

A photograph of two young children, a girl with blonde hair and a boy wearing a white cap, both with backpacks, walking through a lush green forest. They are looking down at something on the ground. The background is filled with tall trees and dense foliage.

Why in an aging society we must invest in children Connect Data and Finance

Who will pay for the aging society?

- An ageing population is an expense for families and a fiscal problem for the government.
- Need to make now the investment to support the future costs

Demographic changes

Getting Old before getting Rich

Thailand, with a GDP per person of \$7,000 in 2021 is getting old before it has got rich.

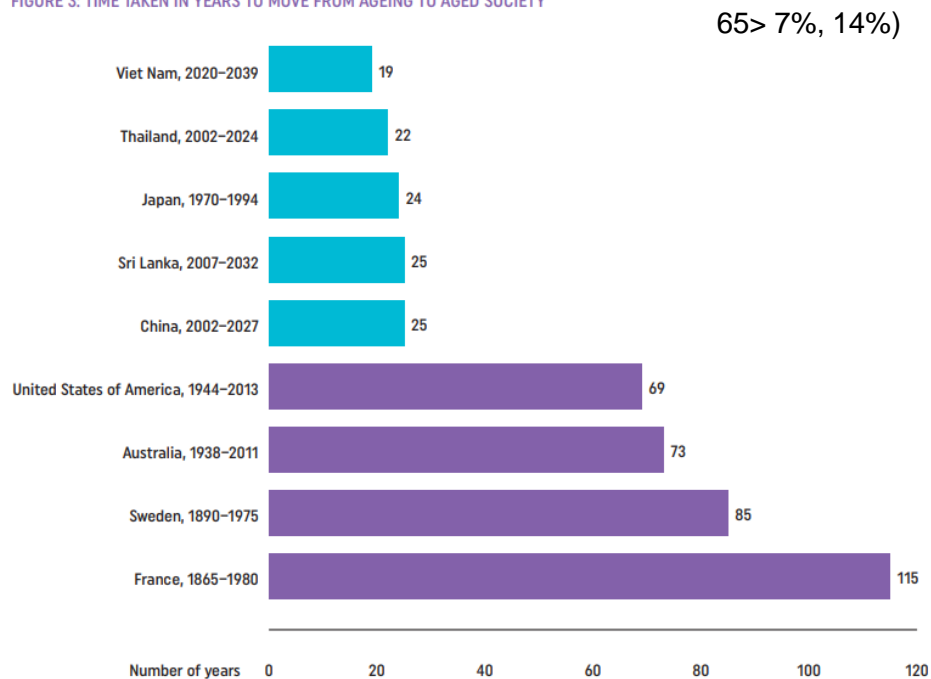
When Japan had a similar portion of oldies, it was roughly five times richer than Thailand is today

Vietnamese are about half as rich as Thais and ageing even faster.

To protect its ageing citizens, many of whom are poor, Thailand's government will have to spend more on health care and pensions.

Developing countries need to start planning for old age earlier.

