit to all children under 18 living in a low-income country, using the ILO costings for universal child benefit to all children aged 0-5 in a low-income country and the annual population by age for low-income countries from 2021-2030 projected in the UN DESA World Population Prospectus 2019. This also includes the projected costs of providing maternity benefits as a key step to reduce child malnutrition, infant mortality and to reduce the risk of child labour for any older children during their mother’s pregnancy (Figure 1, page 12).
### FIGURE 1. CALCULATING THE COST OF A UNIVERSAL CHILD BENEFIT FOR EVERY CHILD UNDER 18 IN A LOW-INCOME COUNTRY

| Source | LIC financing needs for universal coverage across 4 social protection areas (SDG 1.3) and universal health coverage (SDG 3.8) ($bn) | Source | LIC estimate of financing needs to cover social protection in LICs ($bn) | Source | ILO estimate | Source | LIC financing needs for child social protection in LICs (0-5 years) ($bn) | Source | ILO estimate | Source | LIC financing needs for child social protection in LICs (0-5 years) inc. ILO estimated 5% administration costs ($bn) | Source | ILO estimate | Source | LIC maternity costs ($bn) | Source | ILO estimate | Source | LIC maternity social protection with administration costs ($bn) | Source | ILO estimate | Source | TOTAL COST FOR UNIVERSAL CHILD BENEFIT INCLUDING MATERNITY IN LICs ($bn) |
|--------|-------------------------------------------------|--------|-------------------------------------------------|--------|----------------|--------|-------------------------------------------------|--------|----------------|--------|-------------------------------------------------|--------|----------------|--------|-------------------------------------------------|--------|----------------|--------|-------------------------------------------------|--------|----------------|--------|-------------------------------------------------|--------|----------------|--------|
| 2021   | $48.6                                           | 2022   | $53.9                                           | 2023   | $59.9          | 2024   | $68.7                                           | 2025   | $74.1          | 2026   | $82.8                                      | 2027   | $87.4          | 2028   | $93.4                                      | 2029   | $100.3         | 2030   | $100.9                                      | ILO estimate |
| (1) LIC financing needs for progressive universal coverage across 4 social protection areas (SDG 1.3) and universal health coverage (SDG 3.8) ($bn) | | (2) Proportion that covers social protection (SDG 1.4) (%) | | $22.6 | $25.0 | $27.8 | $31.9 | $34.4 | $38.4 | $40.6 | $43.3 | $46.5 | $46.8 | Calculation |
|        | (3) Estimated financing needs to cover social protection in LICs (0-5 years) ($bn) | | | | $22.6 | $25.0 | $27.8 | $31.9 | $34.4 | $38.4 | $40.6 | $43.3 | $46.5 | $46.8 | Calculation |
|        | (4) % of social protection financing needs for child social protection in LICs (0-5 years) | | | | $22.6 | $25.0 | $27.8 | $31.9 | $34.4 | $38.4 | $40.6 | $43.3 | $46.5 | $46.8 | Calculation |
|        | (5) Financing needs for child social protection in LICs (0-5 years) ($bn) | | | | $22.6 | $25.0 | $27.8 | $31.9 | $34.4 | $38.4 | $40.6 | $43.3 | $46.5 | $46.8 | Calculation |
|        | (6) Proportion of children aged 0-5 years in LIC countries | | | | $22.6 | $25.0 | $27.8 | $31.9 | $34.4 | $38.4 | $40.6 | $43.3 | $46.5 | $46.8 | Calculation |
|        | (7) Projected financing needs for child social protection (0-17 years) in LICs ($bn) | | | | $22.6 | $25.0 | $27.8 | $31.9 | $34.4 | $38.4 | $40.6 | $43.3 | $46.5 | $46.8 | Calculation |
|        | (8) Projected financing needs for child social protection (0-17 years) inc. ILO estimated 5% administration costs ($bn) | | | | $22.6 | $25.0 | $27.8 | $31.9 | $34.4 | $38.4 | $40.6 | $43.3 | $46.5 | $46.8 | Calculation |
|        | (9) LIC maternity costs ($bn) | | | | $22.6 | $25.0 | $27.8 | $31.9 | $34.4 | $38.4 | $40.6 | $43.3 | $46.5 | $46.8 | Calculation |
|        | (10) LIC maternity social protection with administration costs ($bn) | | | | $22.6 | $25.0 | $27.8 | $31.9 | $34.4 | $38.4 | $40.6 | $43.3 | $46.5 | $46.8 | Calculation |
| TOTAL COST FOR UNIVERSAL CHILD BENEFIT INCLUDING MATERNITY IN LICs ($bn) | | | | $22.6 | $25.0 | $27.8 | $31.9 | $34.4 | $38.4 | $40.6 | $43.3 | $46.5 | $46.8 | Calculation |
a) Low-income countries: Afghanistan, Benin, Burkina Faso, Burundi, Central African Republic, Chad, Comoros, Congo (Democratic Republic of the), Eritrea, Ethiopia, Gambia, Guinea, Guinea-Bissau, Haiti, Korea (Democratic People’s Republic of); Liberia, Madagascar, Malawi, Mali, Mozambique, Nepal, Niger, Rwanda, Senegal, Sierra Leone, Somalia, South Sudan, Tanzania (United Republic of), Togo, Uganda, Zimbabwe

