



Country Profile: Nigeria

# Financing Analysis of Early Childhood Development in Crisis (ECDiC) in Nigeria

April 2026

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# Acronyms

AGF	Attorney General of the Federation
BAY States	Borno, Adamawa, and Yobe States
BHCPF	Basic Health Care Provision Fund
BVN	Bank Verification Number
CRF	Consolidated Revenue Fund
DHIS-2	District Health Information Software (Version 2)
DLRs	Disbursement Linked Results
ECCDE	Early Childhood Care, Development and Education
ECDiC	Early Childhood Development in Crisis
EiE	Education in Emergencies
FAAC	Federation Account Allocation Committee
GDP	Gross Domestic Product
HNRP	Humanitarian Needs and Response Plan
IDP	Internally Displaced Person
IECD	Integrated Early Childhood Development
INFF	Integrated National Financing Framework
INGO	International Non-Governmental Organisation
LGA	Local Government Area
LLO	Locally Led Organisation
MRRR	Ministry of Reconstruction, Rehabilitation and Resettlement
MTEF	Medium-Term Expenditure Framework
NBS	National Bureau of Statistics
NCM	National Consultation Meeting
NHF	Nigeria Humanitarian Fund
NHIA	National Health Insurance Authority
NIN	National Identification Number
NMPFAN	National Multi-Sectoral Plan of Action for Food and Nutrition
NPC	National Population Commission
OOP	Out-of-Pocket Expenditure
PHC	Primary Health Care
RLO	Refugee-Led Organisation
SAM	Severe Acute Malnutrition
SFTAS	State Fiscal Transparency, Accountability and Sustainability
TSA	Treasury Single Account
TWG	Technical Working Group
UBEC	Universal Basic Education Commission
UN-OCHA	UN Office for the Coordination of Humanitarian Affairs
UNHCR	UN High Commissioner for Refugees
WASH	Water, Sanitation and Hygiene

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**Katie Murphy**, PhD, MPH  
Interim Director

# Executive Summary

This report examines how Nigeria finances Early Childhood Development in Crisis (ECDiC) between 2020 and 2025, focusing on children aged 0–8 affected by conflict, displacement, climate change, and economic stress. Recognising that ECDiC is not financed through a single budget line, the analysis adopts a multi-sectoral public finance lens to examine how resources flow through health, nutrition, and other social determinants of health, including education, social protection, and humanitarian systems.

The analysis finds that although nominal allocations to social sectors increased over the review period, ECDiC remains fiscally invisible, embedded within sector budgets without dedicated identification, unified accountability, or systematic tracking. As a result, financing for young children in emergencies is poorly protected during budget execution and highly exposed to delays, inflation, and reprioritisation during periods of fiscal stress.

The most binding constraint identified is weak budget execution, which compounds already limited allocation levels. **In 2024, only 38.56% of the federal capital budget allocated to federal MDAs was utilised.**<sup>1,2</sup> Across federal and state governments, delayed releases, capital under-execution, recurrent-biased expenditure, and fragmented intergovernmental financing consistently prevented approved resources from translating into timely, child-responsive services. These challenges are further exacerbated by macroeconomic volatility, which substantially reduces the real value of social spending even where nominal budgets expand.

Spending patterns across sectors are also poorly aligned with early childhood needs in crisis contexts. **In 2025, education received only 7.07% of the total budget, well below the UNESCO benchmark of 15–20% of public expenditure. Health received 5.2% of the budget, far below the 15% target of the Abuja Declaration, limiting fiscal space for integrated early childhood services in crisis-affected settings.**<sup>3</sup> Resources are concentrated on salaries, infrastructure, and survival-oriented interventions, while early learning, stimulation, caregiving, and integrated child development services receive limited and inconsistent investment. As a result, incremental increases in funding may not generate the meaningful ECDiC gains desired without changes in how resources are allocated, executed, and coordinated.

<sup>1</sup>Federal Ministry of Budget and Economic Planning (2025). While 81.91% of the budget released was utilised by MDAs, this reflects utilization of only 38.56% of the total capital budget allocation<sup>2</sup>MDAs refer to Ministries, Departments, and Agencies

<sup>3</sup>BudgIT (2025b)

Significant distributional inequities further characterise ECDiC financing in Nigeria. Humanitarian funding is heavily concentrated in a small number of conflict hotspots, while many poor, rural, and newly affected regions remain underserved. Humanitarian financing is concentrated in the BAY states (Borno, Adamawa, and Yobe), leaving other crisis-affected regions comparatively under-resourced.<sup>4</sup> At the same time, development and government financing tend to be skewed toward higher-income states, resulting in lower per-capita investment in northern states facing higher levels of multidimensional poverty, insecurity, and displacement. An estimated 65% of ECDiC-relevant spending reaches urban areas. As a result, displaced children, host communities, and households with young children in the most vulnerable regions or in rural areas remain inadequately reached.

Non-public financing plays a critical operational role in sustaining ECDiC services, particularly in emergencies, but remains short-term, project-based, and weakly integrated with state systems. With global aid declining, these patterns raise sustainability risks. Subnational analysis also shows that differences in ECDiC performance are driven by execution capacity and governance quality in addition to budget size.

The report concludes that Nigeria's ECDiC challenge is primarily structural and exacerbated by fiscal constraints. Significant opportunities for improvement lie in strengthening execution, simplifying financing flows, embedding equity in targeting, and making children visible within existing budgets.

## Methodology

This report is based on a mixed-methods public finance analysis covering the 2020–2025 period, designed to assess whether existing financing arrangements for ECDiC are adequate, well allocated, equitable, and capable of reaching young children in crisis contexts.

The quantitative analysis draws on federal and state budget data, budget execution reports, relevant studies and assessments produced by multilateral agencies in Nigeria (including UNICEF, UNESCO, the World Bank, and OCHA), and humanitarian financing appeals to track allocations and spending across five ECDiC-relevant sectors: health, nutrition, education, social protection,

and humanitarian affairs, vis-a-vis the nurturing care framework: good health, adequate nutrition, safety and security, early learning and responsive caregiving.

Because specific spending on children aged 0–8 (ECDiC) does not exist as a dedicated budget line, the analysis relies on budget-tagging proxies and execution reports from partners such as UNICEF and OCHA to estimate actual service delivery. In this context, budget-tagging proxies refer to the identification of ECDiC-relevant programmes, sub-programmes, and expenditure categories within sector budgets that plausibly support early childhood outcomes, particularly in emergency and

<sup>4</sup>OCHA (2025)

crisis-affected settings. In areas where detailed or comparable budget data were not available, particularly for assessing allocative efficiency, the analysis relies on existing research and sectoral studies.

To capture subnational variation, the analysis incorporates evidence from four high-risk states: Benue, Borno, Cross River, and Katsina. These states represent distinct crisis typologies, including insurgency, farmer–herder conflict, refugee hosting, and banditry-related insecurity. These states also span four of six geopolitical zones (North Central, North East, North West, and South South),

providing geographic diversity across conflict-affected contexts.