FIGURE 3: TIME TAKEN IN YEARS TO MOVE FROM AGEING TO AGED SOCIETY

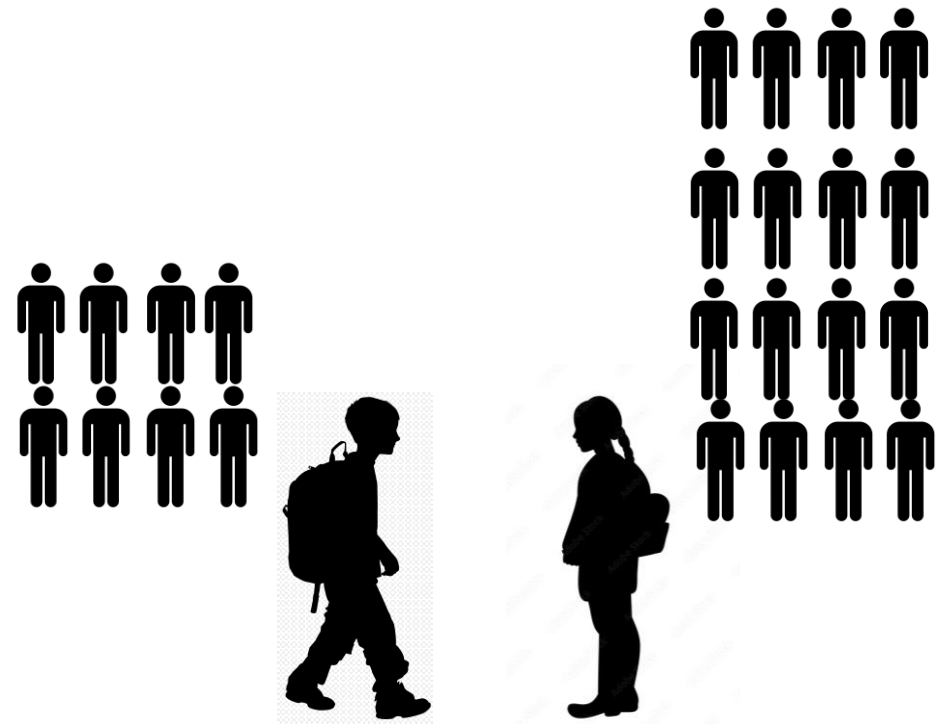
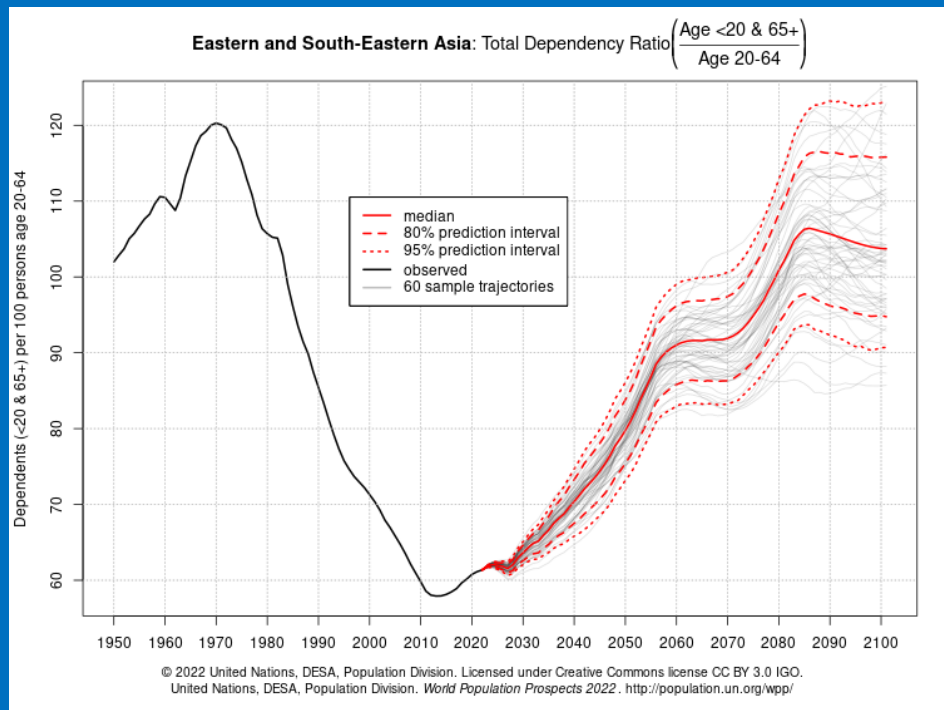


Source: ESCAP calculations based upon Kinsella and Gist (1995); UN Census Bureau (2005); and Viet Nam GSO(2010)

