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Childcare and Early Childhood Development Expenditures in Africa

Comparative Policy Insights for Advancing Women's Economic Empowerment

KELSEY HARRIS · KEHINDE AJAYI · ASTHA MAINALI

Abstract

This paper examines public expenditures on childcare and early childhood development in four African countries, providing comparative policy insights to advance gender equality and women's economic empowerment. It begins by addressing the methodological and data challenges involved in obtaining and analyzing public expenditure data in these critical areas. The analysis then focuses on Côte d'Ivoire, Kenya, Rwanda, and Senegal, examining government spending and national policies aimed at promoting accessible, affordable, and quality childcare. Findings indicate that these countries typically invest less than 0.2% of GDP and around 2% or less of their education budgets on pre-primary education, with less than 2% of foreign aid to education directed to early childhood education (with the recent exception of Côte d'Ivoire). These investment levels fall significantly short of international recommendations, though the precision of these figures is hindered by significant gaps and complexities in accessing and analyzing comprehensive expenditure data. The paper identifies key policies shaping public expenditures and explores the potential economic and social benefits of increasing childcare investments in these countries over time. The paper concludes with policy recommendations to enhance the transparency and accessibility of expenditure data, prioritize early childhood in public funding, and leverage international aid and policy frameworks to optimize childcare services in Africa. By doing so, these efforts can better facilitate gender equality, women's economic empowerment, and economic development.

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1. Introduction

In recent years, particularly during the COVID-19 pandemic, the critical role of accessible, affordable, and quality childcare in advancing gender equality and women's economic empowerment has been increasingly recognized in public discourse, backed by evidence, and realized through policy. As women are most often the primary caregivers for children due to stereotypical gender norms, increasing access to childcare services and comprehensive parental or family leave policies facilitates women's participation in the labor force and reduces gender wage and employment gaps.[1] Furthermore, equitable access to childcare increases women's access to better jobs and decent work,[2] reduces the amount of time women are spending on unpaid care work,[3] and improves women's overall well-being.[4] Together, addressing these elements through access to childcare is critical for advancing women's economic empowerment and broader gender equality.

Governments have a central role in financing childcare along with robust social protection programs and benefits to maximize impact and ensure the most vulnerable populations are not left behind. Research has shown that investments in childcare, early childhood development (ECD), and social protection during the earliest years of a child's life generate substantial long-term benefits for both children and mothers.[5] Yet, access to childcare remains a challenge in many countries, with the World Bank estimating that 350 million children younger than primary school age, or about 40% of all children, lack access to necessary childcare.[6] In part, this challenge is due to insufficient funding by governments for these important services, as most countries fall far below the International Labour Organization's (ILO) suggested early childhood education (ECE) public spending target of 1% of Gross Domestic Product (GDP), which results in care responsibilities and financing falling to families. However, understanding public expenditures on childcare and ECD (often measured by investments in ECE or early childhood care and education (ECCE)), can be complex and challenging, due to limited or inaccessible data. Despite these challenges, establishing a clearer understanding of baseline public expenditures is crucial for informing future policy and improving investments in childcare.

1 International Labour Organization, *The benefits of investing in transformative childcare policy packages towards gender equality and social justice*, ILO brief (Switzerland: October 2023), https://doi.org/10.54394/LCOE5158.

2 J-PAL, *Access to childcare to improve women's economic empowerment*, February 2023, accessed April 16, 2024, https://www.povertyactionlab.org/policy-insight/access-childcare-improve-womens-economic-empowerment.

3 Max Lawson, Anam Parvez Butt, Rowan Harvey, Diana Sarosi, Clare Coffey, Kim Piaget, and Julie Thekkudan, *Time to Care: Unpaid and Underpaid Care Work and the Global Inequality Crisis* (Oxfam, January 20, 2020), https://www.oxfam.org/en/research/time-care.

4 S. Seedat and M. Rondon, "Women's Wellbeing and the Burden of Unpaid Work," BMJ 374 (August 31, 2021): n1972, https://doi.org/10.1136/bmj.n1972.

5 Jorge Luis García, James J. Heckman, Duncan Ermini Leaf, and María José Prados, "Quantifying the Life-Cycle Benefits of an Influential Early-Childhood Program," Journal of Political Economy 128, no. 7 (July 2020): 2502–2541, https://doi.org/10.1086/705718.

6 Amanda Devercelli and Frances Beaton-Day, *Better Jobs and Brighter Futures: Investing in Childcare to Build Human Capital* (Washington, DC: World Bank, 2020), https://openknowledge.worldbank.org/server/api/core/bitstreams/a5e7a52e-115c-5dd1-97e6-c1b062c945c9/content.

Expenditure data from low- and middle-income countries (LMICs) is especially limited and unclear. This paper examines childcare and ECD expenditures in four selected African countries: Côte d'Ivoire, Kenya, Rwanda, and Senegal. Exploring public expenditure data in these countries provides comparative insights into spending patterns and regional priorities and offers potential lessons on closing funding gaps, improving data collection, and developing effective policies to realize the benefits of investing in childcare.

Ideally, this analysis would draw on data on investments in childcare designed to support women's economic empowerment. Existing work has demonstrated that having children in education or care for a full working day (8 hours or more) facilitates women's economic participation.[7] Yet, as discussed in more detail below, few countries systematically collect data on childcare. This paper therefore focuses on pre-primary and early childhood education expenditures as a lower-bound estimate of expenditure on childcare – noting that even the comprehensive expansion of pre-primary education would not be sufficient to meet childcare needs and to ensure that parents (particularly mothers) have adequate support to participate in the labor market. Nonetheless, examining public expenditures on early childhood education demonstrates gaps and highlights opportunities for change.

Through analysis of available expenditure data, this paper finds that Côte d'Ivoire, Kenya, Rwanda, and Senegal typically invest less than 0.2% of their GDP and around 2% or less of their education budgets in pre-primary education, falling short of international targets of 1% and 10%, respectively. Despite significant data gaps and spending fluctuations, data show that childcare spending has generally increased over time, though there is still very limited spending on children younger than 6 years old. Foreign aid for pre-primary education is also increasing, but funding levels are still relatively modest, with less than 2% of foreign aid to education being directed to early childhood education in most of the countries reviewed in this paper (again, far below the 10% goal). Côte d'Ivoire is the remarkable exception with over 27% of education aid going to early childhood education in 2022 as a result of the World Bank's Invest in Childcare initiative.

The paper complements its expenditure review with an overview of the policy landscapes in the selected countries, highlighting variance between countries and significant gaps overall in childcare policy. The prevalence of national ECD policies is a positive development in all of the focus countries, but such policies do not adequately address care for children under 3 years old. New care-focused national policies, such as those in Kenya, may help bridge this gap. Overall, substantial spending – between 4–9% of GDP – is needed to close care policy gaps. While achieving this level of funding will be challenging due to fiscal constraints, it has the potential to generate extensive economic and social benefits, including job creation and the reduction of gender pay and employment gaps.

7 World Bank. 2024. The Care Economy in Indonesia: A Pathway for Women's Economic Participation and Social Well-being. Washington, DC: World Bank. http://hdl.handle.net/10986/42038.

2. Methodology

This paper focuses on two countries in East Africa – Kenya and Rwanda, and two countries in West Africa – Côte d'Ivoire and Senegal, to explore government spending in Sub-Saharan Africa (SSA). These countries were selected based on the availability of reliable data on public childcare, pre-primary education, and social protection spending via the United Nations Educational, Scientific, and Cultural Organization (UNESCO) and International Labour Organization (ILO) databases. The countries were also selected to provide a diverse representation of childcare funding in African countries in different regions (East and West Africa) and across different economic and demographic contexts. This analysis is not intended to provide a comprehensive representation of SSA but rather to inform discussions about trends in the region and the impact of policies on childcare spending.

Using publicly available data from the ILO, UNESCO, the Organisation for Economic Co-operation and Development (OECD), United Nations Children's Fund (UNICEF), and the World Bank, this paper provides an overview of government spending on childcare (using pre-primary education spending as a proxy), bilateral and multilateral aid focused on early childhood education, and national care-related policies that influence public spending on care. Utilizing the ILO's Care Policy Investment Simulator, the paper also identifies the costs and benefits of filling care policy gaps in each of these countries. Together, this analysis informs key policy recommendations on childcare expenditures in these countries and implications for future data collection and investments in childcare services and infrastructure.

An important methodological issue to note is that this paper focuses on data on pre-primary education and early childhood education spending as these are the indicators collected and reported at the national level. In addition, the paper uses various terms to discuss childcare-related spending, including ECD, ECCE (or Early Childhood Education and Care – ECEC – a term more frequently utilized by the OECD and European countries), and ECE. These terms are not interchangeable; they have areas of overlap and unique distinctions:

- Early Childhood Development (ECD) is a broad term that refers to multi-dimensional child development interventions across nutrition, health, safety, care, and education for ages 0–8;
- Early Childhood Care and Education or Early Childhood Education and Care (ECCE or ECEC) includes both care and education components for ages 0–8 but often focuses more specifically on children aged 3–6, including pre-primary education; and
- Early Childhood Education (ECE) is more singularly focused on education for ages 0–8, including pre-primary education for approximately ages 3–6 and primary education up to age 8.

Comparatively, childcare is a less formal and well-defined sector, typically focused on care for children under age 6, with funding for childcare often funneled through ECD, ECCE, or ECE budgets and expenditures. As a result, standalone data on childcare expenditures is typically unavailable. Because of this budgeting complexity and the challenges in tracking ECD spending (discussed below), spending data on ECE and pre-primary education are often used as a proxy for childcare expenditures despite the fact that these metrics often do not include services for children younger than 3.

Another important component of childcare is parental and family leave policies, which provide parents leave and/or cash benefits enabling them to care for their children directly. These benefits are typically categorized under social protection spending. Maternity, paternity, and shared parental leave represent the initial phase of childcare until formal or informal childcare services become available, if they become available at all. In many LMICs, childcare outside the home may not be accessible until pre-primary education begins – usually between the ages of 3–6. However, in some cases, such programs may not be available until the age of 5 or 6 (the year before primary education begins), and even then, these services may not provide full-time care and education.

National spending data is often inconsistently and incoherently categorized and disaggregated across these areas, making it difficult to discern how and where childcare funding is allocated. This makes it challenging to conduct a truly comparative analysis. Despite these limitations, reviewing pre-primary and ECE expenditures – which include some funding for childcare as well as broader child development and education – remains valuable for understanding investments in childcare.

2.1 Complexities in evaluating public expenditures on childcare

The process of estimating public spending on childcare in African countries is complex and challenging due to the nature of spending. Childcare is typically not a standalone budget line for governments in LMICs; instead, this spending is incorporated into the broader categories of ECD, ECCE, and ECE, each of which presents its own data disaggregation challenges. For example, ECD involves multiple sectors – such as education, social protection, health, child protection, and water and sanitation – meaning that spending on ECD is spread across multiple ministries or agencies that manage these functions in the government. Budgeting for ECD is also very fragmented and often poorly coordinated, with few specific line items in government budgets for ECD. Instead, spending on ECD interventions is often embedded in broader line items, making it difficult to extrapolate ECD expenditures from publicly available data. Different stakeholders also have different definitions of what constitutes ECD, with some including interventions that are specific to ECD like childcare or care for caregivers, and others taking a broader definition that includes more indirect interventions that are not services for children but that are relevant to ECD, such as safe water,

sanitation, and hygiene (WASH) services in childcare centers.[8] Similarly, ECCE expenditures do not include a breakdown of spending between care and spending on education. This makes it difficult to know what exactly is being referenced when discussing ECD and ECCE services or to compare budgeting and spending numbers across different contexts. In addition to lack of disaggregation by sector, expenditure data is typically not disaggregated by age in LMICs, so it is often unclear how the spending is being distributed across the lifecycle; this is important as funding for different aged children (e.g. 6 months old versus 6 years old) may impact women's economic empowerment in different ways.

