

Why child and youth participation is important in the context of CFCI

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#### Objective

.....The objective of this presentation is to look at child and youth participation by zooming out and seeing a bigger picture of things....

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**Zoom out (big picture - plane view):** Country context from child rights perspective

- Some data;
- Essential processes;
- Useful metrics from partners;
- Reforms that directly or indirectly impact children and youth;
- Where the money goes?
- Reading Ukraine from child rights perspective?

Zoom out (big picture – helicopter view): Decentralization reform

Zoom in: UNICEF's Child and Youth Friendly Initiative

Zoom in: What is the value added of child and youth participation

# Zoom out (big picture): Country context from child rights perspective – some data

- Ukrainian economy grew modestly the real gross domestic product (GDP) of Ukraine in 2018 grew by 3.3% after raising by 2.5% in 2017 and by 2.4% in 2016;
- As of 2018, every third (32%) child in Ukraine lives in poverty and every seventh in extreme poverty (14%);
- Remittances reach USD 14 billion/8.3% of the GDP (Ukraine is the largest recipient of remittances in Europe and Central Asia)
- Around 100,000 children are in child care institutions and the majority have at least one parent;
- DTP-3 for children below 1 year old increased from 53.2%
   (2017) to 66.8% (2019)

- Pre-schools enrolment further increased in 2019 with waiting lists decreasing from 46,898 in 2018 to 33,000 in 2019
- PISA report revealed lower than OECD average results in all three domains of academic performance (reading, math and sciences)
- In eastern Ukraine, there **985,000 children,** half of them, in need of humanitarian assistance.

#### **Essential processes**

#### **Euro-Atlantic aspirations:**

- <u>European Association:</u> (DCFTA 2 phase no current prospects of potential candidacy and candidacy for EU membership); Special EU desk in Brussels;
- NATO membership: Ukraine has applied to NATO with a request to grant it the status of a member of the partnership of expanded opportunities;
- IMF programme: New 3-year, SDR 4 billion (about US\$ 5.5 billion) is being negotiated (conditioned to 'prior actions'). All other Macro-economic assistance from EU, USA and the WB depend on the 'resolution' with the IMF.
- USD 13bln has been received from IMF since 2014 and USD 12bln from EU in the same period.

N.B. There is no overarching long-term development plan or poverty reduction strategy in Ukraine (old one expired )

#### Useful metrics from partners

- IMF: Ukraine is one of the 18 countries, which economies went down during the period 1990-2017;
- IMF: Ukraine will be able to reach the level of Poland (current level) in 20 years if Ukraine constantly implements all structural reforms and economy grows at least 6% per year;
- Transparency International: In the Corruption Perception Indexes for 180 countries in 2019, <u>Ukraine was placed 126th on the list</u>.
- Ukraine's **HDI value** for 2017 is 0.751— high human development category—positioning it at 88 out of 189 countries and territories.

## Reforms that directly or indirectly impact children

- Whether we like it or not but current reforms in Ukraine are both opportunities and challenges for Ukrainian children
- Why this is so? There are too many reforms in active phase, (health, education, social protection, justice, decentralization, public-administration, pension, privatization, de-regulation, digitalization, anti-corruption, energy) implemented simultaneously in turbulent times by numerous partners
- ...in an environment of macro-economic instability, conflict, the combination of the governance reforms especially decentralization along with social sector reforms is a precondition for serious problems especially for social reforms and beneficiaries
  - N.B. Unavailability of reliable data and recognition of its importance (e.g. census)
  - N.B. Strategies are poorly linked with budgets

#### Where the money goes?

- Defense 5.5% of GDP
- Education 5.4% of GDP
- Health 3.5% of GDP with out of pocket it reaches 7.8% of GDP
- Social protection -4.9% of GDP (pensions excluded with pension -17% of GDP ratio of workers and pensioners is 1:1. Gap of the pension fund is 5.5% of the GDP)

• Payments against external and internal debt in 2020 (88% of the GDP): USD6bln annually for external and almost USD 3bln against internal debt

Adequacy of funding can be found as an issue within the social sectors. Numerous expenditures (budget programmes) are lacking the effectiveness and equity focus!!!