1. Increasing dependency ratio:

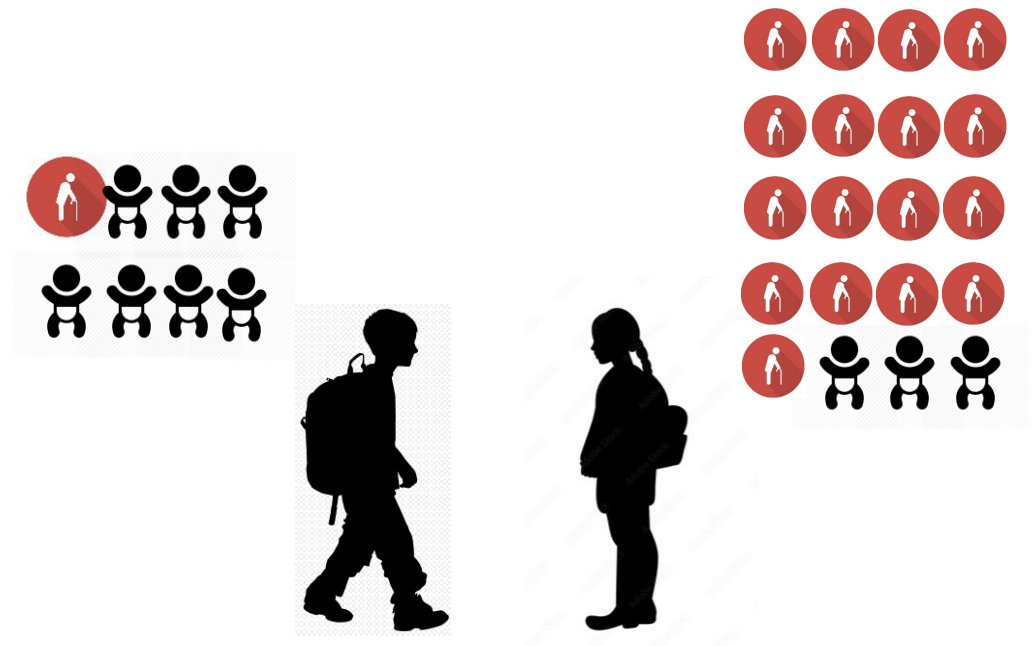
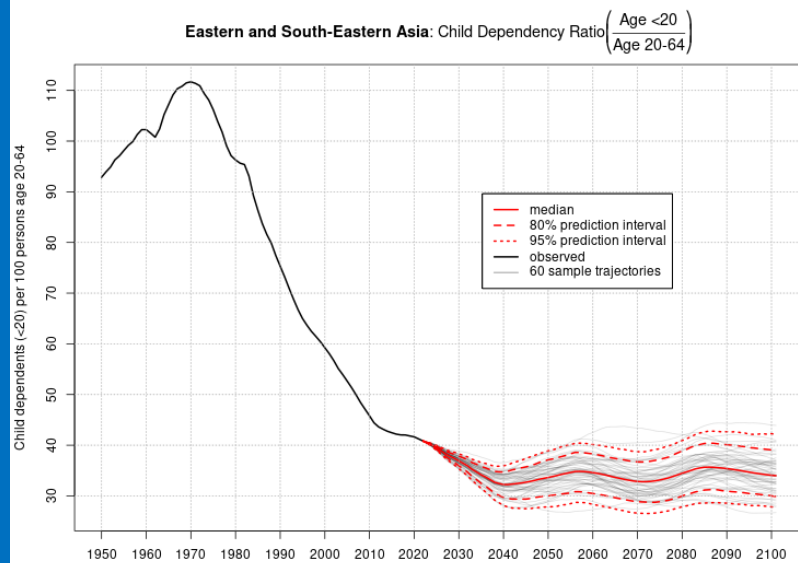
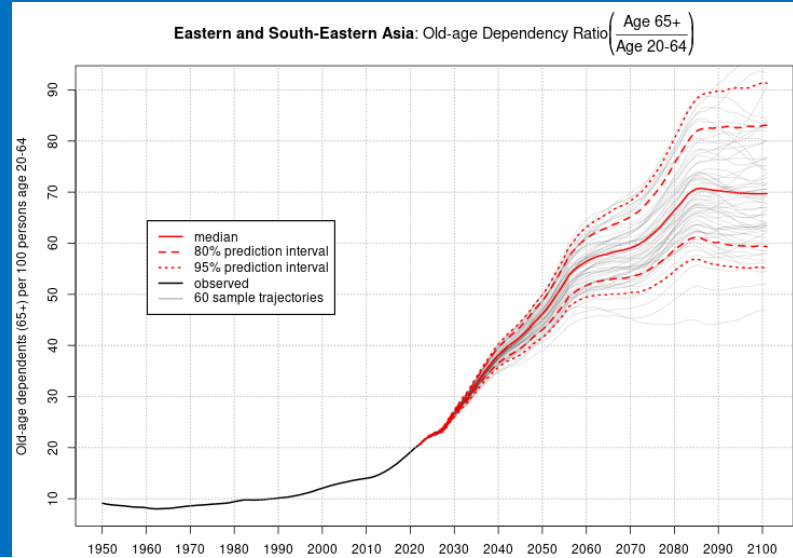
Reduction of birth rate + increased life expectancy