Beyond the complexities in evaluating existing budgets and spending data, the availability of data is also a challenge. Governments are inconsistent in their data collection, monitoring, and reporting on spending, and publicly available national expenditure reports demonstrating ECD spending across sectors are often difficult to find or unavailable.[9] What data is available is often outdated and inadequately disaggregated; for example, when reviewing data for this paper in 2024, the latest national data for Kenya was from 2015 and limited to spending on pre-primary education. As pre-primary education data is the only available national public data for countries in SSA, if available at all, it is used in this paper to represent spending on childcare and ECD. However, it should be understood as a narrow and non-comprehensive picture of spending. There are several challenges to acknowledge regarding this proxy approach, including that pre-primary education only reaches children aged 3–6, and may only provide education services to this limited population for a few hours a day, since it is not designed as childcare or as a way to reduce unpaid work and increase women's labor force participation.

Despite the challenges associated with collecting and analyzing data on ECD expenditures, these issues are increasingly gaining recognition and, in some cases, being rectified. UNICEF is a leader in this regard and has released an instructive methodological guide to estimate government spending on ECD.[10] The guide proposes a complex but comprehensive process to perform a budget analysis and suggests such a process be done in close partnership with government ministries and experts in public finance and ECD. Such an analysis can be used to establish a baseline, make recommendations to close funding gaps, improve spending efficiency, and better understand how spending is distributed across age, sector, and funding sources.[11]

8 UNICEF Eastern and Southern Africa Regional Office. *Estimating Government Spending on Early Childhood Development: A Methodological Guide* (January 2023), accessed April 12, 2024, https://www.unicef.org/esa/media/11631/file/Estimating%20Government%20Spending%20on%20Early%20Childhood%20Development%20.pdf.

9 D. Camaione and B. Muchabaiwa, "Quantifying Heckman: Are Governments in Eastern and Southern Africa Maximizing Returns on Investments in Early Childhood Development?" *UNICEF ESARO Social Policy and Early Childhood Development Working Paper* (2021), accessed April 12, 2024, https://www.unicef.org/esa/media/8156/file/UNICEF-ESARO-Quantifying-Heckman-Paper-2021-revised.pdf.

10 UNICEF, *Estimating Government Spending on Childhood Development: A Methodological Guide*.

11 UNICEF, *UNICEF global resource guide on public finance for children in Early Childhood Development: Partners Edition* (UNICEF, New York, New York, December 2019). https://www.unicef.org/media/67226/file/Guide-on-public-finance-for-children-in-early-childhood-development-Partners-edition-2020-ENG.pdf.

More comprehensive and policy-oriented analyses can also be conducted, such as a Public Expenditure Review, which analyzes spending over time against established metrics and policy goals. In 2022, South Africa's Department of Basic Education worked with the World Bank to publish a Public Expenditure and Institutional Review for ECD, providing a wealth of information about current national ECD expenditures across early learning, family support, and early nutrition and examining how they align with the government's goals of improved access to and quality of ECD services, along with better outcomes for children.[12] This approach presents a model that other countries could follow.

3. Findings

3.1 Global context for childcare and ECE spending in sub-Saharan Africa

When it comes to public spending on childcare in SSA, as noted, spending data is limited to that concerning pre-primary education. Governments in SSA have some of the lowest spending in the world on pre-primary education, typically allocating below 0.2% of GDP.[13] However, it should also be noted that comprehensive and current data on pre-primary education spending in Africa remains sparse and inconsistent, with some countries reporting every year with data as recent as 2022, others publishing intermittently, and others publishing no data at all.

As a global comparison, countries in Asia and the Pacific have similar levels of spending on pre-primary education as countries in SSA, with several countries in the region spending less than 0.1% of GDP. In contrast, countries in Latin America and the Caribbean have higher spending levels than most of SSA, ranging from 0.2% to 0.8%.[14] When it comes to higher income countries, nearly all European countries allocate at least 0.5% of GDP to pre-primary education, with many countries in Northern and Eastern Europe dedicating at least 0.8% of GDP and some spending more than 1%. The United States and Australia both spend less than most European countries, allocating 0.3% of GDP to pre-primary education. Additionally, unlike LMICs, these higher income countries report public expenditures to the OECD on ECEC, which encompasses both childcare and pre-primary education. OECD countries, on average, allocate over 0.8% of GDP to ECEC, with several countries in Northern Europe spending between 1.0–1.7% of GDP.[15] Most OECD countries allocate the bulk of ECEC

12 World Bank Group and Department of Basic Education, Republic of South Africa, *South Africa Public Expenditure and Institutional Review for Early Childhood Development* (International Bank for Reconstruction and Development/ The World Bank, Washington, DC, 2022), accessed April 12, 2024, https://documents1.worldbank.org/curated/en/099192001242341964/pdf/P1756791e5e59bde1ad6714d311b6261dd284d0e6d65.pdf.

13 UNESCO Institute of Statistics (UIS), *Government expenditures on pre-primary education as a percentage of GDP*, distributed by UIS.Stat Database, accessed April 12, 2024, http://data.uis.unesco.org/#.

14 World Bank (2023) – processed by Our World in Data. "Government expenditure on pre-primary education as share of GDP" [dataset]. World Bank, "World Bank Education Statistics (EdStats) 2023" [original data], accessed May 3, 2024, from https://ourworldindata.org/grapher/government-expenditure-on-pre-primary-education-as-share-of-gdp.

15 OECD, PF3.1: *Public spending on childcare and education* (February 2023), accessed April 12, 2024, https://www.oecd.org/els/soc/PF3_1_Public_spending_on_childcare_and_early_education.pdf.

funding to pre-primary education, but there are some exceptions (e.g. Sweden, Denmark, Korea) where childcare spending is much higher than that on pre-primary education. Across the OECD, there is a wide variation between levels of spending on childcare, from less than 0.1% to over 1.0% of GDP, with about a third of OECD countries not providing disaggregation. Those that do disaggregate provide a subset of additional spending data specific to childcare that is not readily available for non-OECD countries.

The ILO recommends that countries spend a minimum of 1% of GDP on early childhood education and care services to ensure quality services.[16] Although this benchmark is often cited, meeting this goal may be challenging given each country's unique circumstances, policy priorities, and resource constraints. In practice, very few countries achieve this level of spending. While higher spending levels can help meet service demands and support quality care, it is important to recognize that higher spending alone does not guarantee service quality, access levels, or optimal outcomes for women or children.

Given overall low levels of public investment on childcare and pre-primary education in Africa, private spending is a significant factor to meet demand and expand access to services.[17] This can be in the form of household spending on private daycare or preschool, school fees or other expenses required to attend public schools, support for home-based caregivers, or community initiatives provided by private organizations or NGOs. Overall, non-state actors are more prevalent in pre-primary education compared to basic education, perhaps due to less public investment, with private institutions making up 34% of pre-primary education provision in SSA, compared to 25% in Latin America and the Caribbean, 55% in Eastern and Southeastern Asia, and 37% globally.[18] This paper primarily focuses on analyzing public expenditures related to childcare, but future research could delve deeper into the balance between public and private spending on childcare and early childhood development in Africa and other regions.

3.2 National spending on childcare and across childhood in sub-Saharan Africa

To gain a deeper understanding of public spending on childcare and early childhood development in SSA, this paper explores spending in four countries – Côte d'Ivoire, Kenya, Rwanda, and Senegal. Before delving into the spending data, it is useful to note the contextual macroeconomic, fiscal, and demographic differences between these countries illustrated in **Figures 1 and 2**. While they are all LMICs in SSA, the countries vary in size, income, and labor force participation rates. Kenya is the largest country in population and GDP ($113 billion USD), followed by Côte d'Ivoire ($70 billion),

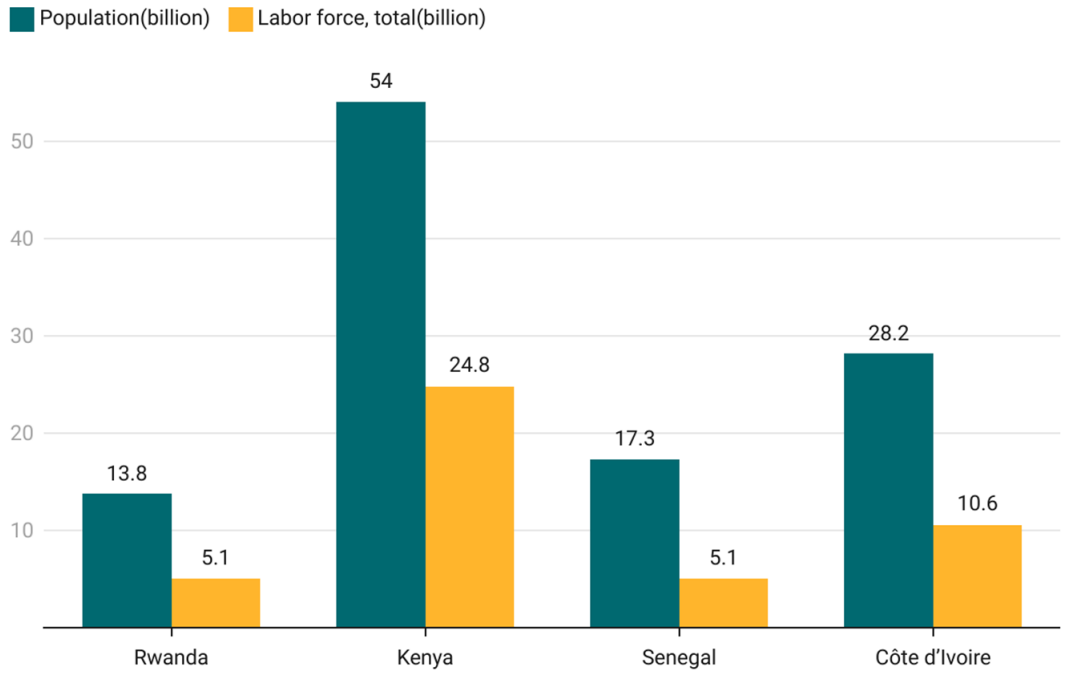
16 ILO, *ILO policy guidelines on the promotion of decent work for early childhood education personnel* (ILO, Geneva, 2014), accessed September 17, 2024, https://www.ilo.org/resource/other/ilo-policy-guidelines-promotion-decent-work-early-childhood-education.

17 UNESCO (2021). *Global Education Monitoring Report 2021/2: Non-state actors in education: Who chooses? Who loses?* Paris, UNESCO. https://doi.org/10.54676/XJFS2343.

18 UNESCO, *Global Education Monitoring Report 2021/2.*

Senegal ($27 billion), and Rwanda ($13 billion), as shown in **Figure 1**, which presents data sorted by country size first for the two East African countries and then for the two West African countries.[19] Female labor force participation also varies widely amongst these countries, ranging from 38% in Senegal to 72% in Kenya, as shown in **Figure 2**.