i) Durán-Valverde, F. et. al. 2020 op. cit. Table 7: Annual incremental financing needs for progressive universal coverage, by income level, in US$ billions and percentage of GDP (low- and middle-income countries), 2020–2030.

ii) Ibid. Based on Table 6, Financing gap for achieving universal social protection coverage in 2020, in US$ billions and as a percentage of GDP (low- and middle-income countries only): LIC health gap= $41.8bn, LIC 4 social protection areas gap = $36.2 bn. Proportion for the LIC 4 social protection areas = (36.2)/(41.8+ 36.2) = 46.41%

iii) Ibid. Based on Table 4, Cost of a universal package of four social protection benefits in 2020 (low- and middle-income countries, in US$ billion). Cost of LIC universal child benefit in 2020 = $15.0 bn, Cost of LIC 4 social protection areas = $41.9bn, so proportion for child benefit: 15.0/41.9= 35.8%

iv) United Nations, Department of Economic and Social Affairs, Population Division (2019). World Population Prospects 2019, custom data acquired via website: Search query selecting low-income countries, population by age and sex, 2021-2030, both sexes combined to generate table. Then add 0-4 with 20% of 5-9 to get the estimate for 0-5 population each year & add 0-4, 5-9, 10-14 and 60% of 15-19 to get the estimate for the population 0-17 each year. Divide to get the estimated proportion of u18 in low-income countries that are 5 years old or younger for each year.

v) “...for administrative costs, a rate of 5 per cent is applied to total cost of providing benefits” p.16, Durán-Valverde, F et. al. op. cit.
Given the incredibly low levels of financing for child-focused social protection from both donor budgets and LIC domestic budgets, there remains a substantial financing gap of $53 billion per year to deliver a universal child and maternity benefit in low-income countries – although using the incremental approach, this starts at $25 billion. To meet this, it is proposed that low-income countries introduce a new ringfenced tax worth 6% of the government budget/1% of their GNI (Figure 2), and that DAC donor countries contribute just 0.073% of their GNI to ODA for child and maternity social protection (Figure 3).

While $53 billion may appear to be an ambitious demand given the starting point, this financing gap – which would cover every child in low-income countries - represents just two days of the COVID-19 support given to people and businesses in richer countries in 2020.28

28 This is a modest estimate: in June 2021 the G7 formally announced they had committed a package of $12 trillion in 2020, but data from September 2020 suggests $14.6 trillion had already been committed. Using the June 2021 figure: ($12,000,000,000,000 / 365) * 2 = $65.7 billion
The global pandemic has demonstrated that it is possible to reach more people with social protection. The challenge now is to build on the existing political will and to support financing efforts to extend social protection to every low-income country. Increasing the share of LIC domestic budgets and ODA to social protection could help end inequality and poverty by providing a strong foundation, especially for children.

An important finding of the UNICEF rapid review of crisis responses\(^29\) was that new and existing social protection measures taken in the wake of the 2008 global economic crisis were particularly vulnerable to budget cuts in the ensuing period of ‘austerity’ imposed in donor countries and by the IFIs on lower-income countries. Unfortunately, this contraction of social protection jeopardised the well-being of children. It was also sexist: austerity measures often targeted benefits received by women.