- Children are getting more people on their shoulders



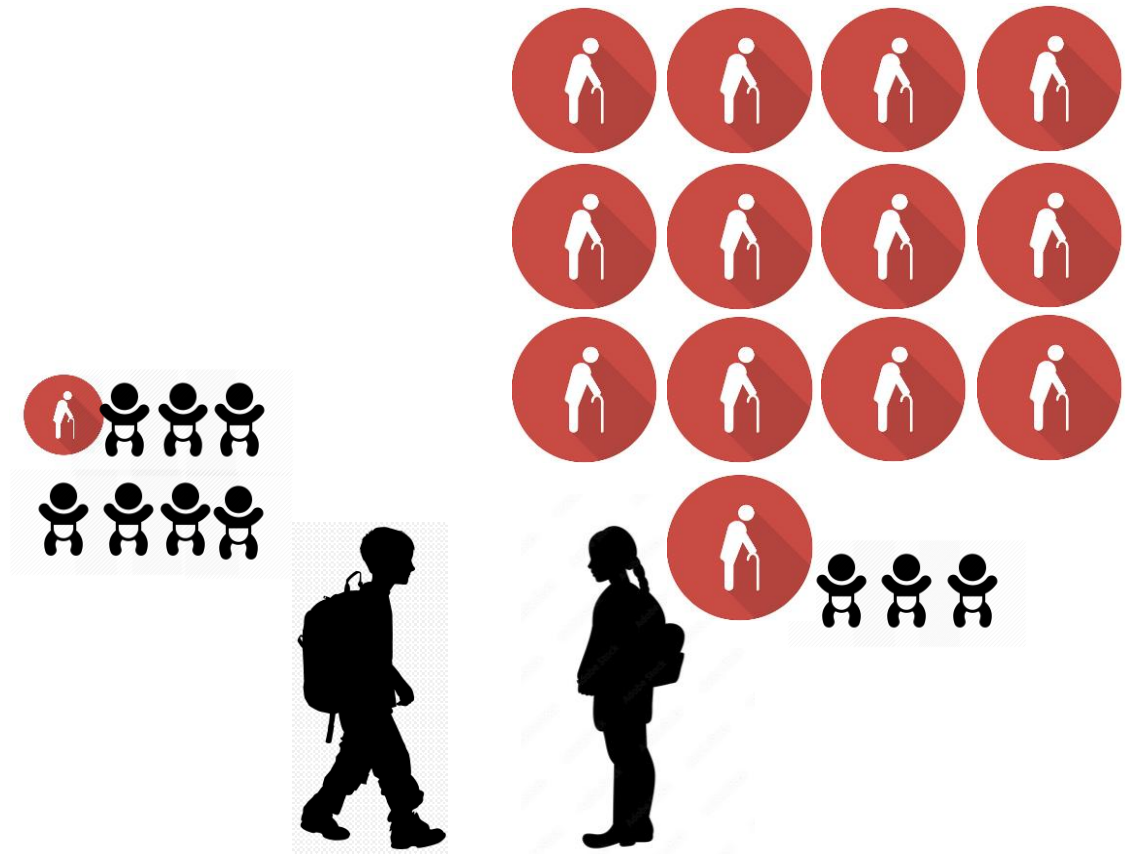
2. Changed ratio

- More elders and less children



3. The cost of supporting the dependents will be heavier

- Public spending on **health care will double** between 2015 and 2050 because of population ageing.

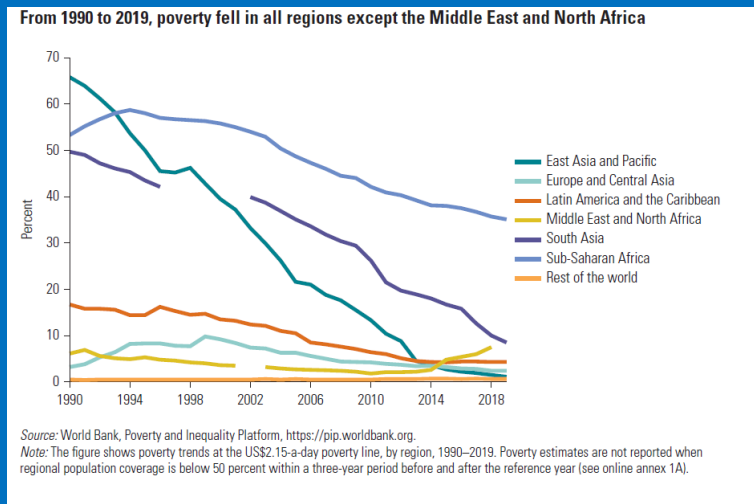


4. Children are weaker than few years ago

- Increased in Poverty
- Decreased access to basic services



Child poverty in East Asia increased for the first time in 30 years

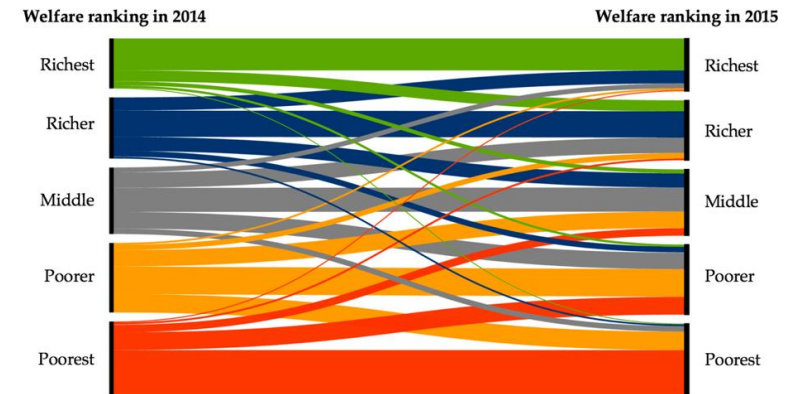


Understanding the **dynamics** of poverty

- Severely worsening the situation of children already poor and vulnerable.
- Those who had managed to emerge from poverty in the last years are quickly falling back.
- Children expected to escape poverty will not be able to do so;
- And finally, there will be children who never experienced poverty before, now falling into poverty (more urban, more educated)

Poverty is not static (not just for COVID)

Movement of children across quintiles of household expenditure per capita between 2014 and 2015, Indonesia



- Difference in health strategies
- Closed school = loss of “the most important tool to equalize opportunities”
- Uneven level of social protection intervention
- Assistance through fiscal exemptions and has benefited mainly large firms
- Spike in food, fuel and fertilizer prices
- increasing political challenges
- **Increasing level of inequalities among and within countries will have severe economic, social and political impact**