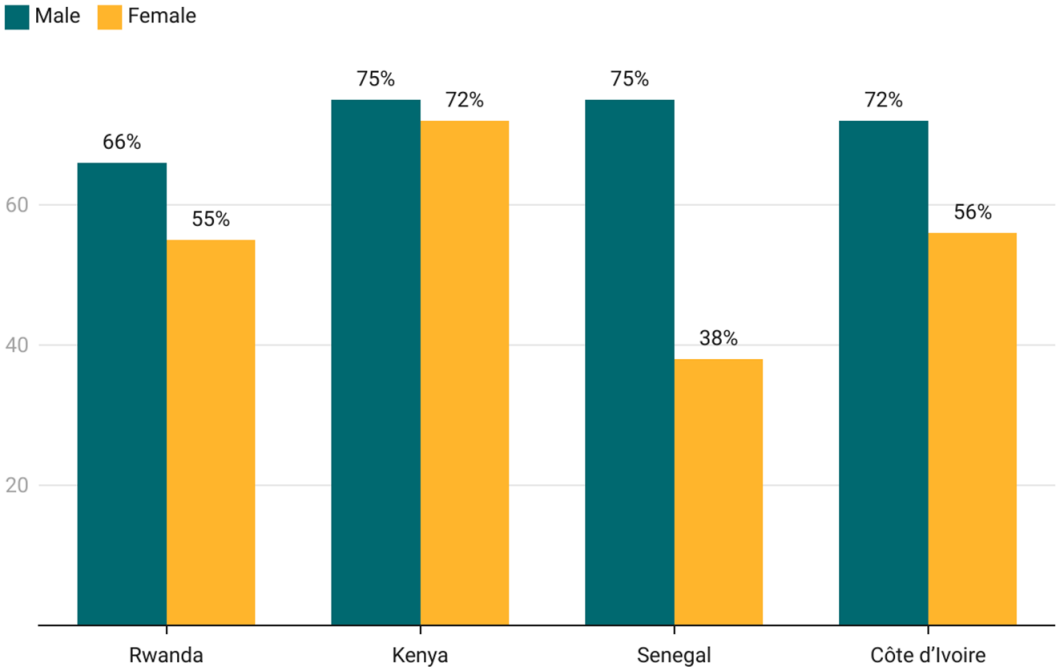
FIGURE 1. Population and labor force in focus countries (2022)



Sources: The World Bank, *Population, total – Rwanda, Kenya, Senegal, Côte d'Ivoire*, https://data.worldbank.org/indicator/SP.POP.TOTL?locations=RW-KE-SN-CI. The World Bank, *Labor force, total – Rwanda, Kenya, Senegal, Côte d'Ivoire*, https://data.worldbank.org/indicator/SL.TLF.TOTL.IN?locations=RW-KE-SN-CI.

19 The World Bank, *GDP (current US$) – Rwanda, Kenya, Senegal, Côte d'Ivoire*, accessed April 12, 2024, https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?locations=RW-KE-SN-CI.

FIGURE 2. Labor force participation rate (by gender) in focus countries (2022)



Sources: The World Bank, *Labor force participation rate, female (% of female population ages 15+) (modeled ILO estimate) – Rwanda, Kenya, Senegal, Côte d'Ivoire*, 2024, https://data.worldbank.org/indicator/SL.TLF.CACT.FE.ZS?locations=RW-KE-SN-CI. The World Bank, *Labor force participation rate, male (% of male population ages 15+) (modeled ILO estimate) – Rwanda, Kenya, Senegal, Côte d'Ivoire*, https://data.worldbank.org/indicator/SL.TLF.CACT.MA.ZS?locations=RW-KE-SN-CI.

Despite these differences, the landscape of childcare and early childhood education enrollment in these countries is mostly in line with the SSA average of 27.5%, with a third or less children between 3–6 attending an early childhood education program; Kenya stands out as a notable exception with an enrollment rate of 65% in 2019, as shown in **Figure 3**. As a broad comparison, as of 2020, lower-middle income countries have a gross enrollment ratio of 57.7, and low-income countries have an enrollment ratio of 20.5, compared to the global ratio of 61.[20] Notably, much more limited information is available about the number of children under the age of 3 attending pre-nursery childcare programs. The available data shows that even fewer children under 3 attend daycare or nursery programs, with estimates in Senegal and Côte d'Ivoire indicating that less than 1% of the youngest children participate in such programs. It is possible that these rates could be higher now, as the data is a few years old, and Rwanda has exponentially increased its daycare enrollment ratio from around 1% in 2018 to above 28% in 2022,[21] perhaps due to a recognition of care gaps for this age group in its 2018–24 National Early Development Program (NECDP) Strategic Plan.[22] However, this information is not tracked and reported

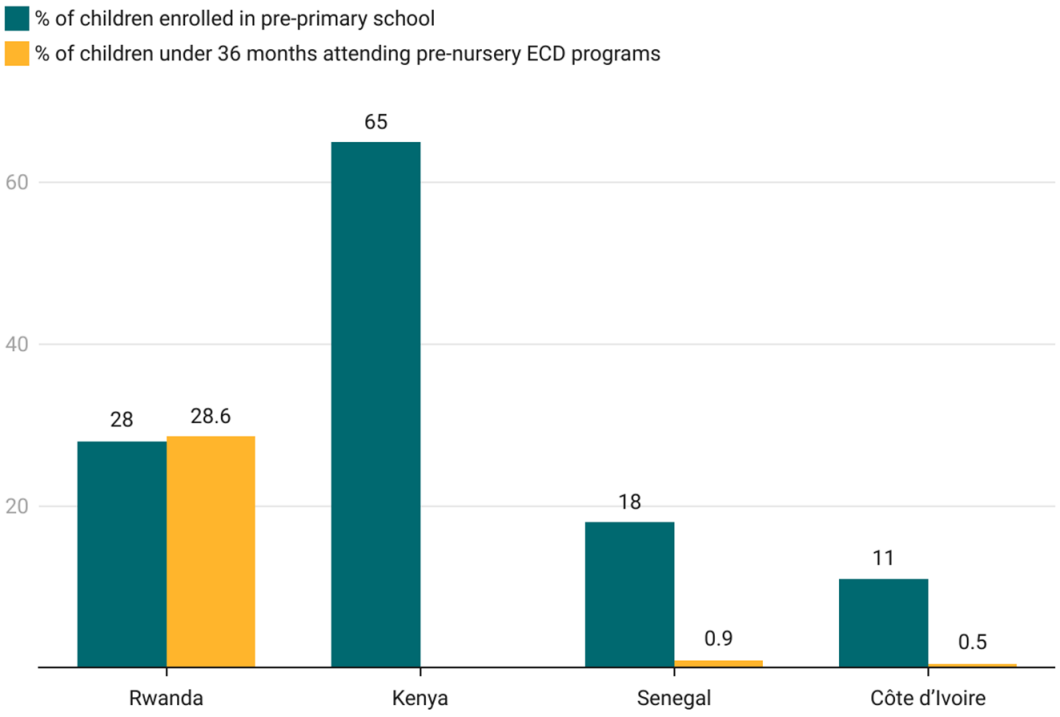
20 UNESCO, Education Starts Early: Progress, Challenges and Opportunities; Conference Background Report, Programme and Meeting Document, presented at the World Conference on Early Childhood Care and Education, Tashkent, 2022, accessed May 13, 2024, https://unesdoc.unesco.org/ark:/48223/pf0000383668.

21 The World Bank, *School enrollment, preprimary (% gross) – Rwanda, Kenya, Senegal, Côte d'Ivoire*, https://data.worldbank.org/indicator/SE.PRE.ENRR?locations=KE-RW-SN-CI.

22 Republic of Rwanda, "National Early Childhood Development Program (NECDP) Strategic Plan 2018–2024," accessed May 21, 2024, https://www.globalfinancingfacility.org/sites/gff_new/files/documents/Rwanda-Investment-Case.pdf.

as comprehensively and regularly as education statistics for children over 3 years of age, though it would provide a useful picture of service coverage and gaps to inform policymaking and financing decisions.

FIGURE 3. Enrollment/attendance in pre-primary and pre-nursery ECD programs in focus countries



Note: The % of children under 36 months attending pre-nursery ECD programs is based on the latest available data for the years 2022, 2018, and 2020 for Rwanda, Senegal, and Côte d'Ivoire. Data for Kenya is unavailable. For the % of children under 36 months attending pre-nursery ECD programs, in Rwanda, there are 143,111 female and 150,337 male students attending pre-nursery programs (293,448 total) as of 2022, and 1,708,460 total children aged 0–4. If the number of children is calculated to be evenly distributed between years, this equates to approximately 28.6%.

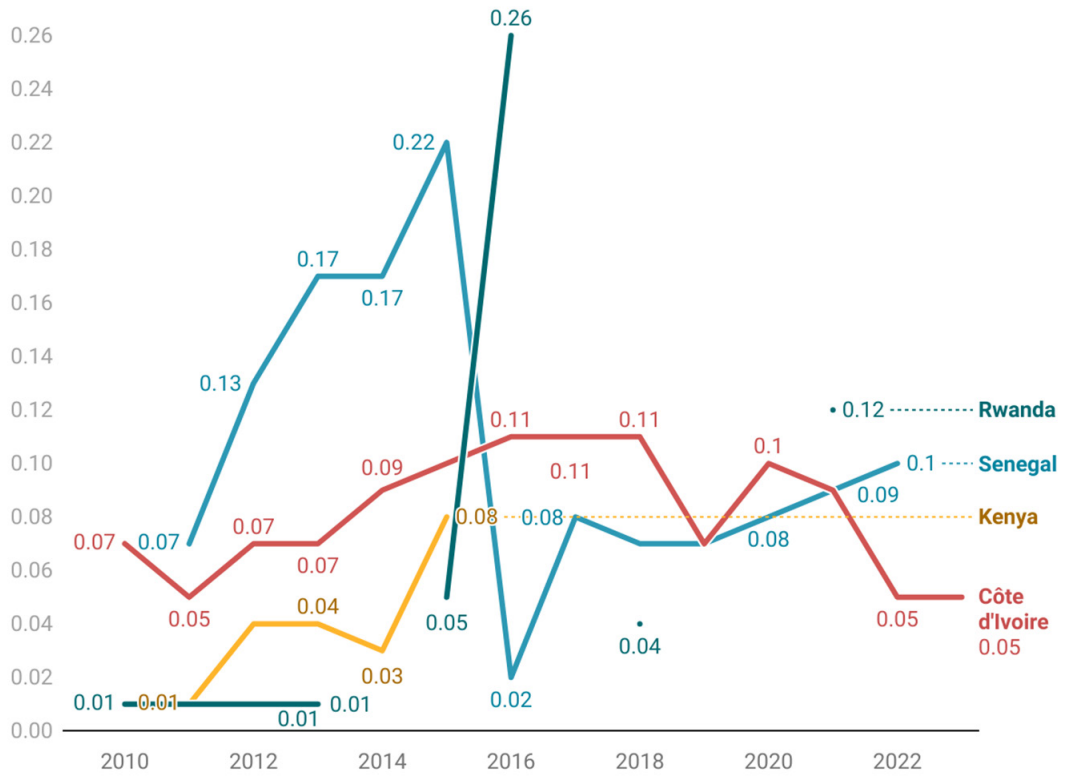
Sources: (a) Rwanda: Ministry of Finance and Economic Planning and National Institute of Statistics of Rwanda. (July 2023). Fifth Rwanda Population and Housing Census, 2022. Thematic Report: Economic Status of Children. National Institute of Statistics of Rwanda, *Fifth Population and Housing Census – 2022* (August 2022), https://www.statistics.gov.rw/datasource/fifth-population-and-housing-census-2022. (b) Kenya, Senegal, Cote d'Ivoire: UN Women, *Investing in Free Universal Childcare in Sub-Saharan Africa*.