### Reading Ukraine from child rights perspective

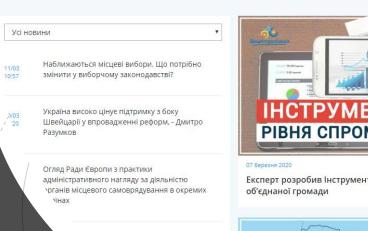
- Ukraine is not only a 'belated reformer but also a country that is significantly lacking social cohesion (SCORE)'
- We are navigating in quite unstable and unpredictable environment (New Government and Parliament in place since 3<sup>rd</sup> quarter of 2019 institutional memory was significantly lost possibility of the new economic crisis)
- Quote:...'some processes happen too quickly (while they require a slower pace and re-thinking) and some, that actually require acceleration are too slow
- Creating, Accelerating and Sustaining positive changes for children.....





РЕФОРМУ > НОВИНИ > ОБ'ЄДНАННЯ ГРОМАД > ОБЛАСТІ РАЙОНИ МІСЦЕВІ ВИБОРИ ЗМІНИ ДО КОНСТИТУЦІЇ

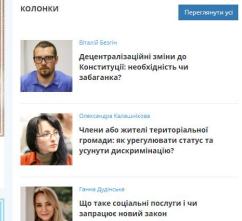
СПІВРОБІТНИЦТВО ГРОМАД СТАРОСТА СОЦІАЛЬНІ ПОСЛУГИ ЦНАП ФІНАНСИ МЕДИЦИНА ОСВІТА КУЛЬТУРА ЩЕ МЕНЮ >



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ПРОПОЗИЦІЇ ЦЕНТРУ ПОЛІТИКО-ПРАВОВИХ РЕФОРМ



ЗМІНИ ПО



www.decentralization.gov.ua

#### Why the Decentralization is critical reform for Ukraine

#### **Axioms:**

- There is no democracy without local democracy! (elected officials are primarily accountable to their inhabitants)

- Decentralization (political, administrative and fiscal) is all about effective and efficient governance i.e. smart use of public money!!! (Shorter chain of decisions; relevant autonomy; proximity to population

Key facts about the decentralization and administrativeterritorial reform in Ukraine

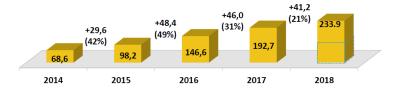
#### Despite all the challenges perhaps the most successful reform so far — it is really a success story !!!!

- Administrative territorial reform i.e. Voluntary creation of the consolidated municipalities (876 as of 2019 – app 9mln inhabitants live in consolidated municipalities). To be formed around 1500.
- **Initial criteria** (fiscal capacity and distance to services). **Decentralization** of functions in the areas of health, education and social protection.
- **Fiscal decentralization** in the areas of Health and Education was done through a dedicated subventions (not the case in social and child protection services)
- Sectoral aspect of the decentralization in the area of health implies the creation of **Health districts**.
- Sectoral aspect of the decentralization in the area of Education implies the creation of Hub schools.
- Administrative aspect implies the creation of Administrative centers
- The main source of revenues for consolidated municipalities (state transfers excluded) is a share **(60%)** of personal income tax. A marginal equalization of income exists.

#### Local budget own revenue (General Fund) share in GDP, 2014-2018, %



#### Local budget own revenue, bln UAH



## Positive trends and risks that started to materialize

- Very significant increase of revenue base and capital expenditures
- The division of powers between rayon's including the transfer of property was not properly regulated...
- The deviation from the initial principles (unavoidable during voluntary consolidation) starts from the second hundred and resulted in the creation of 'fiscally incapable' municipalities.
- Unpredictability and significant jumps of inter-governmental transfers and other decisions of the government that led to the additional expenses on local budgets without compensation e.g. increase of the minimum salary level or move of the unfunded privileges from state budget to local budgets.