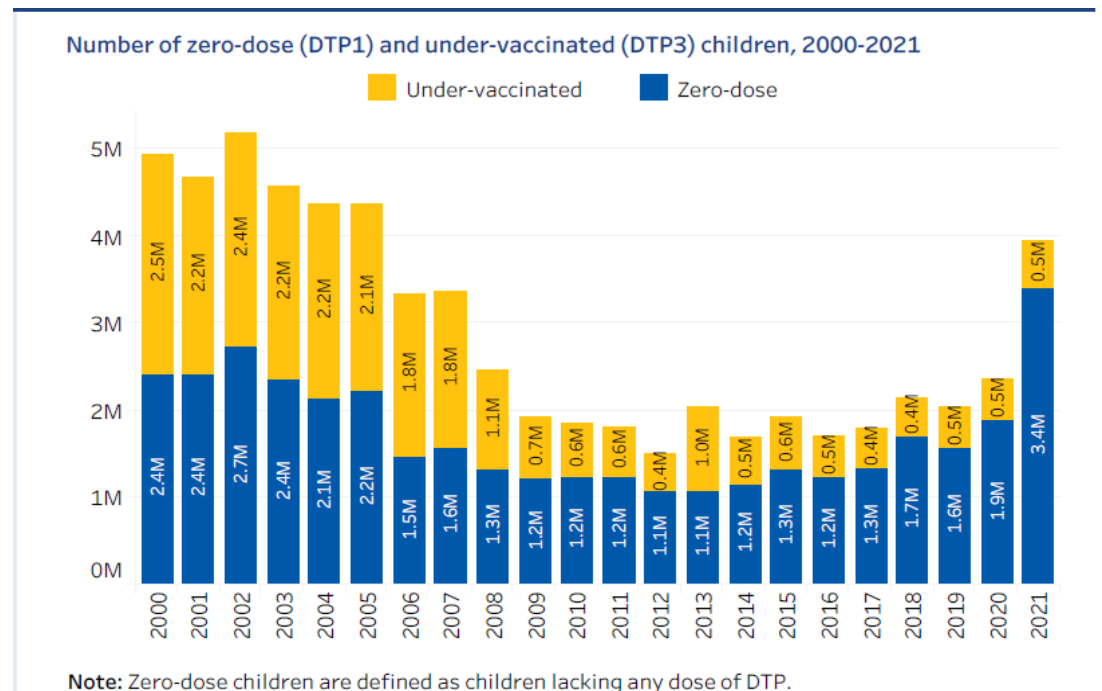
Asymmetric recovery , and increased inequalities

V, U, W, L, K

Disruptions in Health Services

Despite

- In EAP, the number of zero dose children (children who did not receive a single dose of Diphtheria-Tetanus-Pertussis (DTP) vaccine) **more than doubled between 2019 and 2021** (3.4 million zero dose children in 2021 vs 1.9 million in 2020, and 1.6 million in 2019)
- The magnitude of zero dose children in 2021 is the highest since the year 2000. Out of the UNICEF regions, EAP is the one with the sharpest decline in DTP1 coverage between 2019-2021.



Disruptions in Education Services

Learning loss will have significant long-term consequences for today's students and even the wider society if students are unable to make up their losses.

- More than 325 million children across EAP have been affected by COVID-19-related school closures since they began in February 2020
- On average, schools had been fully closed for 28 weeks in South-East Asia, and 8 weeks in the Pacific as of February 2022
- 80 million children in EAP could not be reached by digital and broadcast solutions
- ECD In Cambodia, young children receive much less early stimulation and responsive caregiving from adults, from 59% in 2019 to 45% in 2021.
- In the Philippines, the disruption of ECD centres has affected young children's access to ECE services (52% to 47% enrollment rate in 2020 for children aged 3-4).

We lost a lot in the last 3 years in education

Persistence of **poverty from learning losses** will exceed the contemporaneous crisis-induced poverty shock for many countries.

The drag on growth **could persist for decades** if unaddressed—even though the implications of learning loss for aggregate growth may appear modest within any one year”