However, the fact that the lion’s share of low-income countries’ external funding for social protection is from the IFIs, combined with the short-termism of the COVID-induced expansion of social protection, means the pieces are already lined up for a repeat assault on children and their mothers.

It is also important to note that during the global pandemic bilateral ODA for social protection decreased, being replaced by IFI loans. This is particularly hypocritical since domestic social protection has the largest share of national government expenditure in wealthy countries. Social protection represents over 40% of government expenditure in the European Union,\(^30\) yet less than 2% of aid budgets and just 0.0047% of the GNI of DAC donor countries is given to social protection overall (Figure 4).\(^31\)

\(^{29}\) Tirivayi, N. 2020 op. cit.

\(^{30}\) Total public expenditure is 46.7% of EU GDP and social protection is 19.2% of EU GDP; 2018 data https://www.europarl.europa.eu/RegData/etudes/ BRIE/2019/634371/IPOL_BRI(2019)634371_EN.pdf

\(^{31}\) Durán-Valverde, F. et. al. 2020 op. cit.
The vast majority of social protection spending by high-income countries will always be at home – but if just 0.4% of their spending on domestic social protection was allocated to ODA to low-income countries, it would release enough funding to contribute to benefits for every child and every pregnant mother in LICs.

However, external support for UCB cannot be expected without clear leadership from national governments to protect all their children. Every low-income country must also make a commitment to provide social protection for every child, with a recommended 6% share of domestic budget to be allocated specifically for benefits to children and maternity.

Child benefits work.32,33 They end child labour and increase school completion rates.34,35 They help grow the economy36 and increase employment.37 Child benefits also have lower rates of corruption38 and low administration costs.39 They are ambitious, but affordable.

They are also urgently needed. With 150 million more children pushed into multidimensional poverty and an unchecked increase in global inequality millions more children will die unnecessarily. A new analysis for this briefing (Annex 1) reveals that between 2000 and 2019, more children died of malnutrition than all the military and civilian deaths of World War II. Even more shockingly, in the thirty years since the Cold War more children have died of preventable causes than all the wars of the 20th century put together. The failure of our generation to provide social protection to the children most in need is immoral and inhumane. This is plainly evident in the disparity between high- and low-income countries in deaths of the youngest children as recently as 2019 (Figures 5 and 6).

Children are more than twice as likely to live in extreme poverty as adults,40 so the continued absence of any social protection for the most marginalised is an enabling factor in millions of children dying unnecessarily every year. Our world has globalised its economy, with global markets and consumption, yet the majority of families which produce the goods for the world to consume are being left behind. It is time to globalise social protection.

Today, we are living in a world that is simultaneously creating one billionaire and 10,000 child labourers every day. Future generations will not understand why so much of humanity is being abandoned to extreme, life-threatening poverty when the world has never had more.

The globalisation of social protection is an historic idea whose time has come. It is critical now for financing, policy-making, and social protection to work together as one: adequately and fairly financed social protection, especially for children and mothers, must be recognised as central to ending extreme poverty and child labour, and legislated for and protected as such.

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34 http://www.fao.org/3/i5157e/i5157e.pdf
36 Ibid.
37 ITUC (2021) op. cit.
38 “Cash transfers are considered a better way to reach the poor than food distribution and less prone to corruption, as the funds pass through fewer middlemen, thus limiting the number of officials with discretionary powers and private interests.” Amundsen, I (2020). Covid-19, cash transfers, and corruption: Policy guidance for donors. U4 Anti-Corruption Resource Centre
39 “A rate of 5 per cent is applied to total cost of providing benefits ... that assumption is based on the experiences of a number of universal and targeted social protection programmes around the world.” p.16, Durán-Valverde, F et. al. op. cit.
FIGURE 5. DEATHS BY AGE IN HIGH-INCOME COUNTRIES 2019

FIGURE 6. DEATHS BY AGE IN LOW-INCOME COUNTRIES 2019
9. A FAIR SHARE OF SOCIAL PROTECTION TO END CHILD LABOUR: RECOMMENDATIONS

- Governments must commit to implement and finance a universal child benefit (UCB) and maternity benefits to ensure no child is left behind.
  - For low-income countries, 6% of domestic budget must be spent on child-focused social protection, potentially through a ring-fenced tax worth 1% of GNI, reallocated domestic budget, the elimination of illicit financial flows, and/or ending harmful tax breaks for multinational corporations.
  - Donor governments must increase bilateral and multilateral ODA for social protection, ringfencing 0.073% of GNI to LICs by 2030.