To strengthen interpretation and institutional understanding, the report integrates qualitative insights from key informant interviews with public finance and governance experts, including senior staff from the BudGIT Foundation. These interviews were used to validate observed expenditure patterns, clarify intergovernmental financing dynamics, and explain persistent execution and accountability gaps identified in budget and spending data.

## Data Limitations and Scope

Several structural data limitations shape the analysis. ECDiC does not exist as a standalone budget line, making precise expenditure tracking difficult. Significant gaps persist between approved budgets and actual spending, particularly for capital expenditures, which limits the ability to assess service-level impact. In addition, detailed expenditure data within sector budgets, such as the breakdown between salaries, service delivery inputs, training, and materials, were not consistently available across states. Access to this level of disaggregation, when available, typically requires establishing formal institutional relationships and sustained engagement with local and state authorities, which were not feasible within the timeframe of this study.

Budget reporting remains fragmented across ministries and levels of government and often excludes off-budget humanitarian and philanthropic financing, weakening traceability from funding sources to service delivery. Variations in state-level accounting systems further constrain comparability,

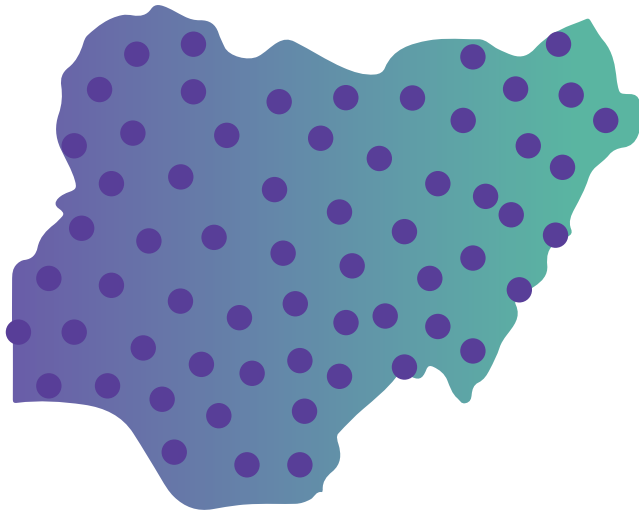
despite ongoing public financial management reforms.

These limitations do not undermine the report’s core findings; they reinforce its central conclusion that weak execution, fragmented financing flows, fiscal invisibility, and limited allocation levels are primary barriers to effective ECDiC financing in Nigeria.



# Country Overview and Context

## Demographic, Socioeconomic, and Macroeconomic Context



Nigeria, Africa's most populous country, has an estimated population of approximately

**232.7million**

in 2024, based on World Bank and National Population Commission (NPC) projections.<sup>5</sup>

Given that the last national census was in 2006, the annual population growth rate is **2.1%**.

The demographic structure is youthful:

over **43%** of the population is under **age 14**, underscoring the scale and urgency of Early Childhood Development in Crisis (ECDiC).<sup>6</sup>

Urbanisation is rapid, with **63%** of the population living in urban areas

and urban populations growing at

**3.4%** annually,

**48%**

of urban residents live in slums, amplifying vulnerability during shocks.

Socioeconomic vulnerability remains widespread. Using the international poverty line of



**\$3.00/day (2021 PPP)**



**41.8%**

of Nigerians were poor in 2022.<sup>7</sup>

<sup>5</sup>World Bank (2026a)

<sup>6</sup>PopulationPyramids.org (2025)

<sup>7</sup>World Bank (2026b)



Multidimensional poverty rates, which account for education, health, living standards, and shocks, were

**63%** Inequality is persistent, with the lowest **20%** of the population receiving only **7.5%** of national

**(Gini index: 33.9)**. Child vulnerability is further reflected in labour patterns: **35.1%** of children aged **7–14** are engaged in informal employment, indicating economic stress within households.<sup>9</sup>

Macroeconomic conditions between 2024 and 2026 have sharply constrained fiscal space for social spending. Headline inflation reached **33.2%** in 2024, with projections of **14.5%** by November 2025, reflecting extreme volatility that erodes the real value of social sector allocations.<sup>10</sup>

Gross Domestic Product (GDP) stood at

**US\$252.26 billion (2024)**

with GDP per capita of

**US\$1,084.2** highlighting limited per-capita fiscal capacity. The federal budget deficit is estimated at **4.28%** of

**GDP (₦23.85 trillion)**

while debt servicing in 2026 is projected at **₦15.52 trillion**, consuming approximately **27%** of the total federal budget.<sup>11</sup> This high debt burden significantly limits discretionary spending for ECDiC-relevant sectors.

<sup>8</sup>National Bureau of Statistics. (2022)

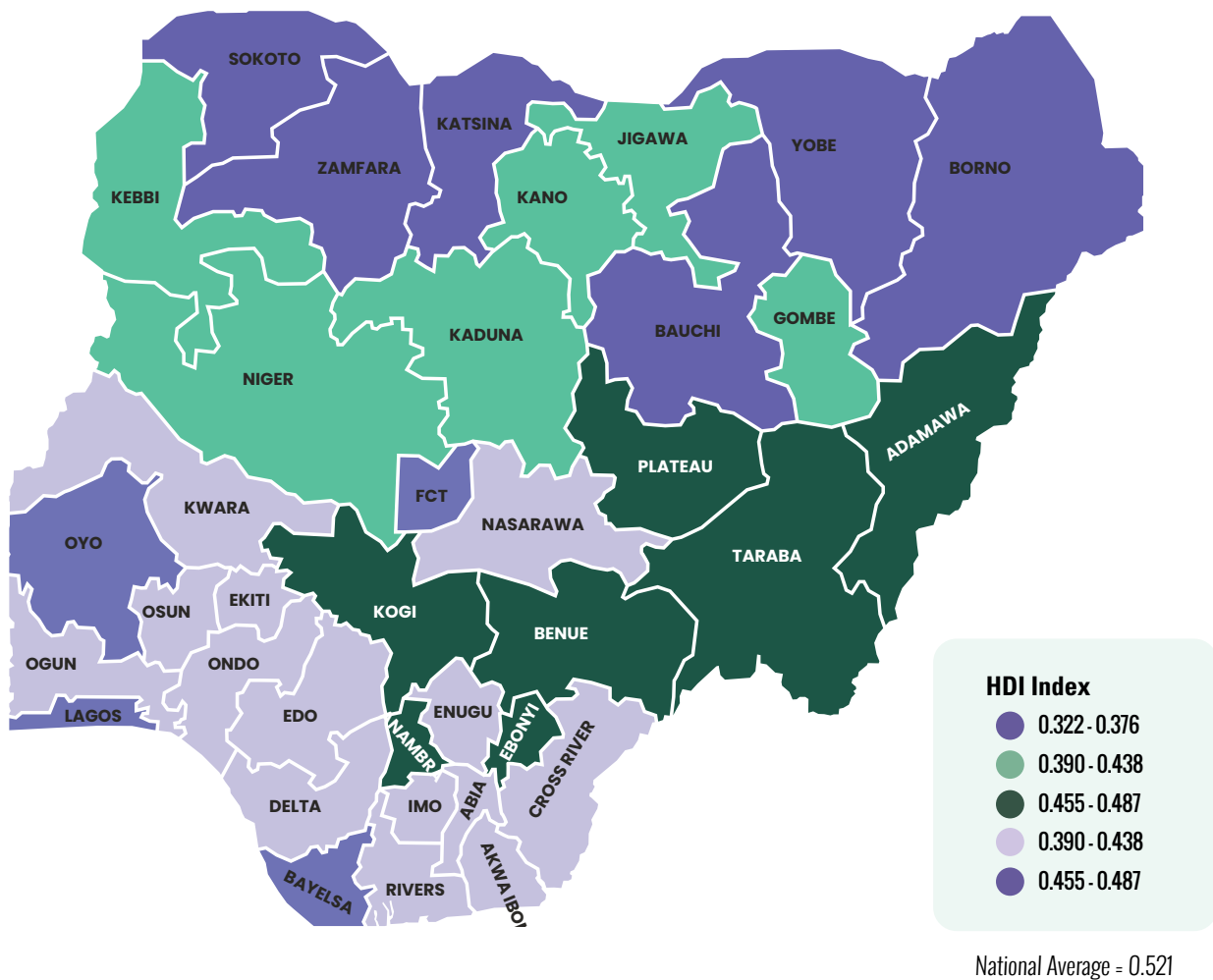
<sup>9</sup>National Bureau of Statistics (2024)