4. Children will face severe and new challenges

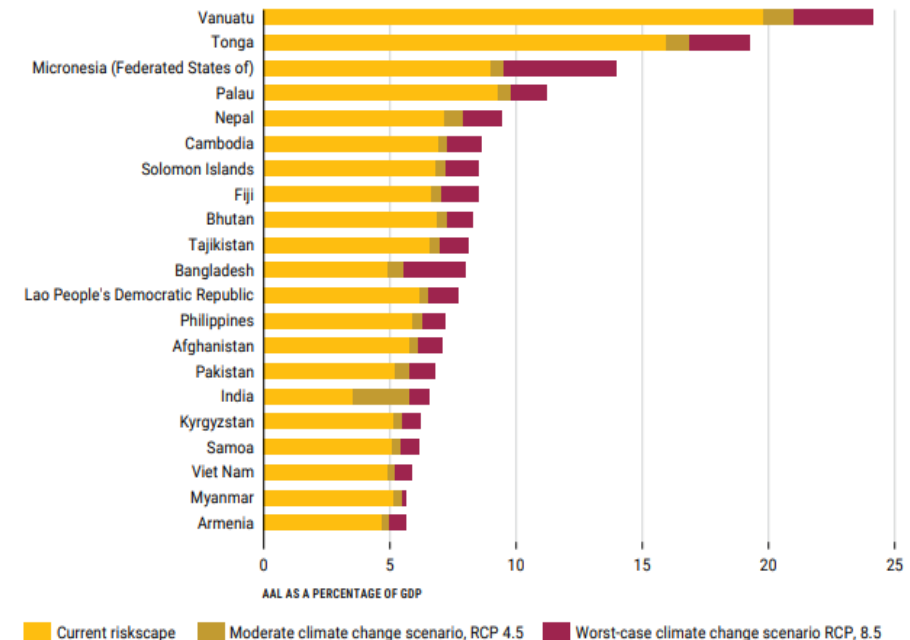
Economic costs of natural and biological hazards could soon exceed total government spending in several countries

Emerging conflicts

The economic cost of climate change

- under the current pathway for climate change, the average costs to the economy for most of our countries will double as a minimum.
- completely undo regional progress towards SDGs
- divert funding away from key areas for children

FIGURE 3-13 Increase in Average Annual Losses (AAL) as a percentage of GDP under current, moderate (RCP 4.5), and worst-case (RCP 8.5) climate change scenarios



Children paid the **largest cost** on
COVID economic crisis

What are we doing to make sure
they will **benefit** from the recovery?

1. Knowledge

We need to understand the rapid changes on population

- Birth registration and Vital statistics
- Administrative data
- Importance of quality research

Indicators “indicate”,
but do not explain

2. Do not leave any children behind

In an aging society
we need to

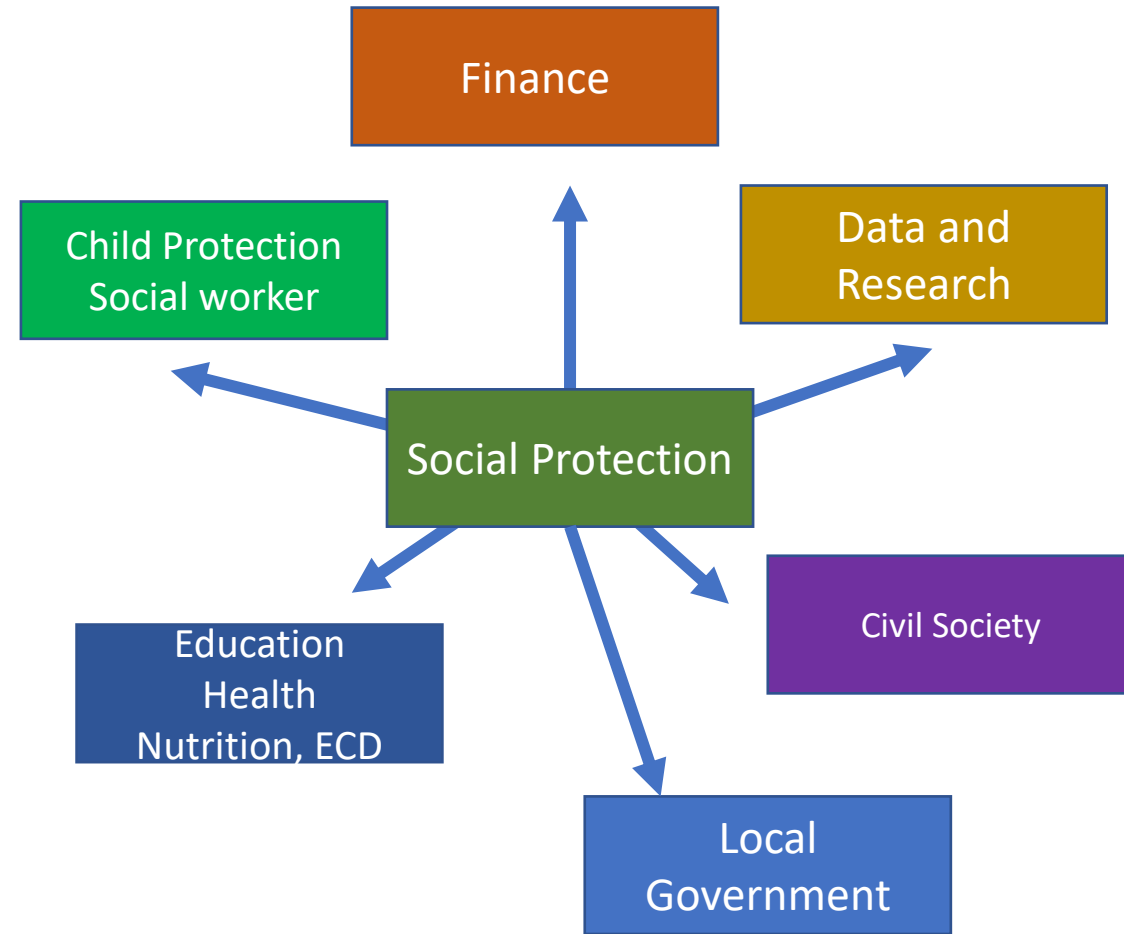
**maximize the
potential of every
single child**