- Basic income and income protection for adults also play a critical role in supporting children’s development and combatting child labour, and governments must continue to implement social protection measures which support citizens throughout each stage of life. Efforts should be made to redress the balance for marginalised groups which currently receive no social protection coverage.

- Governments must commit to establish a global social protection fund to serve the following purposes:
  - Accelerate the implementation of social protection floors and social protection measures in low-income countries by providing technical support and funding to research and build infrastructure, taking advantage of the knowledge gained and systems introduced during the global pandemic.
  - Provide ongoing funding to LICs as part of donor efforts to close the financing gap to deliver social protection throughout the life cycle, with efforts to redress the balance for groups currently under-served by social protection, including children.

- Governments and the international financing institutions must not implement or force austerity measures in the wake of the pandemic, especially in countries which have yet to establish and implement all social protection floors, acknowledging that such measures unfairly target women and children.
LAUREATES AND LEADERS: A FAIR SHARE TO END CHILD LABOUR

ANNEX 1: PREVENTABLE CHILD DEATHS IN LOW-INCOME COUNTRIES (LIC) & LOWER MIDDLE-INCOME COUNTRIES (LMIC)

1. More children have died from malnutrition since the year 2000 than all the military and civilian casualties of the Second World War.

2. More children have died of preventable causes since 1990 than all of the wars of the 20th century put together.\(^1\)

Calculations are done on child deaths between the ages of 0-5 in low- and lower-middle-income countries. Calculation (1) is from 2000-2019 and Calculation (2) is from 1990-2019. If other age groups and more recent years are included the total deaths would be even higher.

TABLE 1: UNDER 5 CHILD DEATHS BY MALNUTRITION (2000-2019) – 69,379,683

<table>
<thead>
<tr>
<th>Year</th>
<th>TOTAL</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>LIC child deaths Under 5</td>
<td>37,687,341</td>
<td>2,126,394</td>
<td>2,283,183</td>
<td>2,234,301</td>
<td>2,182,275</td>
<td>2,129,110</td>
<td>2,077,575</td>
<td>2,027,675</td>
<td>1,977,448</td>
<td>1,928,117</td>
</tr>
<tr>
<td>LMIC child deaths Under 5</td>
<td>86,204,950</td>
<td>5,804,098</td>
<td>5,628,588</td>
<td>5,452,864</td>
<td>5,280,877</td>
<td>5,117,817</td>
<td>4,947,964</td>
<td>4,786,389</td>
<td>4,626,358</td>
<td>4,489,066</td>
</tr>
<tr>
<td>LIC &amp; LMIC U5 child deaths</td>
<td>123,892,291</td>
<td>8,130,492</td>
<td>7,911,771</td>
<td>7,687,165</td>
<td>7,463,152</td>
<td>7,246,927</td>
<td>7,025,539</td>
<td>6,814,064</td>
<td>6,603,806</td>
<td>6,417,183</td>
</tr>
<tr>
<td>LIC &amp; LMIC U5 child deaths malnutrition (56%)(^2)</td>
<td>69,379,683</td>
<td>4,553,076</td>
<td>4,430,592</td>
<td>4,304,812</td>
<td>4,179,365</td>
<td>4,058,279</td>
<td>3,934,302</td>
<td>3,815,876</td>
<td>3,698,131</td>
<td>3,593,622</td>
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<tbody>
<tr>
<td>1,879,958</td>
<td>1,872,315</td>
<td>1,790,390</td>
<td>1,747,735</td>
<td>1,707,202</td>
<td>1,671,684</td>
<td>1,637,920</td>
<td>1,599,285</td>
<td>1,567,421</td>
<td>1,538,013</td>
<td>1,509,340</td>
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<tr>
<td>3,464,727</td>
<td>3,374,335</td>
<td>3,245,241</td>
<td>3,142,784</td>
<td>3,045,600</td>
<td>2,956,842</td>
<td>2,873,951</td>
<td>2,790,605</td>
<td>2,713,069</td>
<td>2,637,860</td>
<td>2,566,812</td>
</tr>
</tbody>
</table>