<sup>10</sup>MBC Financial Services (2025)

<sup>11</sup>National Economic Summit Group (2025)

Nigeria has several national policies addressing early childhood development, including the National Policy on Integrated Early Childhood Development (2015); however, these frameworks largely assume stable service delivery environments and do not provide explicit operational or financing guidance for Early Childhood Development in Crisis (ECDiC). A detailed policy analysis is provided in a separate document, the Nigeria Stakeholder and Policy Landscape Analysis report.

## Human Development, Health, and Nutrition Stressors



**Figure 1:** State-level Human Development Index

Source: UNDP (2018)

The macroeconomic volatility and fiscal constraints previously outlined have contributed to stagnant human development outcomes, with national averages masking deep subnational disparities in children's quality of life and future productivity. The **Human Capital Index (HCI)** stands at **0.40**, meaning a child born today is expected to reach only **40%** of their potential productivity due to weaknesses in health and education systems. These vulnerabilities follow a distinct geographic pattern: states experiencing the most severe displacement and security challenges also record the lowest levels of human development. Life expectancy remains low at 54 years (2023), underscoring the urgency of prioritising ECDiC investments.<sup>12</sup>



Child and maternal mortality indicators are among the most severe globally. **Under-5 mortality stands at 105 deaths per 1,000 live births (2023), and maternal mortality is estimated at 993 deaths per 100,000 live birth**

signalling systemic fragility in maternal and child health services. Immunisation coverage is inadequate:

only **57%** of children aged **12-23** months received measles immunisation in 2024.

Nutrition outcomes are similarly alarming. In 2023, **33.8–40%** of children under five were stunted, with undernourishment affecting 20% of the population.



Nutrition outcomes are similarly alarming. In 2023, **33.8–40%** of children under five were stunted, with undernourishment affecting **20%** of the population.<sup>15</sup> The nutrition crisis intensified between 2024 and 2025, as cases of Severe Acute Malnutrition (SAM) doubled to **1.8 million** children.

Nigeria accounts for nearly one-quarter of all malaria cases and **30%** of all malaria deaths globally. In 2023, there were an estimated **68 million** malaria cases and **184,700** estimated malaria deaths, with approximately **80%** being under the age of **5**. Nigeria has achieved some progress in malaria prevention and treatment through the National Malaria Elimination Programme (NMEP), although malaria remains a serious concern.<sup>17</sup>

<sup>12</sup>World Bank (2024)

<sup>13</sup>National Bureau of Statistics (2025)

<sup>14</sup>UNICEF Nigeria (2024–2025)

<sup>15</sup>Nutrition International (2025)

<sup>16</sup>IPC (2024)

<sup>17</sup>WHO (February 16, 2026): WHO (2023)

## Conflict, Displacement, and Humanitarian Context

Nigeria faces one of the largest displacement crises globally. Between 2024 and late 2025, the number of forcibly displaced persons reached approximately

**3.8 million** <sup>18</sup> 

This population includes internally displaced persons (IDPs) and refugees concentrated in several high-need states,



By 2025, an estimated

**4.9 million**

children required urgent life-saving services.<sup>20</sup>



Humanitarian financing has been persistently inadequate relative to need. As of mid-2025, only **16%** of the Humanitarian Needs and Response Plan (HNRP) had been funded. The UNHCR appeal for Nigeria in 2025 required **US\$111.2 million**, of which only **21%** was received.<sup>21</sup> Child protection activities were fully suspended in parts of Benue and the North-West in 2025 due to lack of funds.<sup>23</sup>

<sup>18</sup>UNCHR (March 1, 2026)

<sup>19</sup>International Organisation for Migration (2025)

<sup>20</sup>OCHA (2025)

<sup>21</sup>Reuters (2025)

<sup>22</sup>UNHCR (2025)

<sup>23</sup>Save the Children International (2025)

## Public Finance Structure and Social Sector Allocation

While the federal education budget increased to

**₦3.52 trillion** > **7.07%**

in the 2025/2026 cycle,

it represents only

of the federal budget,<sup>24</sup>

well below the UNESCO benchmark of

**15-20%** >

of total public expenditure on education.<sup>25</sup>

However, education financing in Nigeria is largely

decentralised, with most spending occurring at the state and local government levels. As such, federal

budget shares alone do not capture total public effort.

Nonetheless, the low federal share, combined with severe execution challenges, including the release of only

**17.7%** >

of the federal capital budget by Q3 2025,<sup>26</sup> constrains effective service delivery, particularly in areas dependent on federal transfers and capital investments.