- We need to make sure all children are reached
- Understand the systematic exclusion from services
- Addressing growing inequalities: privatization of services
- Services for the poor are often poor services

3. Protect children from crisis:

Social Protection

Protecting children through **comprehensive child-focused social protection** is essential to respond to current needs, and sustain future growth



4. Improve quality of services

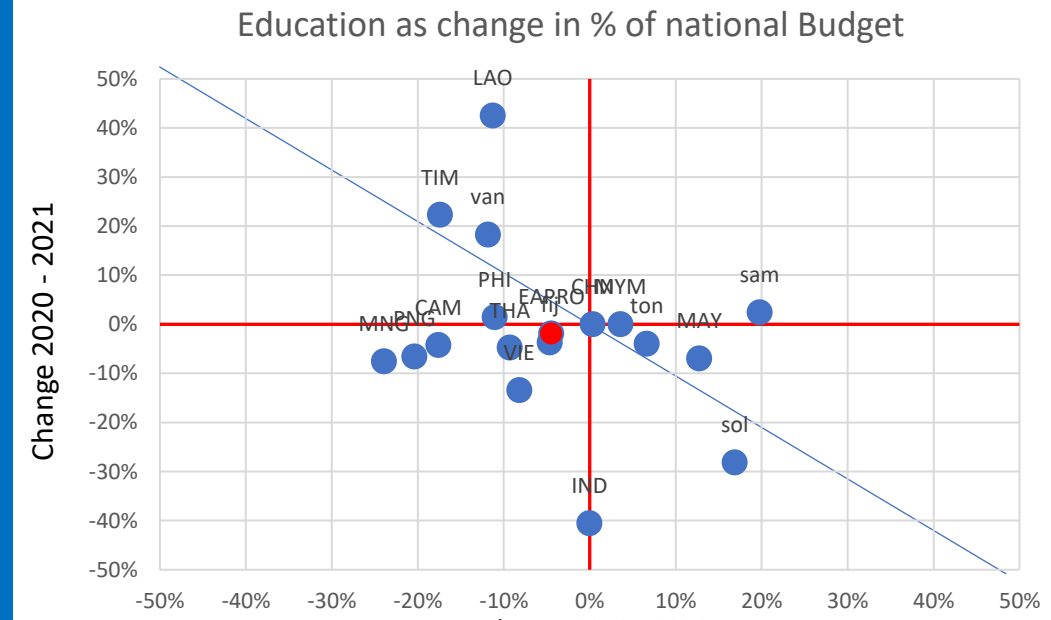
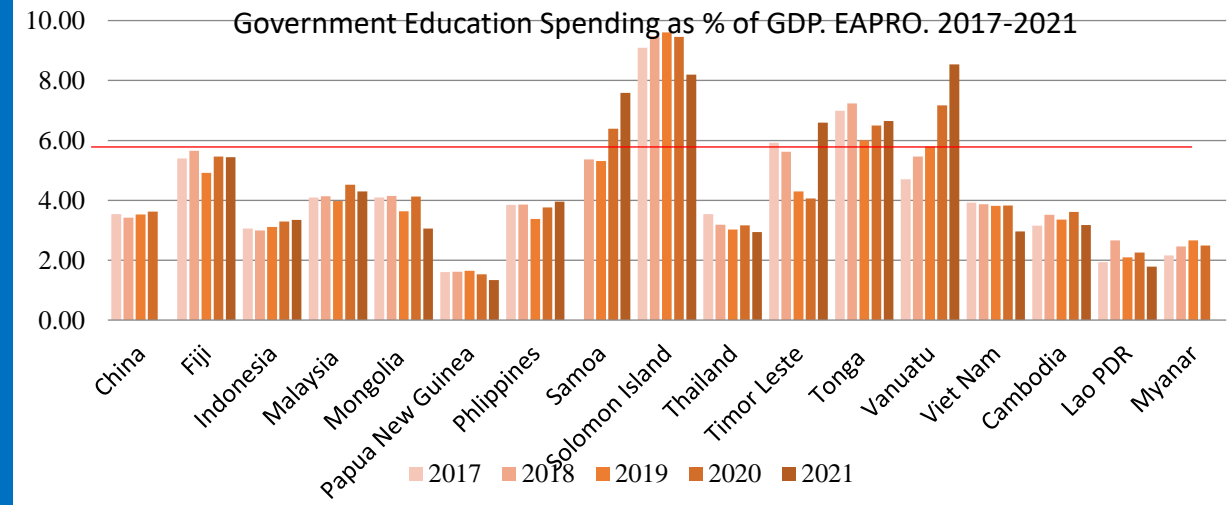
Maximize the potential of all children