LIC & LMIC U5 child deaths malnutrition: 69,379,683

Estimates of military and civilian deaths in WW2: 55,000,000 – 65,000,000\(^3\)
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<tbody>
<tr>
<td>Total Child US deaths LIC</td>
<td>81,673,748</td>
<td>2,359,180</td>
<td>2,374,572</td>
<td>2,389,448</td>
<td>2,404,457</td>
<td>2,442,657</td>
<td>2,433,027</td>
<td>2,412,054</td>
<td>2,409,349</td>
<td>2,398,120</td>
<td>2,363,543</td>
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<tr>
<td>Total Child US deaths LMIC</td>
<td>152,266,000</td>
<td>7,151,181</td>
<td>7,038,801</td>
<td>6,927,869</td>
<td>6,816,276</td>
<td>6,699,325</td>
<td>6,574,226</td>
<td>6,439,502</td>
<td>6,294,594</td>
<td>6,144,011</td>
<td>5,975,265</td>
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<tr>
<td>IFM rate HIC (per 1,000 live births)</td>
<td>-</td>
<td>13</td>
<td>12.4</td>
<td>11.7</td>
<td>11.1</td>
<td>10.6</td>
<td>10.1</td>
<td>9.6</td>
<td>9.2</td>
<td>8.8</td>
<td>8.5</td>
</tr>
<tr>
<td>IFM rate LIC (per 1,000 live births)</td>
<td>-</td>
<td>182.5</td>
<td>179.5</td>
<td>176.4</td>
<td>173.4</td>
<td>171.8</td>
<td>167.3</td>
<td>162.3</td>
<td>158.5</td>
<td>154.3</td>
<td>148.9</td>
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<tr>
<td>IFM rate LMIC (per 1,000 live births)</td>
<td>-</td>
<td>124.3</td>
<td>121.7</td>
<td>119.3</td>
<td>116.9</td>
<td>114.5</td>
<td>112.1</td>
<td>109.4</td>
<td>106.6</td>
<td>103.7</td>
<td>100.5</td>
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<tr>
<td>Total LIC Child US deaths above x2 HIC Infant Mortality rate</td>
<td>53,843,875</td>
<td>2,023,078</td>
<td>2,046,497</td>
<td>2,072,480</td>
<td>2,096,620</td>
<td>2,141,235</td>
<td>2,139,260</td>
<td>2,126,709</td>
<td>2,129,652</td>
<td>2,124,582</td>
<td>2,093,696</td>
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<td>Total LIC Child US deaths above x2 HIC Infant Mortality rate</td>
<td>124,345,029</td>
<td>5,655,359</td>
<td>5,604,436</td>
<td>5,569,008</td>
<td>5,521,825</td>
<td>5,458,926</td>
<td>5,389,575</td>
<td>5,309,352</td>
<td>5,208,097</td>
<td>5,101,247</td>
<td>4,964,524</td>
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<tr>
<td>Total LIC &amp; LMIC Child US deaths above x2 HIC infant mortality rate</td>
<td>178,188,904</td>
<td>7,678,436</td>
<td>7,650,933</td>
<td>7,641,488</td>
<td>7,618,445</td>
<td>7,600,161</td>
<td>7,528,836</td>
<td>7,436,061</td>
<td>7,337,749</td>
<td>7,225,829</td>
<td>7,058,220</td>
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<tr>
<td>Total Child US deaths LIC</td>
<td>2,326,394</td>
<td>2,283,183</td>
<td>2,234,301</td>
<td>2,182,275</td>
<td>2,129,110</td>
<td>2,077,575</td>
<td>2,027,675</td>
<td>1,977,448</td>
<td>1,928,117</td>
<td>1,879,958</td>
<td>1,872,315</td>
</tr>
<tr>
<td>Total Child US deaths LMIC</td>
<td>5,804,098</td>
<td>5,628,588</td>
<td>5,452,864</td>
<td>5,280,877</td>
<td>5,117,817</td>
<td>4,947,964</td>
<td>4,786,389</td>
<td>4,626,358</td>
<td>4,489,066</td>
<td>4,307,055</td>
<td>4,152,926</td>
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<tr>
<td>IFM rate HIC (per 1,000 live births)</td>
<td>-</td>
<td>8.2</td>
<td>7.9</td>
<td>7.7</td>
<td>7.5</td>
<td>7.3</td>
<td>7.1</td>
<td>6.9</td>
<td>6.7</td>
<td>6.5</td>
<td>6.3</td>