At the subnational level, while Benue spent

**85%** of its education budget in 2023, its execution for Basic Education and Primary Health Care

in Q1 2025 was less than **15%**<sup>27</sup> Enrolment in Nomadic Education declined from

> **1,214,186** in 2021 to **1,167,236** in 2022.<sup>28</sup>

The health budget increased to



**₦2.48 trillion**

for 2026, yet it still falls short of the 15% "Abuja Declaration" target.<sup>29</sup>

In October 2025, **₦32.9 billion** was disbursed under the Basic Health Care Provision Fund (BHCPF) 2.0 to strengthen primary care for children.<sup>30</sup> Despite a July 2024 Supreme Court ruling mandating direct disbursement to Local Government Councils, implementation has been resisted by state governments.<sup>31</sup> States oppose the shift because it reduces their control over funds, shrinks their allocations, and removes the financial incentives for passing resources through state budgets.<sup>32</sup>

<sup>24</sup>Federal Ministry of Information & National Orientation (2025): BudgIT (2025b)

<sup>25</sup>UNESCO (2024)

<sup>26</sup>Federal Ministry of Budget and Economic Planning (2025)

<sup>27</sup>Benue State Government (2025)

<sup>28</sup>Universal Basic Education Commission (n.d.)

<sup>29</sup>African Union (2001)

<sup>30</sup>Federal Ministry of Health & Social Welfare (2025)

<sup>31</sup>AOLaw (2024)

<sup>32</sup>Interview with BudgIT (2026)

## Political Economy and Governance Culture

Insights from key informant interviews, most notably with senior staff from the BudGIT Foundation, highlight how governance culture and institutional norms shape transparency, execution, and accountability in Nigeria's public financing environment. While these observations are not intended to represent all government institutions or actors, they reflect common procedural and political dynamics that influence access to data, decision-making, and public engagement on budgetary issues.

Information flows within government are highly hierarchical and formalised. In practice, public commentary on budgets, financing priorities, or execution challenges is typically reserved for political appointees, such as Ministers or Commissioners. Career civil servants, including Permanent Secretaries and technical officers, often require authorisation from their superiors before sharing information externally, even when the data are not classified. As a result, access to detailed budget and execution data frequently depends on formal requests, established institutional relationships, and extended engagement over time, despite the existence of the Freedom of Information Act (2011).<sup>33</sup>

At the state level, interactions with government representatives further underscore the importance of formal process and political sensitivity. In multiple instances, state officials emphasised that information sharing must follow prescribed administrative channels, which can delay or limit access to data relevant for analysis. In confidence, one state representative noted that public statements—particularly those that could be interpreted as critical of government priorities or performance—are tightly constrained, even when framed constructively (for example, advocating for clearer budget lines or improved visibility for ECD-related spending).

These governance dynamics help explain persistent gaps in budget transparency, limited public discussion of execution challenges, and the difficulty of advancing cross-sectoral priorities such as ECDiC. They also underscore why strengthening ECDiC financing and accountability requires not only technical reforms but also sustained relationship-building, trust, and alignment with existing institutional processes at both the federal and state levels.

Maiduguri, Nigeria. After fleeing floods and displacement, Maryam Mohammed's young sons received life saving malnutrition treatment through the IRC, which continued even after her family was evicted from the Gubio IDP camp in February 2025.

<sup>33</sup>Central Bank of Nigeria – FOI 2011.

## Policy Foundations for ECDiC

Nigeria's policy environment includes several frameworks that touch on Early Childhood Development (ECD), but none provide an operational mandate for ECDiC. The absence of a crisis-ready foundation shapes how financing functions, and often fails, in practice.

### Missing Policy Anchor for ECD in Emergencies

While Nigeria has established multisectoral ECD policies, none formally recognise ECDiC as a distinct priority. The National Policy on Integrated Early Childhood Development (NPIECD, 2015; updated 2024) assumes stable service delivery and does not articulate standards, protocols, or operational models for conflict, displacement, or disaster contexts.

This leaves ministries and states without clear expectations regarding:

- What minimum package of services should young children in crises receive
- Which agency leads coordination when multiple sectors overlap in emergencies
- How to cost, staff, or deliver adapted ECD services in insecure settings
- How to embed these minimums within sector programmes or budget classifications

### Fragmented Sectoral Policies Create Implementation Gaps

Key national policies, education, health, nutrition, and social protection, each address components of child wellbeing, but none integrate these components into a crisis-responsive ECD model.



- **Education Policy (NPE 2013):** Recognises ECCDE but lacks standards for early learning during displacement or school disruption.



- **Social Protection Policy (NSPP 2017):** Acknowledges household vulnerability but provides no child-specific emergency mechanisms.



- **Health Strategy (NSHDP II):** Emphasises maternal/child survival but does not incorporate stimulation or psychosocial support.

This fragmentation results in parallel humanitarian responses (nutrition, safe learning spaces, child protection) without an integrating framework for the 0–8 age group.

## Weak Subnational Guidance and Policy-to-Implementation Disconnect

Even where federal policy intentions exist, states lack practical guidance on how to operationalise ECD in emergencies, including adaptation of ECCDE centres, PHC outreach, or multisector referral systems during crises.



As a result:

- Coverage is uneven and dependent on state initiative
- States rely on humanitarian actors for stop-gap service delivery
- System building is deprioritised because expectations are vague

This subnational vacuum is a central barrier to translating financing into results.

## Coordination Structures Are Not Mandated for ECD in Crisis

The National ECD Committee serves as the federal platform for ECD policy alignment, but it has no operational crisis mandate and is oriented toward stable, long-term implementation cycles.

Meanwhile, humanitarian coordination (EiE Working Group, Nutrition Sector, Child Protection Sub-Sector) functions separately under UN-OCHA leadership. This development–humanitarian divide results in:

> **No unified planning for young children in crises**

> **Parallel financing channels with no shared targets**

> **Missed opportunities to integrate ECD standards into cluster operations**

A policy-level bridge between national systems and humanitarian clusters is currently missing.

## Absence of Budgetary Recognition in Policy Instruments

Because ECDiC is not named explicitly in national policy, no budget codes, sub-programmes, or fiscal instruments exist to protect funding for young children in emergencies.

This invisibility means:

- ECDiC competes within broader sector envelopes and usually loses
- No mechanism requires ministries or states to report ECDiC spending
- Advocacy is weakened because there is no formal policy commitment to point to
- Financing is largely

# Overview of Report Structure

This country profile examines how Nigeria finances Early Childhood Development in Crisis (ECDiC) across the systems through which services for young children are delivered during conflict, displacement, and economic stress. Because ECDiC is not financed through a single budget line, the analysis takes a multisectoral view, focusing on how financing functions in practice rather than on formal policy frameworks. While public financing at the federal and state levels forms the core of the analysis, the report also considers international development assistance and domestic philanthropy to situate public spending within the broader financing environment in which ECDiC operates.

The analysis focuses on five sectors that together represent the primary channels for reaching children aged 0–8 in crisis in Nigeria: health, nutrition, education, social protection, and humanitarian affairs, with WASH considered where it is embedded within these responses. This framing reflects Nigeria’s scale of need, including a protracted displacement crisis affecting more than 3.5 million people, alongside persistent child vulnerability indicators such as high levels of stunting and under-five mortality.<sup>34</sup>

For each sector, the report reviews public financing over the 2020–2025 period using five interrelated analytical lenses applied consistently across sectors.