Fluctuating spending data on pre-primary education shows low prioritization within education budgets, even when education spending is high

Looking at public childcare and ECD expenditure data from Rwanda, Kenya, Senegal, and Côte d'Ivoire, the most relevant publicly available and consistent data available is limited to spending on pre-primary education as a percentage of GDP. This data is regularly collected by most governments and reported by UNESCO and the World Bank. When comparing the four countries' recent spending, Rwanda has the highest spending as a percentage of GDP at 0.12%, or about $12.1 million as of 2021, despite it being the smallest in GDP and population. The next largest country, Côte d'Ivoire, has the lowest spending at 0.05% of GDP, or about $33.49 million as of 2022. However, it should be noted that available expenditure

data from UNESCO shows significant fluctuations from year to year since 2010, as shown in **Figure 4** and **Table A1**. In 2018, the next year with available data for Rwanda, there is a much lower spending level of 0.04% of GDP, while Côte d'Ivoire demonstrated a higher spending level of 0.11% of GDP that same year. Thus, while this data is indicative of current trends in spending on childcare and ECE, it is difficult to make conclusions based on data for any single year.

FIGURE 4. Government expenditures on pre-primary education as a percentage of GDP, 2010–2023



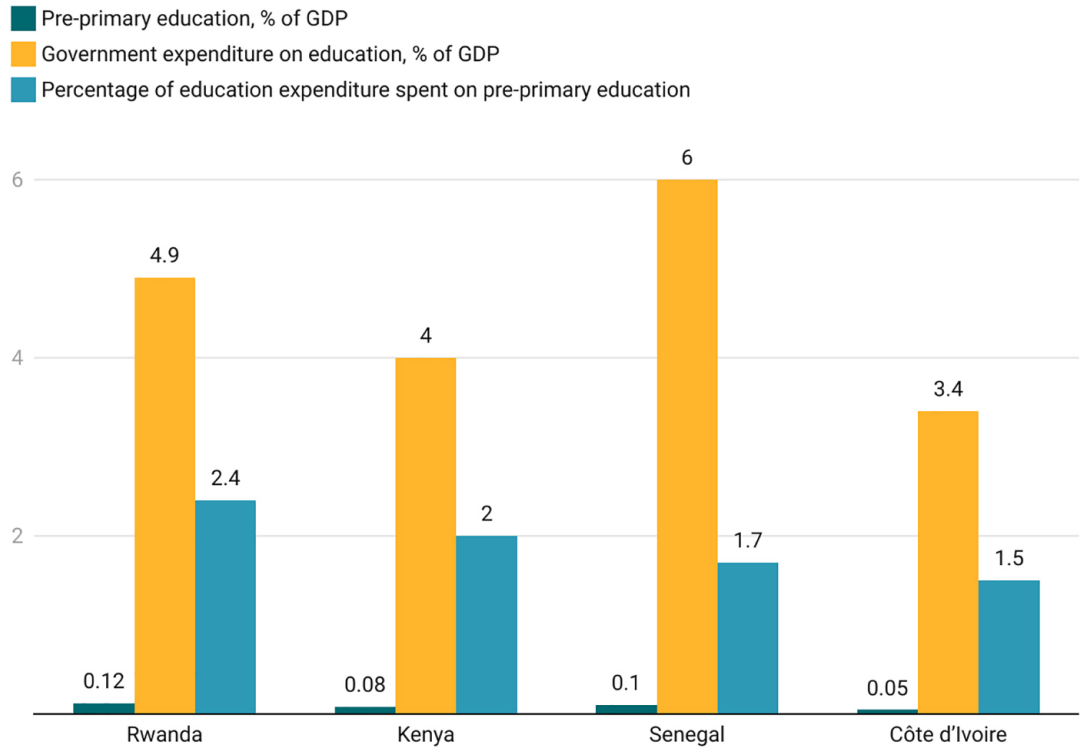
Source: UNESCO Institute of Statistics (UIS), *Government expenditures on pre-primary education as a percentage of GDP*, distributed by UIS.Stat Database, http://data.uis.unesco.org/#.

Comparing the countries' total expenditure on education, it is clear that a very small percentage of total public education funds are being allocated to pre-primary education, as shown in **Figure 5**. The focus countries examined in this paper show higher than average education expenditures of 3.2% of GDP for SSA, and all but Côte d'Ivoire are higher than the average of all LMICs, which is 3.6% of GDP.[23] However, prioritization of education at the national level does not necessarily translate to prioritization of ECD and childcare. Senegal has the highest government expenditure on education, at 6% of GDP, but it demonstrates comparatively low expenditures on pre-primary education,

23 The World Bank, *Government expenditure on education, total (% of GDP) – Rwanda, Kenya, Senegal, Côte d'Ivoire, Sub-Saharan Africa, Low & middle income, Lower middle income*, accessed April 15, 2024, https://data.worldbank.org/indicator/SE.XPD.TOTL.GD.ZS?locations=RW-KE-SN-CI-ZG-XO-XN.

at 0.1% of GDP and 1.67% of its total education budget. Of the four countries, Rwanda spends the highest percentage of its total education budget on pre-primary education, at 2.4%, with Côte d'Ivoire spending the least, at only 1.47%. Yet, these figures are still low compared to international recommendations. International organizations like UNICEF and UNESCO have called for at least 10% of education budgets to be allocated to pre-primary education, and at the 2022 UNESCO Conference on Early Childhood Care and Education in Tashkent, Uzbekistan, 147 countries committed to work towards this goal in both national budgets and foreign aid.[24] Currently, low-income countries dedicate about 2% of their education budgets to pre-primary education, and globally, national and sub-national governments allocate 6.6% of their budgets,[25] which is still significantly below the 10% goal.

FIGURE 5. Government spending on pre-primary education and education (as % of GDP) in focus countries



Note: Percentage of education expenditure spent on pre-primary education is based on the latest available data for each country – Rwanda (2021), Kenya (2015), Senegal (2022) and Côte d'Ivoire (2023).

Sources: (a) UNESCO Institute of Statistics (UIS), *Government expenditures on pre-primary education as a percentage of GDP.* (b) The World Bank, *Government expenditure on education, total (% of GDP) – Rwanda (2023), Kenya (2023), Côte d'Ivoire (2023), and Senegal (2022)*, https://data.worldbank.org/indicator/SE.XPD.TOTL.GD.ZS?locations=RW-KE-SN-CI.
(c) Percentage of education expenditure spent on pre-primary education are authors' calculations.

24 UNESCO, "UNESCO Member States Commit to Invest at Least 10% of Education Budget on Early Childhood Education," press release, November 18, 2022, last updated April 20, 2023, World Conference on Early Childhood Care and Education, Tashkent, Uzbekistan, November 14–16, 2022, accessed May 13, 2024, https://www.unesco.org/en/articles/unesco-member-states-commit-invest-least-10-education-budget-early-childhood-education.

25 UNESCO, Education Starts Early, accessed May 13, 2024, https://unesdoc.unesco.org/ark:/48223/pf0000383668.

Spending in the earliest years is very low, with backloaded childhood spending curves in LMICs and focus countries

In addition to reviewing pre-primary spending figures, it is also helpful to contextualize early childhood spending across all of childhood (up to age 18) in the focus countries given the evidence on the importance of investing in childcare and early childhood education to achieve women's economic empowerment outcomes,[26,27] better outcomes for children later in life,[28] and better economic outcomes for countries overall. [29] Research shows that investments in the first six years of life lead to higher returns on investment and significantly higher health, education, and social incomes as compared to investments later in a child's life.[30] However, in reality, spending in African countries and other LMICs demonstrates expenditures opposite of the commonly cited Heckman curve,[31] which recommends the highest investments are made in the prenatal to preschool years, then increasing as the child gets older. Specifically, in a 2023 study by UNICEF that maps public spending on education across all of childhood in 84 countries, including estimations for many non-OECD countries where data is limited, researchers found that investments in education in LMICs are very low before the age of 6, with small amounts of investments made in preschool. This backloading puts a lot of pressure on the education sector later in the child's life.[32]

The UNICEF report reveals childhood spending profiles for Rwanda, Kenya, Senegal, and Côte d'Ivoire that are backloaded, with the most spending in adolescent years, which is typical for LMICs. Frontloaded curves are more common in Europe and other high-income countries. In total, during the first 6 years of age, Côte d'Ivoire spends less than $4,000 USD per child, Senegal spends less than $2,000 per child, and Rwanda spends less than $200 per child,[33] one of the lowest reported amounts of any country in the study, which includes data as of 2015.[34] In first reviewing the UNICEF spending curves, Senegal and Côte d'Ivoire appear to show higher spending in pre-primary education years than in Rwanda and Kenya, but the per child spending would fall by 50% or more if full enrollment were to be achieved.[35] When looking

26 Mary Borrowman, Erin Leasure, Kelsey Harris, and Amar Nijhawan, *Global Assessment of Care Services: Current Status, Impact, and Policy Recommendations* (WeProsper, Washington, DC, 2022). https://www.icrw.org/wp-content/uploads/2022/09/WP_Report_Care_Services.pdf.

27 Kehinde F. Ajayi, Aziz Dao, and Estelle Koussoubé, "The Effects of Childcare on Women and Children: Evidence from a Randomized Evaluation in Burkina Faso," *CGD Working Paper 628* (Washington, DC: Center for Global Development, 2022), https://www.cgdev.org/publication/effects-childcare-women-and-children-evidence-randomized-evaluation-burkina-faso.

28 Jorge Luis García, James J. Heckman, Duncan Ermini Leaf, and María José Prados, "Quantifying the Life-Cycle Benefits of a Prototypical Early Childhood Program," National Bureau of Economic Research Working Paper No. 23479 (2017), https://www.nber.org/papers/w23479.

29 Devercelli and Beaton-Day, *Better Jobs and Brighter Futures*.

30 Camaione and Muchabaiwa, "Quantifying Heckman."

31 Heckman, J. J. (2006). Skill Formation and the Economics of Investing in Disadvantaged Children. *Science*, 312(5782), 1900–1902. https://doi.org/10.1126/science.1128898.

32 Dominic Richardson, David Harris, John Hudson, and Sophie Mackinder, *Too Little, Too Late: An assessment of public spending on children by age in 84 countries* (UNICEF Innocenti, Florence, Italy, 2023). https://www.unicef.org/innocenti/media/2851/file/UNICEF-Too-Little-Too-Late-Report-2023.pdf.