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<tr>
<td>IFM rate LIC (per 1,000 live births)</td>
<td>-</td>
<td>143.6</td>
<td>138.1</td>
<td>132.5</td>
<td>126.9</td>
<td>121.4</td>
<td>116.2</td>
<td>111.2</td>
<td>106.5</td>
<td>102</td>
<td>97.7</td>
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<tr>
<td>IFM rate LMIC (per 1,000 live births)</td>
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<td>97.2</td>
<td>93.9</td>
<td>90.5</td>
<td>87.2</td>
<td>84.1</td>
<td>80.9</td>
<td>77.9</td>
<td>75</td>
<td>72.5</td>
<td>69.4</td>
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<tr>
<td>Total LIC Child US deaths above x2 HIC Infant Mortality rate</td>
<td>2,060,706</td>
<td>2,021,964</td>
<td>1,974,916</td>
<td>1,924,323</td>
<td>1,873,056</td>
<td>1,823,689</td>
<td>1,776,039</td>
<td>1,728,642</td>
<td>1,682,377</td>
<td>1,637,507</td>
<td>1,633,379</td>
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<td>Total LIC &amp; LMIC Child US deaths above x2 HIC infant mortality rate</td>
<td>6,885,511</td>
<td>6,703,463</td>
<td>6,499,590</td>
<td>6,296,792</td>
<td>6,102,405</td>
<td>5,903,160</td>
<td>5,714,518</td>
<td>5,528,424</td>
<td>5,366,507</td>
<td>5,162,589</td>
<td>5,027,837</td>
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<td>Total Child US deaths LIC</td>
<td>1,790,390</td>
<td>1,747,735</td>
<td>1,707,202</td>
<td>1,671,684</td>
<td>1,637,920</td>
<td>1,599,285</td>
<td>1,567,421</td>
<td>1,538,013</td>
<td>1,509,340</td>
<td>61,673,748</td>
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<tr>
<td>IFM rate HIC (per 1,000 live births)</td>
<td>-</td>
<td>5.9</td>
<td>5.8</td>
<td>5.6</td>
<td>5.5</td>
<td>5.4</td>
<td>5.3</td>
<td>5.2</td>
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<tr>
<td>IFM rate LIC (per 1,000 live births)</td>
<td>-</td>
<td>90.1</td>
<td>86.6</td>
<td>83.1</td>
<td>80.4</td>
<td>77.6</td>
<td>74.7</td>
<td>72.2</td>
<td>69.9</td>
<td>67.6</td>
<td>-</td>
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<tr>
<td>IFM rate LMIC (per 1,000 live births)</td>
<td>-</td>
<td>64.3</td>
<td>62</td>
<td>59.8</td>
<td>57.8</td>
<td>55.9</td>
<td>54.1</td>
<td>52.3</td>
<td>50.5</td>
<td>48.9</td>
<td>-</td>
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<tr>
<td>Total LIC Child US deaths above x2 HIC Infant Mortality rate</td>
<td>1,555,911</td>
<td>1,513,627</td>
<td>1,477,662</td>
<td>1,442,971</td>
<td>1,409,962</td>
<td>1,372,345</td>
<td>1,341,643</td>
<td>1,313,582</td>
<td>1,286,065</td>
<td>53,843,875</td>
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<tr>
<td>Total estimated deaths from war in the 20th century</td>
<td>Preventable child deaths in LIC and LMIC countries (1990-2019)</td>
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<tr>
<td>136,500,000-148,500,000</td>
<td>178,188,904 children under the age of 5</td>
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Deaths of children US in LIC and LMIC (1990-2019) above SDG 3.2 target of 25 deaths / 1000 = 155,175,497

1. High income countries averaged 6.35 child deaths/1000 between 2000 and 2019. We have calculated preventable causes as all the infant deaths that are above twice the rate of infant mortality for high income countries (all deaths above an average of 12.7 deaths / 1000).