- **First, Financing and Governance** examines how resources are allocated and managed in practice, focusing on budget allocations, execution patterns, and the roles of key institutions rather than on broader policy design.
- **Second, Allocative Efficiency** assesses how approved resources are allocated across different types of spending, including the balance between recurrent and capital expenditure, as well as the extent to which resources are directed toward inputs that support early childhood outcomes, such as service delivery, workforce development, and quality-related investments, within the limits of available budget data.
- **Third, Distribution Analysis** considers whether resources reach populations and geographies facing the highest levels of risk, particularly conflict-affected states, displaced children, and poor households.<sup>35</sup>
- **Fourth, Transparency and Accountability** examines whether ECDiC-relevant resources can be identified, tracked, and monitored within existing budget and reporting systems.<sup>36</sup>
- **Finally, complementary financing** situates public spending alongside humanitarian, multilateral, and domestic private-sector contributions to highlight how ECDiC services are sustained in practice, particularly in emergency contexts.

<sup>34</sup>OCHA (2025); UNICEF Nigeria (2024)

<sup>35</sup>UNHCR (2025)

<sup>36</sup>World Bank (2024)

Together, these lenses provide a structured but pragmatic assessment of how financing for young children in crisis is allocated, executed, and experienced on the ground, while remaining realistic about data constraints and institutional limitations.



Gubio IDP Camp, Borno. Khaltuma Abubacar, 30, a newly returned migrant from Chad, watches as her child is screened for acute malnutrition

# Financial Analysis

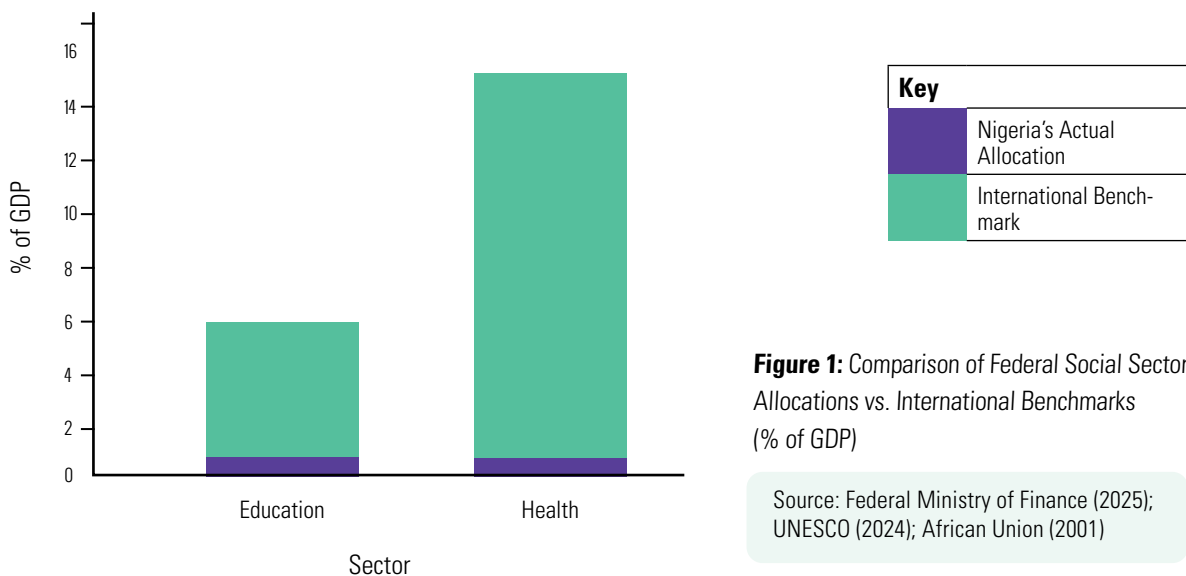
## Financing and Governance: National Synthesis (2020–2025)

### Overall Allocation and Public Expenditure Trends

Nigeria’s financing environment for Early Childhood Development in Crisis (ECDiC) between 2020 and 2025 has been shaped by sustained macroeconomic instability, inflationary pressures, currency depreciation, and recurring humanitarian shocks. Across all sectors examined, ECDiC does not exist as a standalone budget line.<sup>37</sup> Instead, financing is embedded within broader sectoral envelopes (health, education, nutrition, social protection, and humanitarian affairs), making it largely fiscally invisible and weakly protected during budget execution.

At the macro-fiscal level, Nigeria’s overall public spending effort remains structurally low. Total government expenditure averaged **13.1%** of GDP over the review period, substantially below the Sub-Saharan African average of **21.2%**.<sup>38</sup> This limited spending effort is further undermined by macroeconomic volatility. Inflation peaked at **34.6%** in 2024,<sup>39</sup> while cumulative currency depreciation resulted in an estimated **70%** erosion in the value of the Naira, significantly reducing the real purchasing power of nominal budget increases.<sup>40</sup>

Even where nominal allocations increased, most notably in education and health, Nigeria’s spending remains well below both international and nationally stated benchmarks.<sup>41</sup> Nutrition and humanitarian financing were particularly misaligned with the scale of need, reflecting chronic underinvestment relative to child vulnerability.



**Figure 1:** Comparison of Federal Social Sector Allocations vs. International Benchmarks (% of GDP)

Source: Federal Ministry of Finance (2025); UNESCO (2024); African Union (2001)

<sup>37</sup>BudgIT (2025a)

<sup>38</sup>World Bank (2025)

<sup>39</sup>MBC Financial Services (2025)

<sup>40</sup>BudgIT (2024)

<sup>41</sup>UNESCO (2024)

**Note:** This figure reflects federal-level allocations only. In Nigeria’s decentralised fiscal system, significant public spending on social sectors also occurs at state and local government levels. However, available evidence indicates that combined subnational allocations remain low and uneven, and do not offset the gap between Nigeria’s total public effort and international benchmarks.