33 The UNICEF report does not include a per child estimate for Kenya as data at that level was not available.

34 Richardson et al., *Too Little, Too Late*.

35 Richardson et al., *Too Little, Too Late*.

specifically at spending on preschool or childcare in the first 6 years of a child's life, lower-middle income countries spend an average of $1,664 USD per child, with only $63.1 spent before age 3.[36] While the report acknowledges that data gaps make these estimates imprecise, it is clear from the data that is available that there is little to no spending per child in these countries in the first 6 years of life, with major spending gaps until at least the age of 2, missing out on the extensive benefits to women, children, and societies if optimal investment were to be achieved.

Limited foreign aid data shows rising aid for early childhood education due to multilateral investments

An important source of funding for childcare and early childhood development outside of domestic public funds is Official Development Assistance (ODA) from high-income donor countries and multilateral organizations to low- and middle-income recipient countries. Unfortunately, the OECD's Creditor Reporting System (CRS) only tracks ODA related to the early childhood education sector, which represents just a fraction of total childcare and ECD funding; thus, the full scope of aid directed towards childcare and ECD-specific projects remains unknown. Nonetheless, analyzing the available aid data within this constrained category is still informative.

The 2022 Tashkent Declaration aims for 10% of education financing to support pre-primary education,[37] however, only 1.4% of the total foreign aid to education is being allocated to early childhood education. Further, in 2022, bilateral donors spent a meager 0.4% of their total aid to education on pre-primary education.[38] The focus countries are roughly in line with this figure, with 0.5% of Senegal's bilateral aid to education going to early childhood education and 0.7%, 0.4%, and 0.3% in Kenya, Rwanda, and Côte d'Ivoire, respectively. Yet, overall, foreign aid to education is increasing, and aid to pre-primary education is at its highest globally, in part due to significant increases by the World Bank (via the International Development Association, or IDA) through the Invest in Childcare initiative.[39] Thus, when expanding aid data to include all donors, including multilateral institutions, the picture dramatically changes, with Côte d'Ivoire's education aid to ECE jumping to 27%, Rwanda and Senegal receiving around 2%, and Kenya hovering around 0.3% (shown in **Figure 7**).[40] It should be noted that Côte d'Ivoire's 2022 education aid to ECE figure is exceptional; in prior years, this aid has been much smaller, ranging from 0.06% to 0.47%. It is unlikely that this high level will be maintained; aid rates dropped dramatically following a similar spike in Rwanda in 2020. In comparing the data from 2017–2022 in **Figures 6 and 7**, the rates for foreign

36 Richardson et al., *Too Little, Too Late.*

37 UNESCO (2022). Tashkent Declaration and Commitments to Action for Transforming Early Childhood Care and Education. https://unesdoc.unesco.org/ark:/48223/pf0000384045/PDF/384045eng.pdf.multi, accessed July 29, 2024.

38 Act for Early Years, *A turning point? An updated scorecard on donor funding to pre-primary education*, Theirworld, April 2024, accessed May 13, 2024, https://actforearlyyears.org/wp-content/uploads/sites/261/Scorecard-FINAL-2024-07-May.pdf.

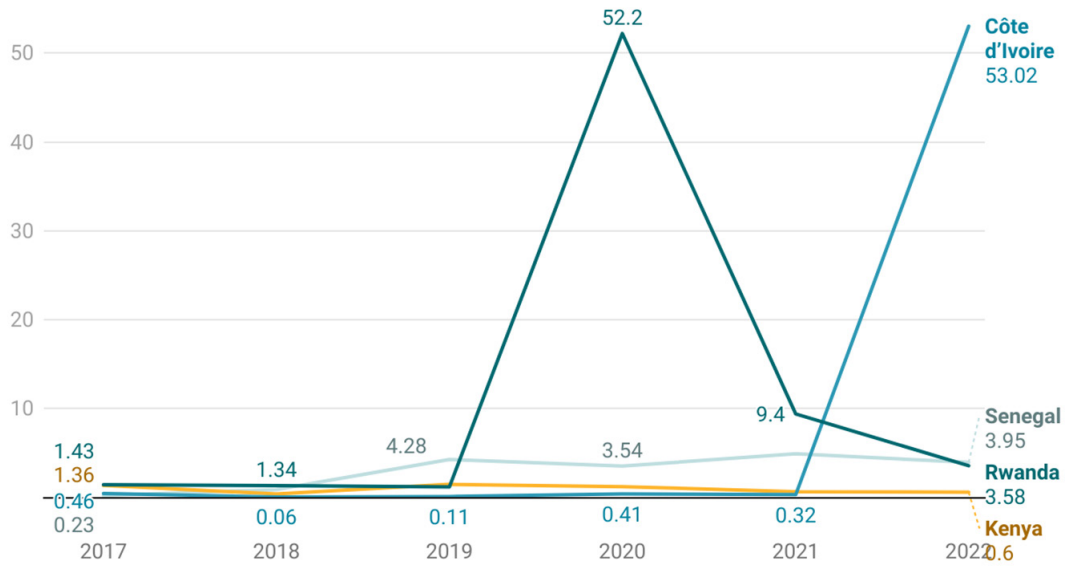
39 Act for Early Years, *A turning point?*

40 OECD, ODA CRS Flows on Early Childhood Education and Care, 2017–2022, distributed by OECD Data Explorer, accessed October 9, 2024, click here. Percentages are authors' calculations.

aid to ECE and the percentage of education aid to ECE follow a similar pattern – while some major spikes are observed, the most recent data shows decreases or stagnation in aid, with the exception of Côte d'Ivoire. This trend is the opposite of what is needed to achieve the 10% Tashkent goal.

A substantial portion of aid to pre-primary education – 63% – flows to SSA, with Côte d'Ivoire being the second largest country recipient of pre-primary aid in 2022, mostly due to funding received through IDA.[41] The annual aid to early childhood education that Rwanda, Kenya, Senegal, and Côte d'Ivoire receive has fluctuated significantly over the last several years. Notably, Rwanda and Côte d'Ivoire have benefitted from a couple of large multilateral infusions via the World Bank's Invest in Childcare initiative, as shown in **Figure 6**, while Senegal and Kenya have seen much smaller and more consistent levels of foreign aid to ECE. Multilateral aid is the primary source of foreign aid in these four countries; bilateral aid is much more modest, ranging from less than $100,000 USD (Côte d'Ivoire in 2018 and 2019) to $2.5 million USD (Senegal in 2019). Further, there have been post-COVID decreases in ECE aid in two of the four countries. Thus, early childhood education aid levels in these four countries show some benefits from the trend of increased aid to pre-primary education globally. However, it is unclear if these large multilateral aid injections will be maintained, and they currently do not reach some SSA countries, such as Kenya, that have otherwise low levels of foreign aid to ECE.

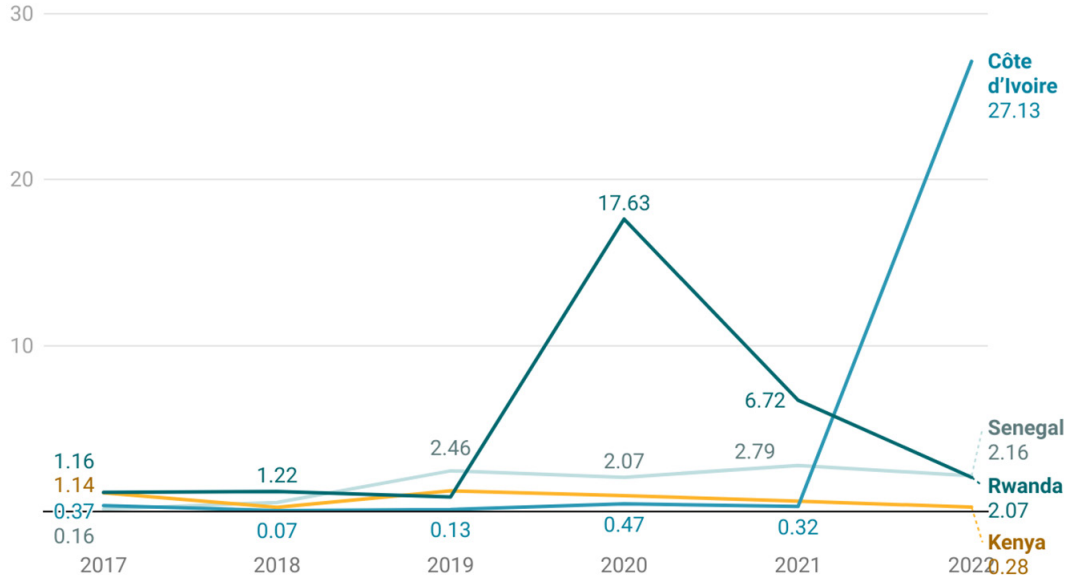
FIGURE 6. Official development assistance (ODA) flows from official donors to focus countries for early childhood education (in USD millions, constant prices), 2017–22



Sources: OECD, ODA CRS Flows on Early Childhood Education and Care, 2017–2022 (using constant price), distributed by OECD Data Explorer, click here.

41 Act for Early Years, *A turning point?*

FIGURE 7. ODA flows from official donors to focus countries for early childhood education, as a % of total education aid (in USD millions, constant prices), 2017–22



Sources: Authors' calculations based on OECD ODA data on ECE and education.

3.3 Laws and policies related to childcare and ECD

A discussion on public expenditures on childcare necessarily includes the examination of legal and policy frameworks that guide such spending, which can be facilitated by multilateral tools and analyses like the World Bank's Women, Business and the Law (WBL) annual report and the ILO's Global Care Policy Portal and investment simulator.

Focus countries generally fare better than SSA on legal and supportive frameworks on childcare

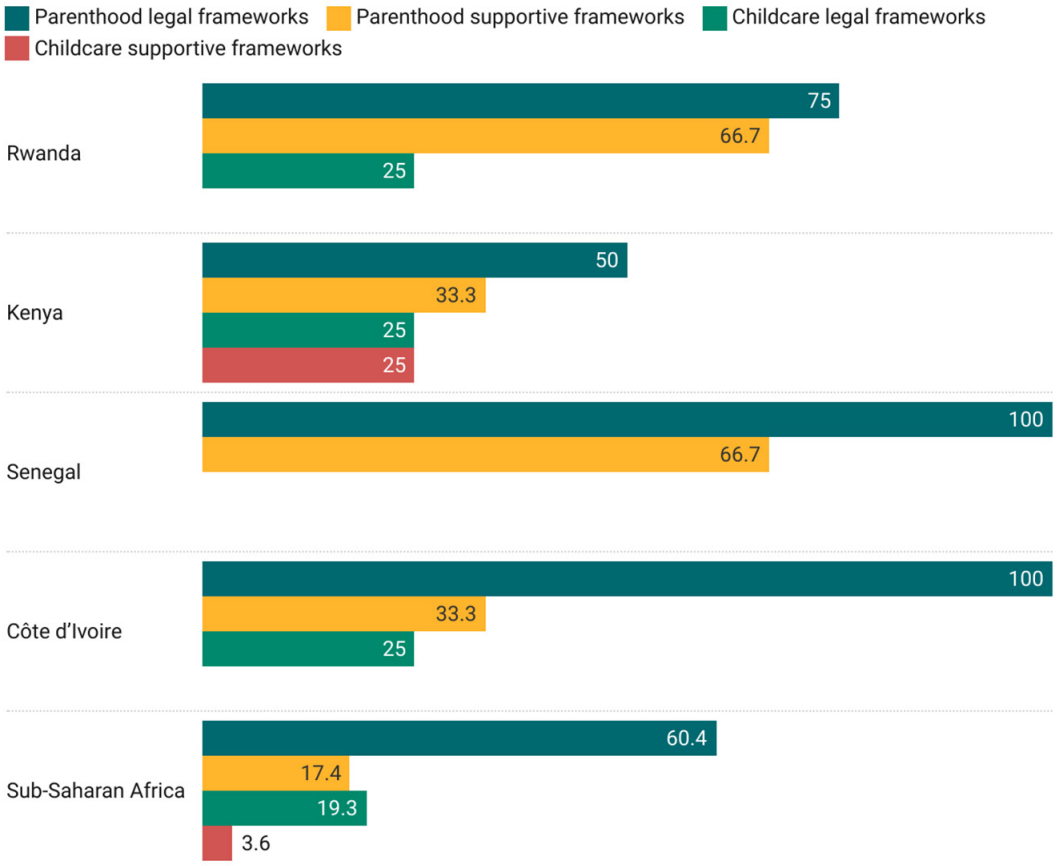
In 2024, WBL expanded its data and analysis on the availability, public finance, and quality of childcare; the WBL 2024 report assesses legal frameworks, policies implementing those frameworks, and expert opinions on access to paid leave and childcare services in 190 countries.[42] This includes an analysis on how childcare laws and policies are actually being implemented in practice and demonstrates a large potential for improvement across the world and in SSA in particular. In fact, WBL's childcare indicator had one of the largest legal gaps as compared to the other indicators in the study, with a global average of 47.6, an average in SSA of 19.3, and regional averages even lower.[43]

42 The World Bank, "Toward Available, Affordable, and Quality Childcare," accessed April 15, 2024, https://wbl.worldbank.org/en/childcare.

