

FINANCE FOR CHILDREN: OUR FUTURE



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INTRODUCTION

Children's rights and well-being are in grave jeopardy all over the world. With multiple interconnected crises converging and amplifying one another – from armed conflicts and climate change to economic instability and the growing digital divide – children, as one of society's most vulnerable populations, are likely to suffer the most.

Unless the international community acts now, we will have virtually abdicated our obligations and promises made to children to protect their rights and "leave no one behind" under the 2030 Agenda for Sustainable Development, 2024 Pact for the Future, UN Convention on the Rights of the Child (CRC), and numerous other international agreements. The Fourth International

Conference on Financing for Development (FfD4) constitutes one of the last opportunities before 2030 to take decisive steps towards fulfilling our promise to ensure the protection of children's rights and well-being.

ChildFund Alliance, a global network of 11 child-focused development and humanitarian organizations –

working in 70 countries and focused on ending violence against children, providing humanitarian support, and building child resilience against the climate crisis – is offering recommendations for a global financial architecture that operates with greater fairness, openness, inclusivity, and sensitivity to what children actually need.



OUR CALL FOR AMBITIOUS INTERNATIONAL AGREEMENTS

- We urge United Nations Member States and international stakeholders to reach agreement on an ambitious **UN Framework Convention on International Tax Cooperation (UNFCITC)** by 2027. The establishment of more effective mechanisms to prevent tax evasion and ensure multinational corporations pay their fair share, for example, would allow developing nations in particular to generate significantly more domestic revenue. This increased fiscal capacity would subsequently enable governments to expand funding for critical child-focused programs in education, health, protection from all forms of violence, and many others that are currently either underfunded or do not exist at all.
- We call on United Nations Member States and international stakeholders to negotiate an ambitious **UN Framework Convention on Sovereign Debt**. Such an agreement would ideally establish legal protections to ensure that when countries restructure their debt, they cannot be forced to sacrifice spending on children's fundamental needs. By creating structured debt relief processes that prioritize human rights and children's rights obligations, the convention would prevent devastating cuts to children's education, healthcare, and other child-centered programs – areas in which funding is typically slashed first in times of national belt-tightening. This would shield children from bearing the costs of a country's dire financial state.

Both proposed frameworks address structural inequities at the core of the global financial system that currently drain resources away from children's services, either through lost tax revenue or austerity measures. Both agreements would moreover facilitate implementation of ChildFund Alliance's priorities on investing in children in four key areas.

THEMATIC PROPERTIES FOR FINANCING

ChildFund Alliance proposes the following concrete actions across four key areas in which children lack access to adequate financial support that prevents them from reaching their full potential. Across these and other themes where decisions are made that impact children, it is imperative that they be provided with adequate opportunities to be consulted, meaningfully participate, and "express those views freely" in the process, as stipulated in Article 12 of the UN CRC.

The 2015 Addis Ababa Action Agenda (AAAA) furthermore emphasizes the importance of investing in children to achieve sustainable development. This can only be achieved if all financing instruments and forms of finance – including the four below – are firmly grounded in existing human rights law and frameworks as well as a firm commitment to uphold the "Children's Rights and Business Principles" developed by UNICEF, the UN Global Compact and Save the Children, the United Nations "Guiding Principles on Business and Human Rights", among many others.



1. Boost Child-Centered Climate Finance

Only 2.4% of climate finance from key multilateral climate funds (MCFs) support projects with child-responsive activities.¹

Filo and her sister collect water in Kenya



Prioritize and significantly increase child-responsive climate finance

We urge the international community to commit to a substantial increase in climate finance specifically allocated to projects that address children's unique vulnerabilities in the face of threats posed by the climate and environmental crisis, in addition to strengthening the climate resilience of child-critical social services, such as education, health, WASH, and protecting children from all forms of violence. Developing a specific impact indicator that measures how climate funding benefits children would furthermore enable a more accurate assessment of funding effectiveness for children's well-being.

Integrate child-sensitive metrics into climate finance tracking and reporting

This includes developing disaggregated data collection and reporting methodologies that capture the impact of climate finance – categorized by age, gender, ethnicity, disability, geographic location, socioeconomic status, etc. We urge that both national and international climate finance tracking mechanisms incorporate such child-specific indicators to best respond to the needs of children in all their diversity. Only then can we effectively address children's intersecting vulnerabilities amplified by the climate crisis.