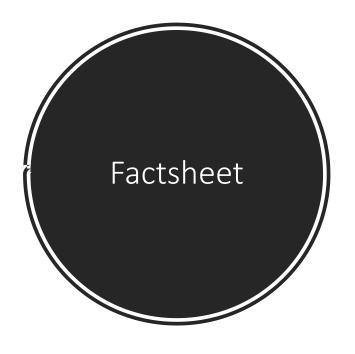


Zoom in: UNICEF's Child and Youth Friendly Initiative

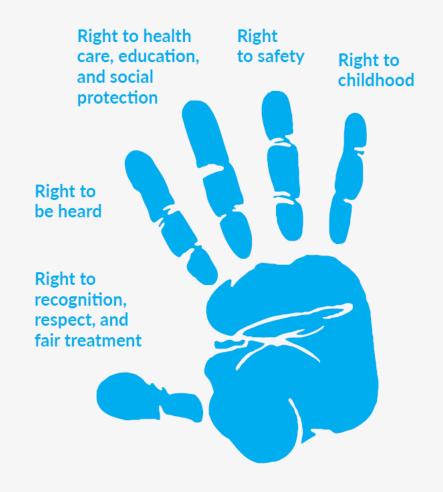
#### Our story line



- Prime Minister of Ukraine (former Mayor) requested the Government and UNICEF to reestablish CFCI in late 2017;
- UNICEF Ukraine was able to form a new CFCI initiative and publicly launched it on June 1<sup>st</sup> of 2018
- Given the demand, momentum and high level support the decision was made to go Big...







# Results achieved so far. What happens when municipalities are motivated

With the right mix of incentives, recognition and technical support, and even without direct investment, UNICEF can boost public spending on children, establish effective cooperation with municipalities, and ensure meaningful implementation of the CRC at the local level.

CFCI allowed to leverage around USD 38 mln in 2018 and USD 41 mln towards various child focused programmes in 2019









## Child and youth participation as part of the CFCI

- 25 CFCI municipalities organized take over and shadowing during CRC 30;
- First take over of the Ukrainian Parliament;
- First takeover of Ukrainian Government;
- In Lviv children designed the part of historic district;
- Special focus on preparation of pool of local 'child participation' trainers

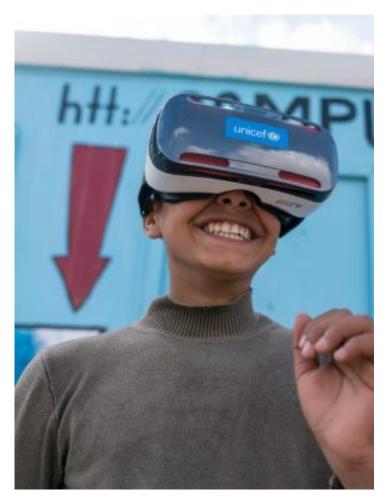


Criticality of child and youth participation

- Initially, very few local leaders understand the value of child and youth participation but they transform;
- Voice of children and youth start to positively impact on the decisions of local authorities;
- Gradually child and youth participation converts into a meaningful and trusted dialogue;
- **4. More areas** become subjects of the discussion among child and youth and local leaders;
- Children and youth themselves learn the specifics of local governance;
- The meaningful dialogue between child and youth and local leaders influence the overall vision of the community development community can't be prosperous without children and youth feeling comfortable!!!
- 7. Children and youth help to **communicate** community priorities to a broader population;
- 8. The process helps to mitigate vested interests and local authorities become more human centered;
- Some of the active youth join the leadership (occupy key professional posts or become elected officials) of the community;
- 10. Others continue their life in the community (or return if they decided to leave) but **oversee** the processes as **active and responsible citizens!!!**

## How to make child and youth participation at local level more meaningful?





#### Lets look at the roles?

- A. Client/beneficiary role (advocacy);
- **B. Expert/advisory role** (technical advocacy) to make it happen children and youth need to obtain some knowledge about local governance.

**Example:** Basic knowledge on responsibilities of local authorities; local budgets; service delivery;

C. Drivers of Innovation

# Thanks for the attention