43 The World Bank, *Women, Business, and the Law 2024*, (International Bank for Reconstruction and Development / The World Bank, Washington, DC, 2024), https://wbl.worldbank.org/en/reports.

In taking a closer look at the focus countries, **Figure 8** outlines the results from WBL's analysis on legal and supportive frameworks as it relates to parenthood and childcare, utilizing a scale of 0–100 based on the responses to specific questions. The focus countries generally score higher than SSA averages with only a couple of exceptions – Rwanda and Côte d'Ivoire have a lower score on childcare supportive frameworks, and Senegal has a lower score on both legal and supportive frameworks on childcare as compared to the SSA average. Across these four countries, the largest gaps are related to childcare.

FIGURE 8. Results from WBL's 2024 Analysis on Childcare and Parenthood Legal and Supportive Frameworks (scale of 0–100)



Note: Missing bars indicates a score of zero for a given indicator.

Sources: The World Bank, "Toward Available, Affordable, and Quality Childcare," *2024 Data*, https://wbl.worldbank.org/en/childcare.

Focus countries have varying leave policies and an overall lack of statutory childcare systems

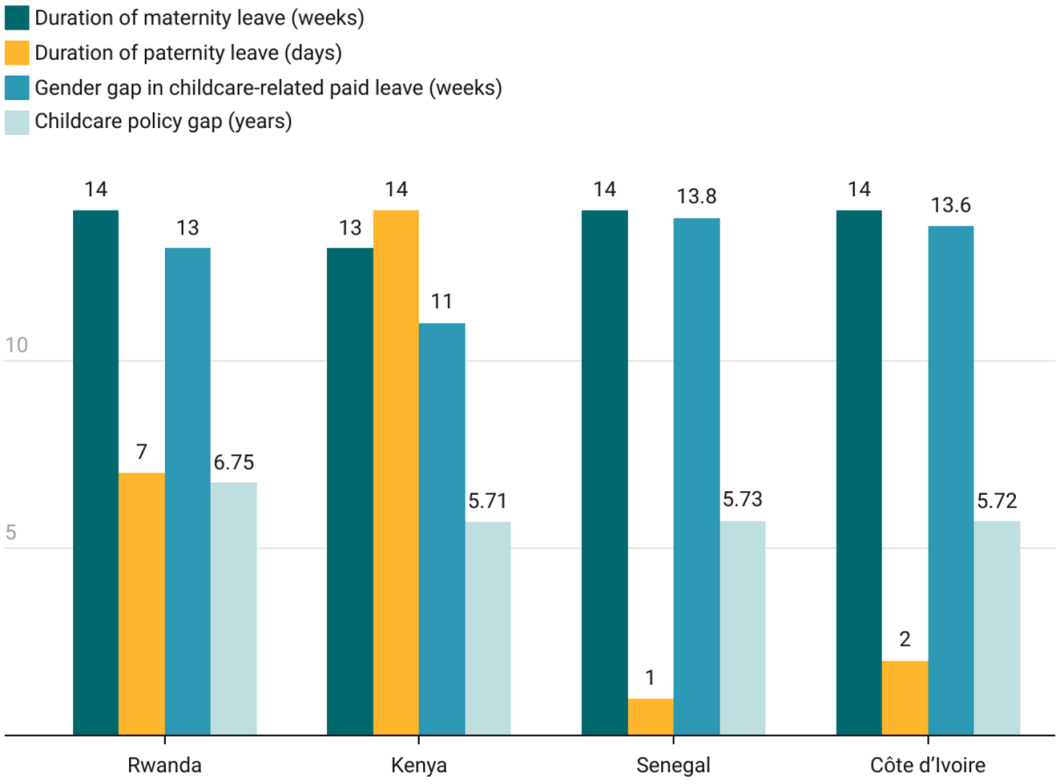
Figures 9 and 10 offer deeper insights into current care-related legislation and policies in Rwanda, Kenya, Senegal, and Côte d'Ivoire, as compiled in in the ILO's Global Care Policy Portal.[44] This sheds light on current policies related to maternity, paternity, and parental leave, nursing breaks, as well as a lack of statutory childcare and pre-primary education systems. These policies reveal the countries' varying national priorities and regional policy trends.

Regarding maternity leave, Rwanda, Senegal, and Côte d'Ivoire align with the ILO's recommendation of 14 weeks, while Kenya offers 13 weeks. Paternity leave in the countries varies significantly, ranging from 1 day in Senegal to 14 days in Kenya. Additionally, paid nursing breaks are mandatory for employers in Rwanda, Senegal, and Côte d'Ivoire, while they are not required in Kenya. None of the focus countries offer shared parental leave; such leave is almost nonexistent across Africa, with Burkina Faso's 52 weeks of shared parental leave being a remarkable exception. Burkina Faso's model, which includes paid maternity and paternity leave in addition to shared unpaid parental leave, could inspire reforms in other countries towards more co-responsible parenting.

Across SSA, various leave policies aim to support early childcare and employment return for parents, yet there is a lack of statutory childcare systems. The focus countries do not provide public childcare for ages 0–2 or 3 and above, leading to a significant childcare policy gap between the end of statutory parental leave and the commencement of free universal childcare or education. In Kenya, Senegal, and Côte d'Ivoire, the childcare policy gap is around 5.7 years, while Rwanda's is 6.75 years, as shown in **Figure 9** and **Figure 11** with comparison to the rest of the African continent. The existence of any childcare policy gaps, especially in a child's early years, typically result in home care by parents (usually mothers), reliance on informal care models with potential quality issues, or out-of-pocket payments for private care or community childcare centers. This underscores the need for improved support structures for children beyond infancy.

44 International Labour Organization (ILO), "ILO Global Care Policy Portal," accessed April 15, 2024, https://www.ilo.org/globalcare/?language=en#home.

FIGURE 9. Overview of national paid leave policies and gaps in focus countries (2021)



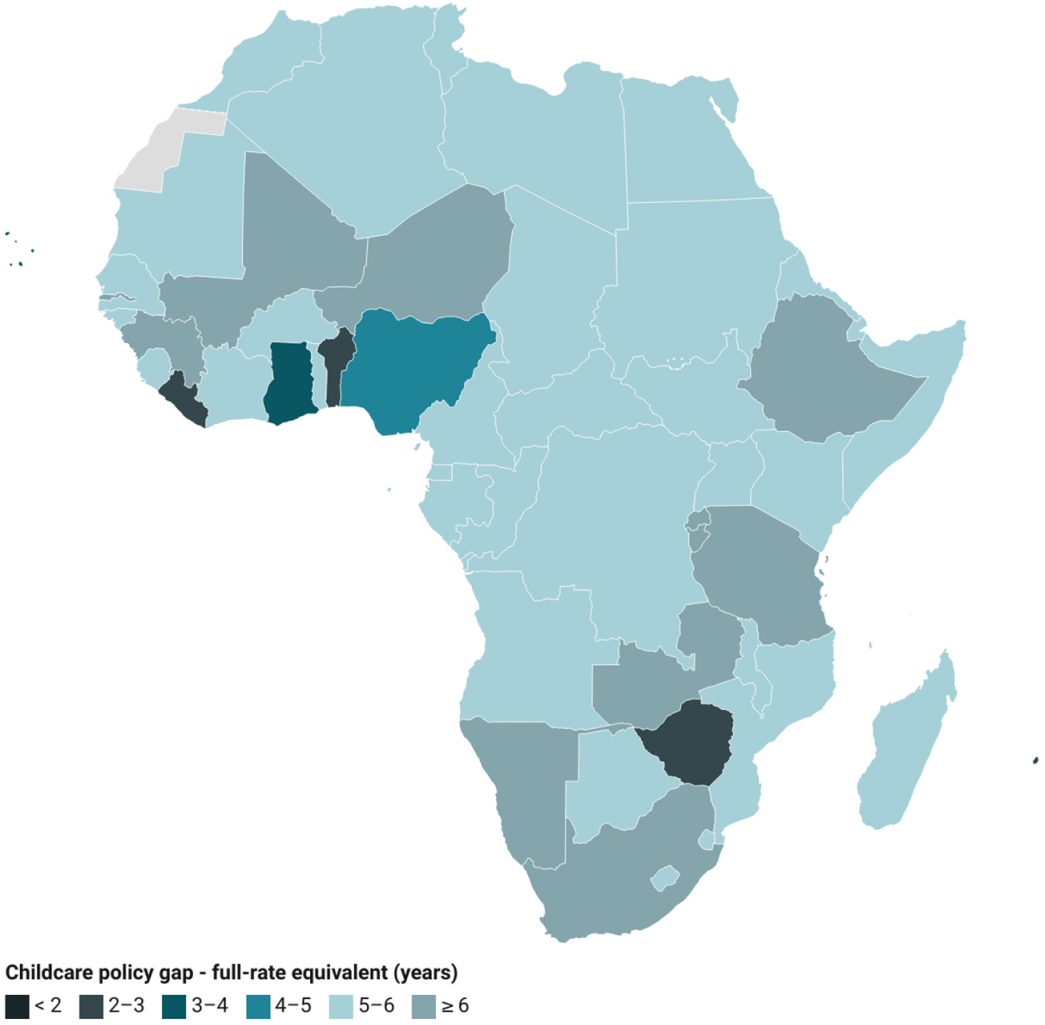
Sources: ILO. Global Care Policy Portal.

FIGURE 10. Overview of additional care-related policies in focus countries (2021)

Country	Paid Nursing Breaks	Provision of a Statutory Childcare Service System (0–2 Years)	Provision of a Statutory National Pre-Primary Education Systems (3 Years and Above)	Shared Parental Leave Available to Households
Rwanda	Yes	No	No	No
Kenya	No	No	No	No
Senegal	Yes	No	No	No
Côte d'Ivoire	Yes	No	No	No

Source: ILO. Global Care Policy Portal.