## Sectoral Allocation Snapshot

Sector	Allocation	% of Federal Budget	% of GDP	Benchmark Gap
Education	N3.52 trillion (2025)	7.07%	0.5–0.7%	Below UNESCO 4–6% of GDP
Health	N1.2 trillion (2025)	5.2%	0.5–0.6%	Below 15% Abuja target
Social Protection	N500bn–N1.2tn (2024–25)	2.3–3%	0.14–0.7%	Limited coverage of the poor
Nutrition	US\$10–50m annually	<1%	<0.05%	NMPFAN cost: US\$1.98bn
Humanitarian Affairs	US\$910m required (2025)	2.5–3.5%	<0.5%	Chronic funding gap

## Ability to Spend Funds

Rising allocations have not translated into proportional service delivery for young children in crisis settings. Execution data consistently show that Nigeria’s ability to convert approved budgets into effective spending is weak.<sup>42</sup>

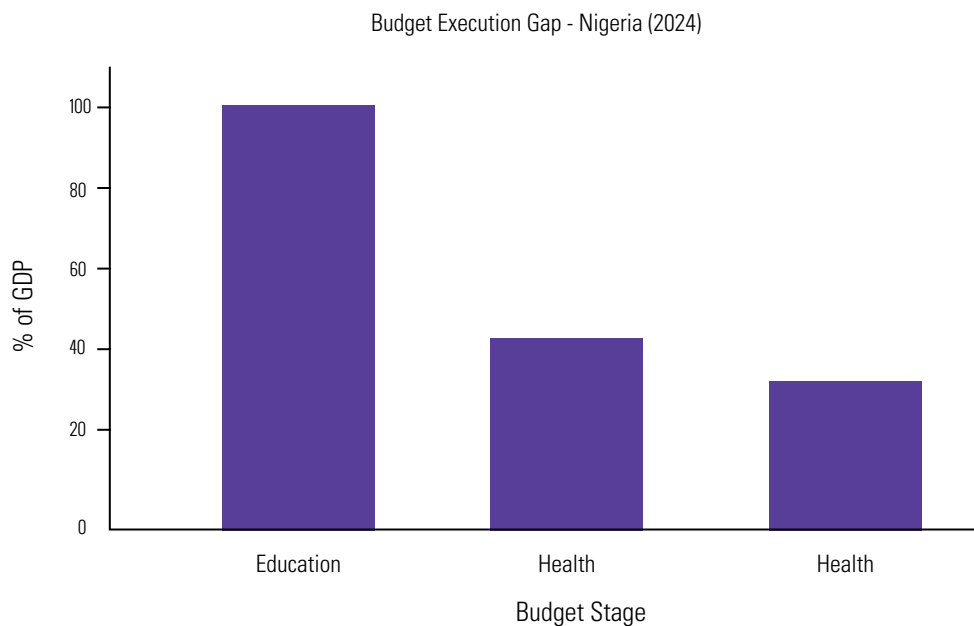
At the national level, MDAs utilised only **38.56%** of their annual capital appropriation in 2024, indicating that less than two-fifths of planned capital spending translated into actual expenditure. While, on average, **81.91%** of released funds were utilised, this indicates that a large share of the approved capital budget was never released to MDAs. Limited capital spending undermines investments in schools, primary healthcare facilities, and emergency services.<sup>43</sup> At the subnational level, execution performance varied widely: while some states demonstrated relatively high reported utilisation rates, actual spending on basic education and primary health care remained extremely low in early 2025, contributing to large implementation gaps.<sup>44</sup>

Execution failures therefore emerge as a central constraint on ECDiC financing, particularly for interventions that require predictable and timely funding.

<sup>42</sup>World Bank (2024)

<sup>43</sup>Federal Ministry of Budget and Economic Planning (2025)

<sup>44</sup>BudgIT(2024a)



**Figure 2:** Nigeria Budget Execution Gap (2024): Approved vs. Released vs. Spent Expenditure

Source: Federal Ministry of Budget and Economic Planning (2025)

### Structural Drivers of Under-Execution

Several structural factors explain Nigeria’s persistent execution gap:

- 1. Delayed budget releases**, which are often back-loaded, limiting the feasibility of responsive or early-year programming.
- 2. Inflation-driven erosion**, which reduces the real value of released funds, particularly for medicines and nutrition commodities.<sup>45</sup>
- 3. Fragmented institutional responsibility**, no single accountable lead for ECDiC across sectors.
- 4. Recurrent-biased expenditure structures**, with recurrent spending accounting for roughly 70% of total expenditure, constraining investment in service delivery and system strengthening.<sup>46</sup>

<sup>45</sup>Nutrition International (2025)

<sup>46</sup>NISER (2025)

## Partial Bright Spots in Spending Capacity

Despite systemic weaknesses, several financing mechanisms demonstrate that execution can improve under the right institutional arrangements:

- **Nigeria Humanitarian Fund (NHF):** Channelling funds largely through NGOs has strengthened last-mile delivery in insecure areas by bypassing administrative bottlenecks and enabling faster deployment of services in hard-to-reach contexts.<sup>47</sup>
- **Basic Health Care Provision Fund (BHCPF):** Expansion to approximately N299 billion in the 2025/26 budget cycle enabled more direct facility-level financing, improving the predictability of resources for primary health care and maternal and child services.<sup>48</sup>
- **Digital Social Protection Systems:** The integration of National Identification Number (NIN) and Bank Verification Number (BVN) systems has improved beneficiary verification, reduced duplication, and limited leakage in cash transfer programmes.<sup>49</sup>

These mechanisms illustrate that when financing is more direct, pooled, or performance-oriented, execution outcomes improve. However, demand continues to far exceed available resources, particularly in nutrition, education, and humanitarian response.

For example, In 2025



humanitarian requirements funded at **31–54%**,<sup>50</sup>



while nutrition financing faced a **60–70%** gap relative to national plans.



The education sector likewise recorded a **₦290 billion** shortfall in 2025 for teacher wage obligations alone.<sup>51</sup>

<sup>47</sup>OCHA (2025)

<sup>48</sup>Federal Ministry of Health & Social Welfare (2024)

<sup>49</sup>World Bank (2023)

<sup>50</sup>Reuters (2025)

<sup>51</sup>Federal Ministry of Budget and Economic Planning (2021)

## Execution Constraints Beyond Allocation Levels

Key informant interviews reinforce that execution capacity is a dominant constraint. Interviewees described Nigeria's budgeting process as incremental and procurement-driven, with annual budgets functioning less as strategic planning tools and more as collections of capital and overhead packages. Delays in issuing budget call circulars, late transmission of Medium-Term Expenditure Frameworks (MTEFs), and compressed implementation timelines were identified as recurring challenges, particularly at the federal level. The Federal Government, however, has taken steps to increase transparency and accountability in its budgeting process, including public sharing of quarterly budget reports.<sup>52</sup>

At the subnational level, while states often adhere more closely to formal budget calendars, execution remains constrained by dependence on federal transfers (FAAC), procurement delays, and political incentives that prioritise visible capital projects with limited relevance for early childhood outcomes.

Nigeria's ECDiC financing challenge is not only one of insufficient allocations, but of weak execution within a fragmented governance architecture. Low public spending effort, delayed releases, inflation erosion, and recurrent-biased expenditure structures collectively prevent available resources from translating into timely, child-responsive services during emergencies. Where financing mechanisms are more direct, pooled, or performance-oriented, execution improves, indicating that restructuring flows and strengthening execution discipline offer the highest returns for ECDiC outcomes.<sup>53</sup>

Fufoire LGA, Adamawa State, Nigeria. Salihu Yahaya, 42, a livestock farmer, stands with his family outside their home. Through IRC's climate shock-reducing cash support under the Google climate resiliency project, Salihu was able to meet urgent household needs and invest in dry season farming.