- Rapidly evolving and knowledge-intensive global economy,
- teaching students how to learn effectively.
- equip students with the ability to adapt and stay current with the ever-changing requirements of the workforce.
- ECD + Health + participation

5. Monitor Financial commitment and investment

The budget is the skeleton of institution priorities stripped of all misleading narratives (Schumpeter)

Gaps in spending in Education even pre-COVID; Disinvestment



UNICEF EAPRO calculation based on Regional Budget Briefs



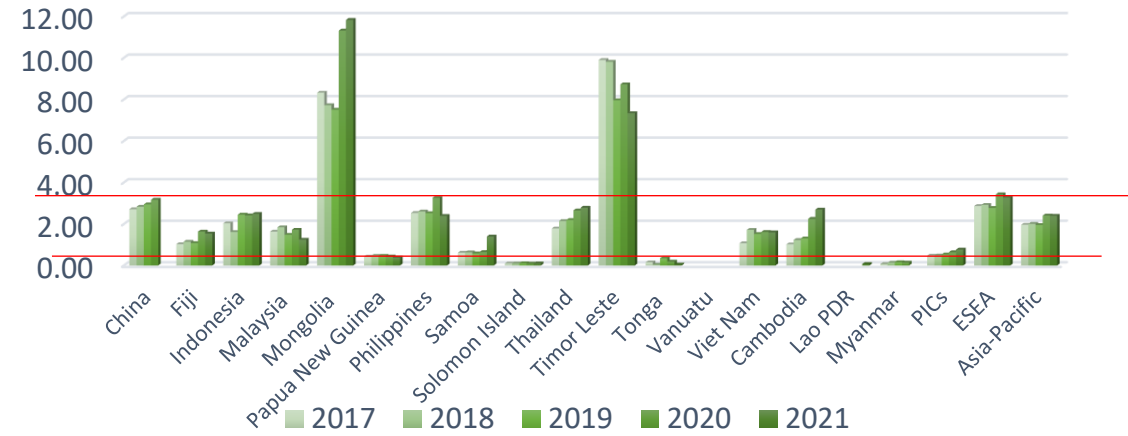
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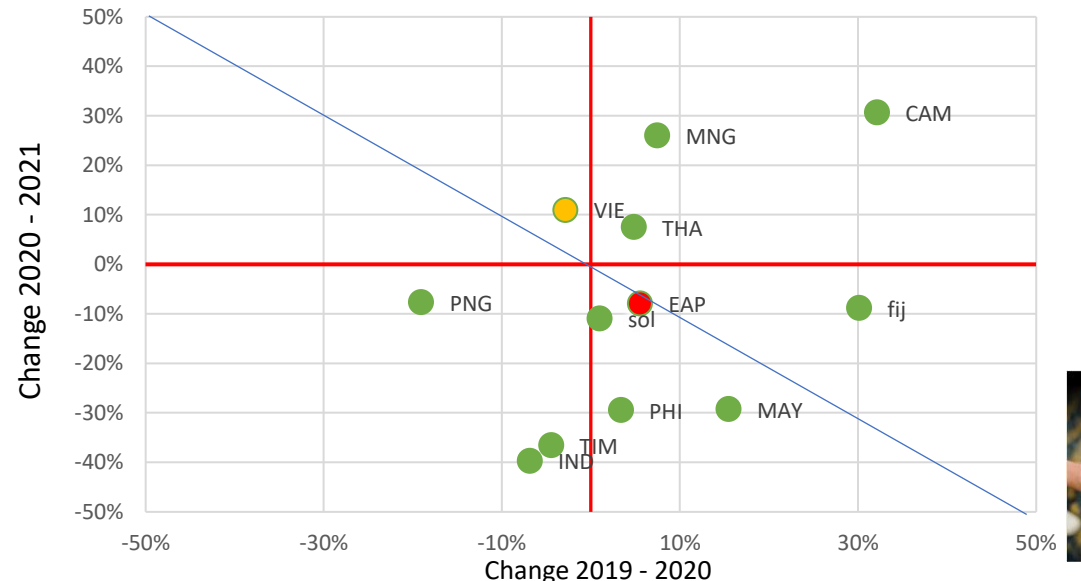
Underinvestment in Social protection



Govt. Social Protection Spending as % of GDP. EAPRO. 2017-2021



Social Protection as change % of National Budget



**Me need to make
serious investment
on all our children**

It is right in principle
It is right in practice

Art 4 CRC

States Parties shall undertake all appropriate legislative, administrative, and other measures for the implementation of the rights recognized in the present Convention.

*With regard to economic, social and cultural rights, States Parties shall undertake such measures to the **maximum extent of their available resources** and, where needed, within the framework of international co-operation.*

Economic crisis **always** crashes
over poor children in big waves

But economic recovery and growth
seldom trickle down to them

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