FIGURE 11. Childcare policy gaps in Africa (2021)



Sources: ILO. Global Care Policy Portal.

Despite comprehensive ECD policies, focus countries overlook women and care for children under 3

Delving deeper into the existing ECD and childcare policy frameworks in the focus countries, Rwanda, Kenya, Senegal, and Côte d'Ivoire have all adopted national, multisectoral policies on Early Childhood Development (ECD) that emphasize health, nutrition, and early education, demonstrating a growing understanding and emphasis on ECD; however, they still have significant policy gaps in state-sponsored childcare services for children under 3. For instance, Rwanda's National Early Childhood Development Program (NECDP)[45] and Vision 2020 Umurenge Program (VUP)[46] enhance

45 Republic of Rwanda, NECDP Strategic Plan 2018–2024, accessed May 21, 2024, https://www.globalfinancingfacility.org/sites/gff_new/files/documents/Rwanda-Investment-Case.pdf.

46 Local Administrative Entities Development Agency (LODA), "Vision Umurenge Program (VUP)," accessed April 15, 2024, https://www.loda.gov.rw/vup.

ECD through social protection and holistic child development but lack a focus on institutional childcare for the youngest children. Similarly, Kenya's National ECD Policy Framework,[47] and education reforms prioritize broader ECD services without directly addressing childcare for children under 3, leaving a notable gap filled by unpaid care or private or community initiatives. Senegal's integrated ECD policy and "Case des Tout-Petits" program,[48] and Côte d'Ivoire's recent expanded investments on multisectoral nutrition, ECD,[49] and pre-primary education[50] follow this trend, with care elements focused on children ages 3 and above. Additionally, with their focus on pre-primary and primary age children, these policies and programs do not adequately or comprehensively integrate considerations related to gender equality, women's economic empowerment, or outcomes for women and girls, despite research showing the benefits of bridging this divide.[51] While it is encouraging to see momentum around multisectoral ECD across the continent, these policies underscore a regional policy trend of overlooking a huge component of early childhood – the specific childcare needs of infants, toddlers, and their caregivers who are usually women.

In a concerted step towards strengthening its care system, Kenya has embarked on a mission to adopt a comprehensive National Care Policy.[52] The final draft of the policy acknowledges the gap in quality services for children under 3 years old, and it aims to prioritize and expand care for young children beyond existing early childhood development centers. Additionally, in its policy framework, it calls for investment in the care economy and sets forward policy actions on childcare such as raising awareness on the need for childcare centers, establishing national quality standards, mapping and regulating centers, operationalizing effective childcare models, and undertaking research to inform scaling successful models. While it is yet unclear how this policy will link to the ECD Policy Framework, as it is not mentioned in the care policy, depending on its implementation, this policy may prove instrumental to improving access to childcare in Kenya and serve as a model for other countries in East and West Africa.

Through the programs mentioned above and with the support of external partners like UNICEF and the World Bank, Rwanda has taken an integrated and deliberate approach to improve ECD and

47 Republic of Kenya, "The Kenya Integrated Early Childhood Development Policy Framework," March 2017, accessed April 15, 2024, https://platform.who.int/docs/default-source/mca-documents/policy-documents/policy/ken-ch-50-01-policy-2017-eng-iecd-policy-framework.pdf.

48 T. Cisse, K. Ejiofor, M. Malin, A. Thompson, and Y. Zhao, "Case Des Tout-Petits: Reforming Early Childhood Education in Senegal," in Education to Build Back Better, ed. F. M. Reimers, U. Amaechi, A. Banerji, and M. Wang (Cham: Springer, 2022), https://doi.org/10.1007/978-3-030-93951-9_6.

49 The Power of Nutrition, "Multisectoral Nutrition and Child Development Programme in Côte d'Ivoire," accessed May 23, 2024, https://www.powerofnutrition.org/programmes/empowering-mothers-to-take-charge-of-their-childrens-health-and-nutrition-in-c%C3%B4te-divoire.

50 The World Bank, "Côte d'Ivoire: Toward Equitable and Inclusive Access to Preschool and Primary Education," press release, December 20, 2022, accessed April 15, 2024, https://www.worldbank.org/en/news/press-release/2022/12/20/cote-divoire-acces-equitable-et-inclusif-a-une-education-pre-scolaire-et-primaire.

51 UN Women, *Gender Equality, Child Development and Job Creation: How to Reap the 'Triple Dividend' from Early Childhood Education and Care Services*, policy brief no. 2 (2015), accessed May 23, 2024, https://www.unwomen.org/en/digital-library/publications/2015/12/gender-equality-child-development-job-creation.

52 Government of Kenya (2024). "National Care Policy." State Department for Gender and Affirmative Action. https://gender.go.ke/wp-content/uploads/2024/02/KENYANATIONAL-CARE-POLICY-FINAL-DRAFT-2024.doc.

childcare through social protection programs; this has included prioritizing the creation of 31,000 community and home-based ECD centers to serve 1.2 million children ages 2–5.[53] Further, Rwanda's 2nd National Strategy for Transformation (NST2) set a new national goal to increase pre-primary education enrollment from 35% to 65% by 2029.[54] While these efforts have already resulted in an increased number of children attending ECD centers and pre-primary education in a short period of time, there is still a policy and programmatic gap in care for the youngest children.

Significant public spending is necessary to fill care policy gaps in the next decade, resulting in extensive economic benefits

Another instructive tool to evaluate necessary investments to close care policy gaps is the ILO's Care Policy Investment Simulator, a free policy modeling tool to simulate investments in care policies and their subsequent macroeconomic benefits.[55] The tool provides modeling for 82 countries in four care policy areas, including childcare-related paid leave, paid breastfeeding breaks, early childhood care and education services (ECCE), and long-term care services (LTC).[56] To simulate investment, a user can select an output year of 2030 or 2035 and modify pre-set policy parameters, such as the number of paid weeks of maternity leave or the percent of children aged 0–2 years enrolled in early childhood educational development services. The Care Policy Investment Simulator estimates additional public investment to close care policy gaps over the next 5–10 years and can facilitate comparisons between countries. For the purposes of comparing Rwanda, Kenya, Senegal, and Côte d'Ivoire, this paper utilizes the ILO's pre-set scenarios, which are based on international labor standards on care policies and extant literature and data.

Following an investment simulation for Rwanda, Kenya, Senegal, and Côte d'Ivoire for 2030 and 2035, 3.96%, 8.87%, 8.57%, and 8.21% additional public spending across the 4 policy areas is required in the respective countries to fill care policy gaps by 2030 **(Figure 12)**. **Table A2** presents results of this simulation for these four countries for both 2030 and 2035 in detail. The required increase in public spending equates to about a 1% or less increase in GDP investment per year to 2030, or even less if projecting out to 2035; however, it should be noted that this is a large increase from current levels of spending for all the countries, as outlined above. Yet, this level of investment could create millions of

53 Uwera, S., "Rwanda's Innovative Approach to Early Childhood Development through Social Protection," *World Bank Blogs*, June 14, 2024, https://blogs.worldbank.org/en/nasikiliza/rwanda-innovative-approach-to-ecd-through-social-protection-afe-0624.

54 Republic of Rwanda Office of the Prime Minister, "Summary of the 5-year Government Program/ Second National Strategy for Transformation (NST2:2024-2029)," accessed October 10, 2024, https://www.gisagara.gov.rw/index.php?eID=dumpFile&t=f&f=105584&token=fb04d3feca2d4a8b86889206e625abc3535e80e2#:~:text=NST2%20is%20designed%20to%20deliver,service%20delivery%20and%20citizen%20participation.

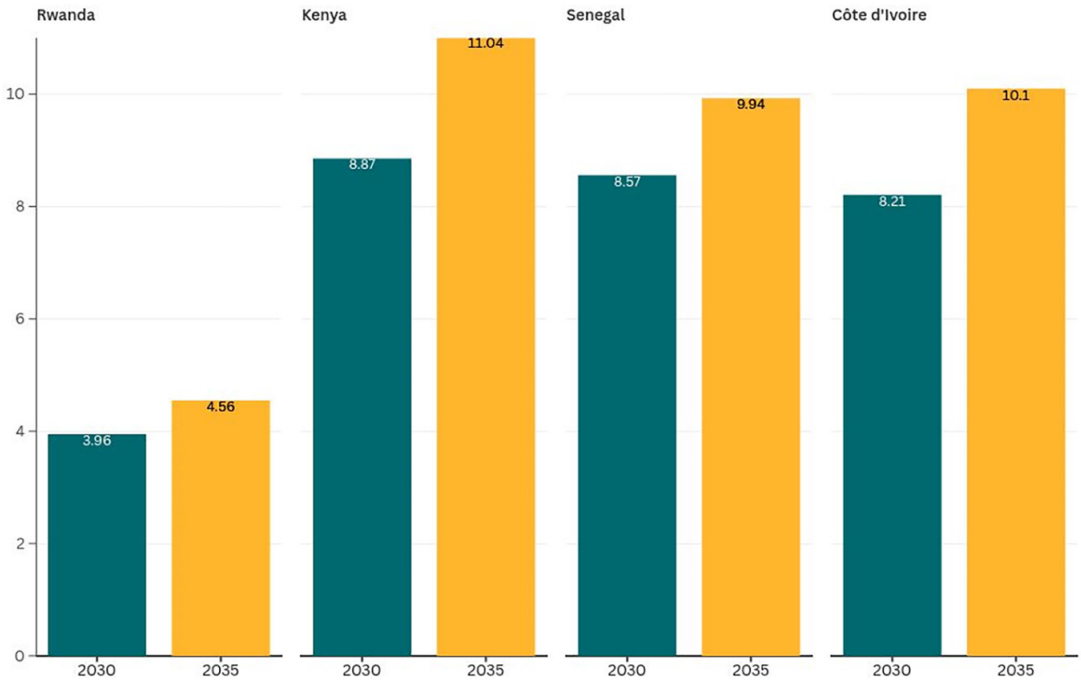
55 ILO. Global Care Policy Portal.

56 The tool is based on fixed policy assumptions and input data from official statistical offices, ILO micro-data, and national input-output (I-O) tables or social accounting matrices (SAM); a full description of these assumptions and input data can be found in the ILO's technical note on the simulator. International Labour Organization (ILO), "ILO Care policy investment simulator: Technical note," March 2023, https://www.ilo.org/static/english/care-economy/care-policy-is-technical-note-en.pdf.

new jobs in 8 years (2022–30), with at least 65% of these new jobs going to women, and it could reduce the gender employment gap by as much as 6.57%. This investment also has the potential to reduce the gender gap in monthly wages by 4.65 to 33.62%. The estimated return on this investment (ROI) ranges from less than .93 USD per $1 USD spent in Senegal (meaning that increased earnings do not offset investments in additional childcare-related leave and services), to a return of $2.80 per $1 invested in Rwanda.