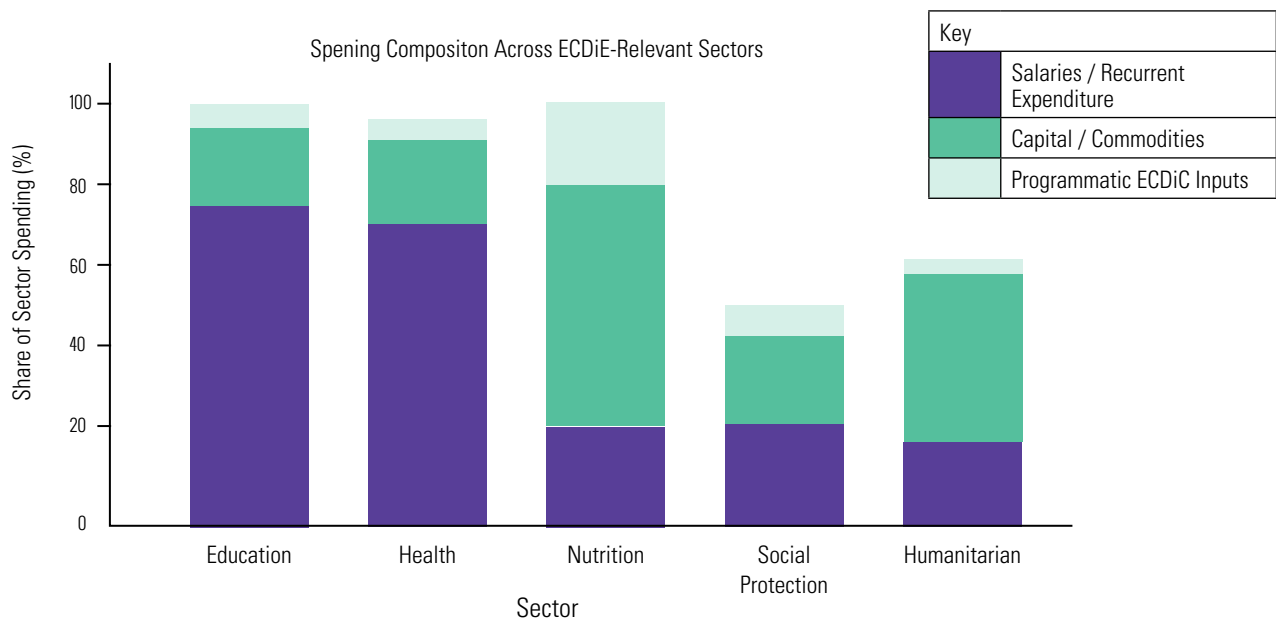


## Allocative Efficiency: How Resources Are Spent and Why ECDiC Remains Marginal

### Spending Patterns Across ECDiC-Relevant Sectors

Across all five ECDiC-relevant sectors, spending patterns are insufficiently aligned with early childhood development needs in emergency contexts. Resources are consistently concentrated on salaries, infrastructure, and survival-oriented inputs, with limited prioritisation of early learning and integrated services for children aged **0–8**.<sup>54</sup>

While these expenditure patterns reflect long-standing structural features of Nigeria’s public finance system, they systematically disadvantage ECDiC, which requires flexible, programmatic, and service-quality-oriented spending. Across sectors, recurrent and infrastructure spending dominates, leaving ECDiC-relevant inputs marginal within already constrained sector envelopes.



**Figure 3:** Average Spending Composition Across ECDiC-Relevant Sectors by Expense Type

Source: Federal Ministry of Finance (2025); UNESCO (2024); African Union (2001)

In this figure, “Programmatic ECDiC Inputs” refers to estimated spending on services and activities that directly support early childhood development outcomes in crisis settings, such as early learning, caregiver support, child protection linkages, and related service delivery inputs. Because ECDiC does not have consistently identifiable government expenditure classifications in budgets in Nigeria, these estimates are derived from budget-tagging proxies and execution data reported by partners such as UNICEF and OCHA.

<sup>54</sup>UNICEF Nigeria (2024-2025)

## Education Sector: Salary Dominance and Minimal Early Childhood Focus

In the education sector, personnel costs dominate spending patterns, with an estimated **70–80%** of expenditure absorbed by salaries for primary, secondary, and tertiary education staff. While this reflects the labour-intensive nature of the sector, it leaves limited fiscal space for programmatic investments that support early childhood development in crisis settings, particularly for children aged **0–8**.

Capital spending, where early childhood education infrastructure, temporary learning spaces, and emergency education interventions would typically be financed, is both under-allocated and under-executed. As a result, ECDiC-relevant sub-sectors remain fragile. Nomadic Education, which serves highly vulnerable and mobile populations, illustrates this challenge: enrolment declined to **1,167,236** in **2022**, and more than **1,200** learning sites continue to operate without permanent structures, often in insecure or climate-affected areas.

Overall, education spending in Nigeria prioritises system maintenance over adaptive and inclusive service delivery. Within this structure, early childhood and emergency-relevant investments remain marginal, limiting the sector's ability to respond effectively to the developmental risks faced by young children in crisis contexts.

## Health Sector: Recurrent Bias and Marginal Integration of ECDiC

Health sector spending exhibits a similar allocative efficiency challenge, with approximately **70%** of expenditure devoted to recurrent costs, primarily salaries and facility operating expenses.<sup>55</sup> While these expenditures are essential for maintaining basic service delivery, they constrain the fiscal space available for programmatic investments that support holistic ECDiC outcomes.

Mechanisms like the Basic Health Care Provision Fund (BHCPF) have improved access to primary health care services for children under five, including in crisis-affected and displaced populations. However, the majority of health financing remains oriented toward clinical and survival-focused interventions. Investments that extend beyond treatment, such as caregiver support, early stimulation, psychosocial services, and integration with nutrition, protection, and early learning, remain limited and inconsistently financed.<sup>56</sup>

As a result, health spending in Nigeria contributes to improved child survival but does not fully leverage primary health platforms as entry points for integrated ECDiC services. This reflects an allocation pattern that prioritises maintaining core clinical functions over broader early childhood development outcomes, particularly in emergency and displacement contexts where developmental risks are highest.

<sup>55</sup>WHO (2025)

<sup>56</sup>UNICEF Nigeria. (n.d.)

## Nutrition Sector: Commodity-Centric and Age-Constrained

Nutrition financing is heavily commodity-driven, with an estimated **60%** of resources allocated to food assistance and therapeutic nutrition inputs.<sup>57</sup> This allocation pattern reflects the scale and urgency of acute malnutrition in crisis-affected areas and has been essential for preventing mortality among young children.

However, nutrition spending is also narrowly concentrated by age. Approximately **70%** of nutrition resources are directed toward children aged **0–2**, while children aged **3–8** receive comparatively limited support, particularly in protracted emergency contexts where developmental risks persist beyond infancy.<sup>58</sup> In addition, logistics, security, and delivery costs consume up to **15%** of nutrition budgets in conflict-affected areas, further reducing the resources available for complementary services.