1. Falling Short: Addressing the Climate Finance Gap for Children, UNICEF et al., 2023

Develop blended financing instruments that explicitly support child-centric climate resilience and adaptation

We call for the integration of child-specific climate finance into existing climate finance mechanisms to ensure children receive the support they need to contend with the climate crisis. Beyond traditional climate finance instruments, child-focused climate finance should be incorporated into blended finance models comprised of public, private, and philanthropic capital that could be used to finance climate-resilient safe schools, climate and environmental education, child-friendly early warning systems and Anticipatory Action, etc.

Leverage financial innovations for child development

Mechanisms such as debt-for-social investment swaps, green bonds, or parametric insurance can unlock pecuniary resources for children to help them better prepare for the climate and environment crisis. These instruments also must never replace core public or private financing or ODA commitments to mitigate climate threats. The mechanisms must be regulated and regularly undergo an impact evaluation to ensure they advance the well-being of children. Children's participation is also imperative to guarantee that these financial innovations truly benefit children rather than becoming tokenistic, "technocratic niceties".

2. End All Forms of Violence Against Children

Despite numerous existing international agreements to protect children, a staggering one billion of them face violence each year, with the direct and indirect costs of violence against children estimated to be as high as 11% of national gross domestic product (GDP).²

Boost public and private investment in child protection systems specific to ending violence against children (EVAC) to meet international obligations

The international community long ago agreed to protect children from all forms of violence, as set out in Article 19 of the UNCRC and other international legal frameworks.³ Fulfilling this obligation requires urgent, comprehensive policy responses and dedicated financing to ensure children are safe—at home, in school, online, and during crises. This includes more effective investment in ending violence against children (EVAC) and addressing emerging risks such as climate change and forced displacement.

Focus financing on EVAC prevention rather than prioritizing immediate crisis response

To achieve lasting protection for children, we must move beyond reactive responses and invest in preventative measures, which requires a more institutionalized approach to EVAC, backed by sustainable financing. This means prioritizing long-term investment in robust child protection systems rather than relying on short-term, ad hoc interventions that fail to address the underlying and systematic causes of violence. At the same time, we must remain cognizant of new and emerging threats, including online violence. These must be identified early, taken seriously, treated with urgency, and addressed pre-emptively to safeguard children's well-being.

Integrate EVAC-specific funding into broader public and private finance streams in areas meant to protect children's rights and well-being

Given the chronic underfunding of programs exclusively focused on ending violence against children, it is imperative that we embed an EVAC lens within broader interventions. This can include initiatives addressing sexual and gender-based violence (SGBV), online safety, parenting education, and climate-focused programs such as the UN's Green Climate Fund (GCF) and the EU's Green Deal.

2. Building the Investment Case for Ending Violence against Children, Office of the Special Representative of the Secretary-General on Violence against Children (UN OSRSG VAC), 2025

3. Including the Geneva Conventions, UN Security Council Resolutions on Children and Armed Conflict (eg, 1612, 1882, 2427), or the Rome Statute of the International Criminal Court (ICC).

Strengthen tracking and accountability mechanisms via enhanced data collection to assess the impact of financing to protect the most vulnerable children from violence

To ensure greater accuracy and equity, this data must be disaggregated by age, gender, ethnicity, disability, geographic location, socioeconomic status, etc. Only then can we effectively measure progress and ensure that financing reaches all children, including the most vulnerable who face multidimensional risks - those living at the intersection of poverty, conflict, and climate change. For robust evidence generation, we recommend INSPIRE's Seven Strategies for Ending Violence Against Children.



3. Guarantee a Child's Right to Education

251 million children worldwide were out of school as of late 2024. Since 2015, the global out-of-school population has dropped by only 1%.⁴

Leverage education's critical capacity to enhance other lifesaving and life-sustaining child support programs

Investing in knowledge provenly leads to improved health, nutrition, sanitation, lower child mortality and incidences of violence, as well as economic empowerment and increased human capital. Each of these positive outcomes – all of which tend to eventually result in higher self-reliance and resilience – increases a child's chances of breaking the cycle of poverty.

Strengthen Humanitarian-Development-Peace (HDP) nexus coordination to ensure effective and sustainable financing for education in emergencies (EiE)⁵

A more concerted approach to EiE among development institutions (MDBs) and humanitarian actors (Education Cluster, ECHO, etc.) would streamline the provision of education programs for children in crises. Because EiE services regularly suffer from the lack of a unified approach and coordination among development and humanitarian actors, strengthening the HDP nexus would also yield other efficiencies, such as eliminating double programming or siloed funding.