When the results for early childhood care and education, one of the four policy areas, are further explored, it is notable that all of the baseline public spending on ECCE and LTC is concentrated in ECCE, as there is no current public spending, or at least no data on public spending, on LTC in any of four countries. However, the bulk of additional investment needed is in ECCE; for example, in Kenya, the 2030 simulation shows that 5.82% of GDP in additional investment is required for ECCE, and 2.65% of GDP in additional investment is required for LTC. Taken by year, this is an incremental annual increase of roughly .32% to .73% GDP towards ECCE, which directly results in substantial employment gains, the smallest in Rwanda at almost 500,000 jobs and the largest in Kenya at over 1.6 million jobs.[57]

FIGURE 12. Required gross additional annual investment to close care policy gaps in focus countries by 2030 and 2035



Source: International Labour Organization (ILO). "ILO Care Policy Investment Simulator," https://www.ilo.org/globalcare/?language=en#simulator:1.

57 International Labour Organization (ILO). "ILO Care Policy Investment Simulator," accessed April 15, 2024, https://www.ilo.org/globalcare/?language=en#simulator:1.

4. Key takeaways and policy recommendations

The analysis in this paper provides a foundation for recommendations for policymakers and researchers related to investments and policies concerning childcare and ECD in the focus countries and more broadly. Four key opportunities emerge.

4.1 Expand the evidence base and utilize existing tools

- **Use budgeting tools.** To perform budget estimates, SSA governments and partners can utilize tools like UNICEF's methodological guide on estimating government spending on ECD. These analyses will contribute to building the evidence base on public expenditures on ECD and childcare and can provide clarity to governments in the regions that are prioritizing these issues. The availability of this type of information can provide insight into funding gaps and support efforts to improve the efficiency of spending.
- **Conduct comprehensive expenditure analyses.** Governments, multilateral institutions, and research organizations should work in partnership to conduct more comprehensive expenditure analyses. These analyses, while costly and labor-intensive, can provide critical insights to optimize future budgets. These should be linked to metrics and policy goals, utilizing South Africa's Public Expenditure Review as a model and resource.
- **Expand tools to include more SSA countries.** As it continues to build on and iterate the Care Policy Investment Simulator, the ILO should add more SSA and LMIC countries, as there are not many currently included in the tool. This can facilitate additional comparative analyses and help governments, researchers, and advocates better understand the costs and benefits of closing care policy gaps in Africa.
- **Expand the evidence base around supply and demand for childcare.** Comprehensive, disaggregated data on the supply and demand for childcare services, including informal and private solutions, should be expanded and analyzed to supplement available information, such as public childcare center enrollment and government expenditures on pre-primary education. This research should examine how factors like family structures, income levels, and societal attitudes about childcare shape demand patterns for formal and informal childcare services. The resulting information can shape policy and financing decisions aimed at expanding access to childcare and ECD.

4.2 Make public expenditure-related data more transparent, accessible, and predictable

- **Publicize budgets and expenditure reviews.** Make budget and public expenditure reviews public once they are completed, and in the meantime, enhance the public availability of existing data on public expenditures to allow for better external analysis. For example, countries can create national dashboards of data or translate reports into multiple languages that are only available in native languages.

- **Publish more and better data on childcare.** Collect and publish more disaggregated data on childcare and ECD, and prioritize data focused on children under 36 months of age given the large data gaps for this age group. As a starting point, publish regular age and sex-disaggregated data on the number of children under 36 months of age in childcare, ECE, or ECD programs, and the number of children 36–59 months attending an early childhood education program. If not already collected, integrate these metrics and others into regularly conducted household surveys. Governments should also publish and regularly report to international organizations (e.g. UNESCO and the World Bank) the level of national expenditures on pre-primary education and ECD or ECE programs and benefits. It is also important to clarify how much funding is specifically being allocated to childcare services within broad buckets of funding like ECD, ECE, and social protection, as this information is not currently available. This type of clarity will allow for more detailed analyses and comparison across different contexts.
- **Expand foreign aid data on childcare.** Expand the current sectoral metric on early childhood education in OECD DAC and add a new comprehensive indicator on care. This will enable better public tracking of foreign aid related to all types of care, including childcare.
- **Look to countries with regular data.** For pre-primary education expenditure data, countries can use those with strong data practices as a model. Côte d'Ivoire, for example, has consistently published data almost every year. By following such examples, countries can improve both the availability and frequency of data collection.

4.3 Prioritize childcare and ECD in budgets

- **Prioritize investments for children under 6.** Prioritize investments in childcare and early childhood development starting at birth, with a particular focus on children under age 3 given current resource gaps. Where fiscal space is tight, consider reallocating education spending to earlier years, given the long-term benefits that can be achieved by frontloading spending on children across the life cycle. As this type of reallocation could spark political and social resistance in some countries, effective communication to stakeholders about the long-term benefits of early investment will be critical.
- **Include separate ECD line items in national budgets.** During the budgeting process, consider including separate line items for ECD-related services or providing clarity on inclusion of these services in existing line items. More specific budgeting can make better and more disaggregated reporting on childcare possible – for example, by age and/or type of service (e.g. ECD centers or pre-primary education). In addition, consider how childcare and ECD can be incorporated and better prioritized within other ministerial/agency budgets like health, gender, and social protection.
- **Prioritize foreign aid for early childhood care and education.** Donors should make a concerted effort to prioritize foreign aid to ECEC in Africa, including as a percentage of foreign aid to education. By increasing aid to ECEC, donors can work towards the

international goals of 1% of foreign aid and 10% of education aid to pre-primary education and help LMIC countries fill resource gaps in this critical area.

- **Use a gender lens.** Invest in childcare using a gender lens to harness the women's economic empowerment-related benefits of such investments, such as job creation and reductions in gender gaps in employment and wages. Côte d'Ivoire, Kenya, Rwanda, and Senegal could further leverage their involvement in the World Bank's Invest in Childcare initiative to maximize financial inputs and leverage donor investments in IDA.

4.4 Implement integrated policies and leverage aid to maximize benefits and fill gaps

- **Implement better-integrated policies.** Develop and implement better-integrated policies that integrate childcare, child development, and women's economic empowerment. Consider the use of cross-sectoral ministerial working groups focused on care and/or ECD that also include gender equality to improve coordination and efficiency across the government. This may be a challenge in countries with weak administrative capacity, but if implemented successfully, integrated policies could yield significant efficiency gains and broad social benefits. These policies and working groups can draw inspiration from the institutional model that some countries have used in developing national ECD policies, which has been shown to be successful when there is ownership by one or more ministries, well-defined stakeholder roles, and sufficient resourcing to match the ambition of the policy.[58] Countries should also consider adopting care-specific national policies, like Kenya's, while ensuring alignment with existing ECD, WEE, and related policies.
- **Strategize on how to gradually increase spending.** It is not economically feasible for the focus countries to immediately increase their spending on ECCE by roughly 1% of GDP per year given current spending in most countries of .02% or less. However, countries should consider the extensive economic benefits, particularly to women, that could result from gradually scaling up investments in childcare. Governments should develop realistic strategies for increasing spending, such as leveraging (and advocating to increase) foreign aid, multilateral grants, and low-interest loans to address care policy gaps, and progressing toward ILO-recommended policies on paid leave, nursing breaks, and statutory childcare. These strategies should include phased approaches that align with contextual realities and should discuss economic trade-offs, such as the balance between short-term fiscal limits and long-term economic and social gains like job creation, women's workforce participation, and GDP growth.

58 Michelle J. Neuman and Amanda E. Devercelli, "Early Childhood Policies in Sub-Saharan Africa: Challenges and Opportunities," *International Journal of Child Care and Education Policy* 6, no. 2 (2012): 21–34, https://worldview.unc.edu/wp-content/uploads/sites/433/2018/02/EarlyChildhoodEducation_EDU234_Johnson_4R.pdf.

5. Data limitations and future research

In addition to the data limitations discussed throughout the paper, it is important to emphasize that the available data on childcare and ECD expenditures is narrowly focused, inconsistently collected and published, and often missing altogether over recent years. As discussed, public expenditure data on this topic is generally limited to pre-primary education, which does not provide a complete picture of childcare or ECD; nonetheless, it is still worthwhile to review this data to better understand national spending levels and priorities as it relates to these issues. However, it must be noted that, if the data were more complete and better disaggregated, the conclusions reached in this paper, as well as the policy recommendations presented, might change.

One additional important caveat to this analysis is the fact that unpaid care, part of which is unpaid childcare usually provided by women, remains an important and often unrecognized element of the economy, and it is not counted in GDP. Yet, it is a massive contribution to economic development, with estimates ranging from just over 2% to more than 40%[59] for some countries as it relates to the contribution of unpaid care to GDP. As unpaid care and domestic work become incorporated into national statistics, there will be more and better opportunities to consider data on unpaid care in budget and policy decisions. Given the reliance on traditional GDP calculations for much of this analysis, it will be worthwhile to conduct further analysis that incorporates measures of unpaid care work as additional data becomes available.

Finally, future research should continue to shed light on the current state of public expenditures on childcare and ECD. This should include a more detailed budget and public expenditure reviews to better understand baseline expenditures and align with policy goals. It will also be worthwhile to perform deeper analyses on spending trends, particularly for additional African countries, to determine how some countries have been able to prioritize higher levels of spending on pre-primary education. Furthermore, as more public data becomes available, it will be informative to explore spending on childcare beyond pre-primary education expenditures, including an analysis of public and private spending trends and how increasing public spending on childcare could complement and strengthen existing private and community-based childcare markets in different contexts.

59 International Labour Organization, *Care Work and Care Jobs for the Future of Decent Work* (Geneva: ILO, 2018), https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_633135.pdf.

6. Appendix

TABLE A1. Government expenditures on pre-primary education as a percentage of GDP, 2010–2023

Year	Rwanda	Kenya	Senegal	Côte d'Ivoire
2010	0.01			0.07
2011	0.01	0.01	0.07	0.05
2012	0.01	0.04	0.13	0.07
2013	0.01	0.04	0.17	0.07
2014		0.03	0.17	0.09
2015	0.05	0.08	0.22	0.1
2016	0.26		0.02	0.11
2017			0.08	0.11
2018	0.04		0.07	0.11
2019			0.07	0.07
2020			0.08	0.1
2021	0.12		0.09	0.09
2022			0.1	0.05
2023				0.05

Source: UNESCO Institute of Statistics (UIS), *Government expenditures on pre-primary education as a percentage of GDP*, distributed by UIS.Stat Database, accessed April 12, 2024, http://data.uis.unesco.org/#.

TABLE A2. Detailed results from ILO's care policy investment simulator

	Rwanda		Kenya		Senegal		Côte d'Ivoire	
	2030	2035	2030	2035	2030	2035	2030	2035
Required gross additional annual investment – All care policies (% GDP)	3.96%	4.56%	8.87%	11.04%	8.57%	9.94%	8.21%	10.10%
Net total employment generated – ECCE and LTC*	777,078	912,653	2,745,568	3,260,339	894,018	1,087,744	1,218,284	1,470,182
% point change in gender employment gap*	–5.47	–5.66	–4.51	–4.83	–3.86	–4.16	–6.57	–7.2
% point change in gender gap in monthly wages*	–4.65	–8.15	–33.62	–40.84	–21.78	–28.73	–26.57	–40.49
ROI (ECCE and Leave): US$ GDP increase per US$ spent	2.8	2.65	1.46	1.32	0.93	1.32	1.24	1.13

Note: *Without induced effects.

Source: International Labour Organization (ILO). "ILO Care Policy Investment Simulator," accessed April 15, 2024, https://www.ilo.org/globalcare/?language=en#simulator:1.