Establish education-specific financial instruments

These could include Results-Based Financing (RBF) models where funding is contingent on achieving pre-determined targets, such as increased enrolment, higher graduation and lower dropout rates, improved learning outcomes, etc. For this we recommend expanding the World Bank's "Results in Education for All Children" (REACH) program or the "Loans Based on Results" (LBR) mechanism of the Inter-American Development Bank (IDB). Additional tools could be thematic bonds or "education bonds". It is crucial that any conditional education funding neither replaces nor is to the detriment of all existing and future non-conditional provision of education as a fundamental human right that should be provided to children at no cost. This recommendation is thus meant to incentivize and free up additional sources of financing.



Encourage bilateral Special Drawing Rights (SDR) agreements specifically earmarked for education

Rich countries could directly lend their SDRs (or equivalent currency amounts) to developing countries with the explicit agreement that this financing be allocated to children's education. These SDRs could also be conditioned on specific education targets and results. As above, any earmarked SDRs should be in addition to, rather than replace, all existing and future financing for education from other sources, thus increasing overall financing for education.

4. Enhance the Protection of Children in Humanitarian and Crisis Settings

In 2023, only 29.6% of requested child protection funding was received across UN coordinated appeals.⁶

Allocate financing to sustainable, equitable, intersectional, multi-sectoral, and multi-year comprehensive humanitarian child protection programs

This requires scaling social protection systems, including Cash and Voucher Assistance (CVA) to address multi-sectoral vulnerabilities and foster children's resilience. Moreover, it is paramount that commitments adhere to the Minimum Standards for Child Protection (CPMS) and promote the use of program approaches that are child sensitive and aligned with the updated 2024 EU Guidelines on Children and Armed Conflict (CAAC).

Enhance child protection (CP) workforce capacity via strategic, predictable, and sustained financial allocations

This necessitates meaningful investments in resilient, localized CP systems, including national and sub-national actors. Developing a professionalized, multi-disciplinary CP workforce is essential to ensure the uninterrupted provision of high-quality, evidence-based CP interventions across the evolving humanitarian-development-peace (HDP) nexus, both pre- and post-crisis. The sustained availability of differentiated and specialized CP services is imperative to uphold international child rights frameworks and safeguard child well-being.

Prioritize preventing harm while continuing the response to urgent needs

Although the best form of prevention would be an end to all forms of violence, hostilities, and respect for the rights of civilians, particularly children, preventing CP harm is nonetheless possible even amidst conflicts and crises. Humanitarian and development actors, including governments, can reduce the likelihood of CP harm and child rights violations by addressing the root causes of harm. If we wait to act until a child suffers abuse or another violation of rights, it will be too late and the harm done (physical, mental, etc.) could be irreversible. Primary prevention also saves future costs for harm treatment and increases the cost-effectiveness and sustainability of humanitarian interventions.

Encourage children's participation and recognize their central role in technical and strategic discussions on child protection

Encourage and actively acknowledge children's contributions to reforming the finance for humanitarian process by engaging them through various platforms and child(-led) networks, as well as within cross-sectoral stakeholder collaborations to recognize children's voices as an essential part of a holistic approach to child protection.

6. *Unprotected: Analysis of Funding for Child Protection in Humanitarian Action in 2023*, The Alliance for Child Protection in Humanitarian Action (CPHA), 2024



4. 251M Children and Youth Still Out of School, Despite Decades of Progress, UNESCO report press release, 2024

5. The HDP Nexus in Education: Promoting Sustained and Equitable Access in Fragile and Crisis Contexts, a publication by WeWorld, EDUCO, and ChildFund Alliance, based on a study conducted by IECAH in Mozambique and Burkina Faso, 2025.



WHO WE ARE

ChildFund Alliance is a global network of 11 child-focused development and humanitarian organizations reaching nearly 30 million children and family members in more than 70 countries. We are dedicated to creating a world where every child feels safe and protected.

MEMBERS OF CHILDFUND ALLIANCE

ChildFund Australia
ChildFund Deutschland
ChildFund International
ChildFund Japan
ChildFund Korea
ChildFund New Zealand

Barnfonden (Sweden)
Children Believe (Canada)
Educo (Spain)
Un Enfant par la Main (France)
WeWorld (Italy)

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