As a result, nutrition financing in emergency settings remains primarily oriented toward survival outcomes, with limited integration of caregiver education, early stimulation, psychosocial support, or linkages to early learning and child protection services. While these allocations are appropriate for addressing acute needs, they reinforce a fragmented approach to ECDiC and limit the potential for nutrition platforms to contribute more fully to integrated early childhood development outcomes.

## Social Protection: Age Misalignment and Limited Early Childhood Reach

Social protection spending is dominated by cash transfer programmes, which account for approximately **60%** of sector expenditure.<sup>59</sup> These programmes play an important role in helping households maintain consumption, meet basic needs, and absorb income shocks during crises, including for families with young children.

However, from an allocative efficiency perspective, significant design and targeting gaps limit the contribution of social protection to ECDiC outcomes. Available evidence suggests that only around **44%** of benefits reach the core poor,<sup>60</sup> and most programmes lack age-differentiated transfers or top-ups for households with young children. As a result, resources are not systematically aligned with the costs and developmental needs associated with early childhood, particularly in emergency and displacement contexts.

While cash transfers help stabilise household welfare, they are rarely linked to complementary services such as nutrition, health, early learning, or caregiving support. Without these linkages or child-specific design features, social protection spending reduces immediate vulnerability but does not consistently translate into improved early childhood development outcomes for children aged **0–8** in crisis-affected settings.

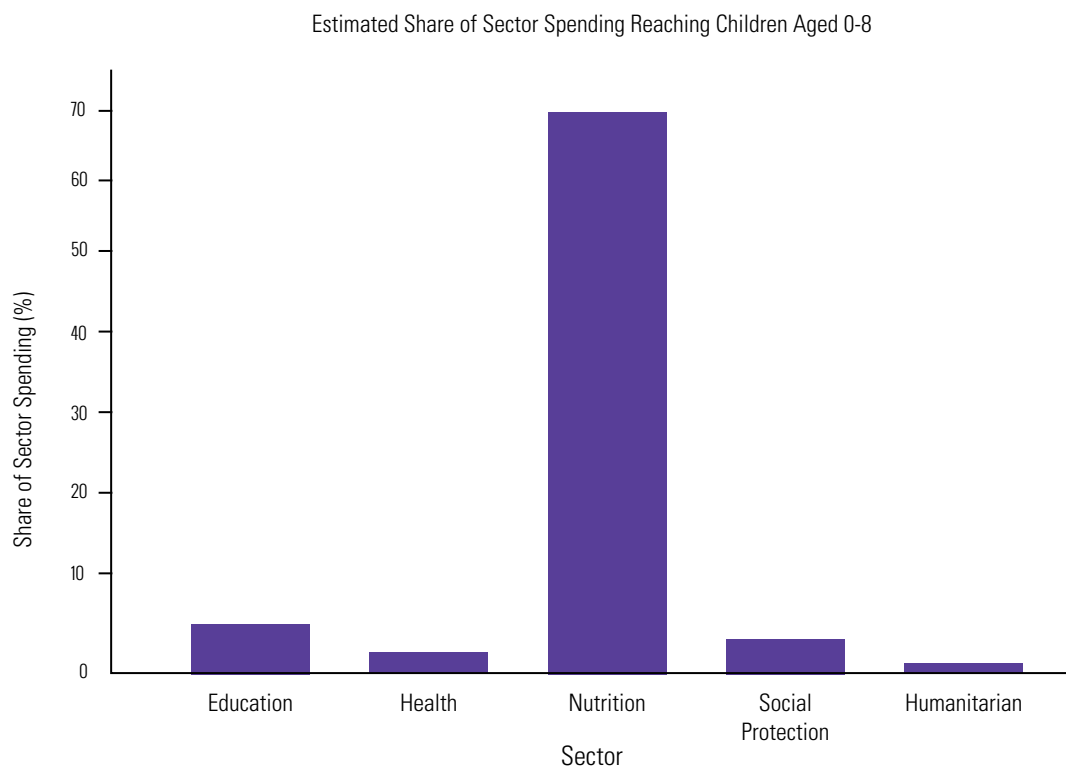
<sup>59</sup>World Bank (2023)

<sup>60</sup>National Bureau of Statistics & UNICEF (2025)

## Humanitarian Affairs: Survival Bias and Marginal Early Learning

Humanitarian financing in Nigeria is overwhelmingly oriented toward survival outcomes, with over **60%** of resources allocated to food assistance and nutrition interventions.<sup>61</sup> Less than **1%** of humanitarian spending supports early learning, stimulation, or other development-oriented services for young children.<sup>62</sup> This allocation pattern reflects global humanitarian financing norms and donor priorities, particularly in acute crises.

However, as emergencies in Nigeria have become increasingly protracted, this survival-focused approach leaves ECDiC persistently under-prioritised. While humanitarian systems play a critical role in preventing mortality and stabilising basic conditions for children and families, they do not consistently address the longer-term cognitive, socio-emotional, and developmental risks that accumulate during early childhood in crisis settings.<sup>63</sup>



**Figure 4:** Total IDPs/Refugees by Geopolitical Zone

Source: UNHCR (2025)

<sup>61</sup>OCHA (2025)

<sup>62</sup>Moving Minds Alliance (2020)

<sup>63</sup>Save the Children International (2025)

## ➤ Cross-Sector Findings on Allocative Efficiency

Across sectors, the analysis highlights several consistent patterns that constrain ECDiC outcomes:

- ECDiC-relevant spending accounts for a small share of total public expenditure. Nigeria's overall public spending on social sectors remains low by international standards. Recent analyses indicate that combined public expenditure on education and health represents less than one-quarter of the national budget, with health below the Abuja Declaration's **15%** target and education below the recommended **15–20%** benchmark. Within these constrained envelopes, the share directed toward child protection and ECDiC-relevant interventions is markedly smaller, estimated at approximately **NGN 0.31** per **NGN 1** spent overall.
- Spending structures are reactive, nutrition-centric, and fragmented. Across sectors, allocations prioritise survival-oriented inputs, particularly nutrition, while early learning, caregiving, and integrated child development services remain marginal. This fragmentation limits the ability of existing investments to deliver sustained developmental gains for young children in crisis settings.
- Allocative inefficiencies are reinforced by execution constraints. A substantial share of public expenditure is absorbed by recurrent costs such as salaries, debt servicing, and statutory obligations, which together can exceed **60%** of total spending. This constrains fiscal space for capital investments and programmatic services that directly support early childhood development, particularly in high-risk and underserved areas.
- Without restructuring spending toward more integrated, child-centered services, especially for children aged **0–8** in crisis contexts, incremental funding increases within existing budget configurations are unlikely to yield meaningful developmental gains.

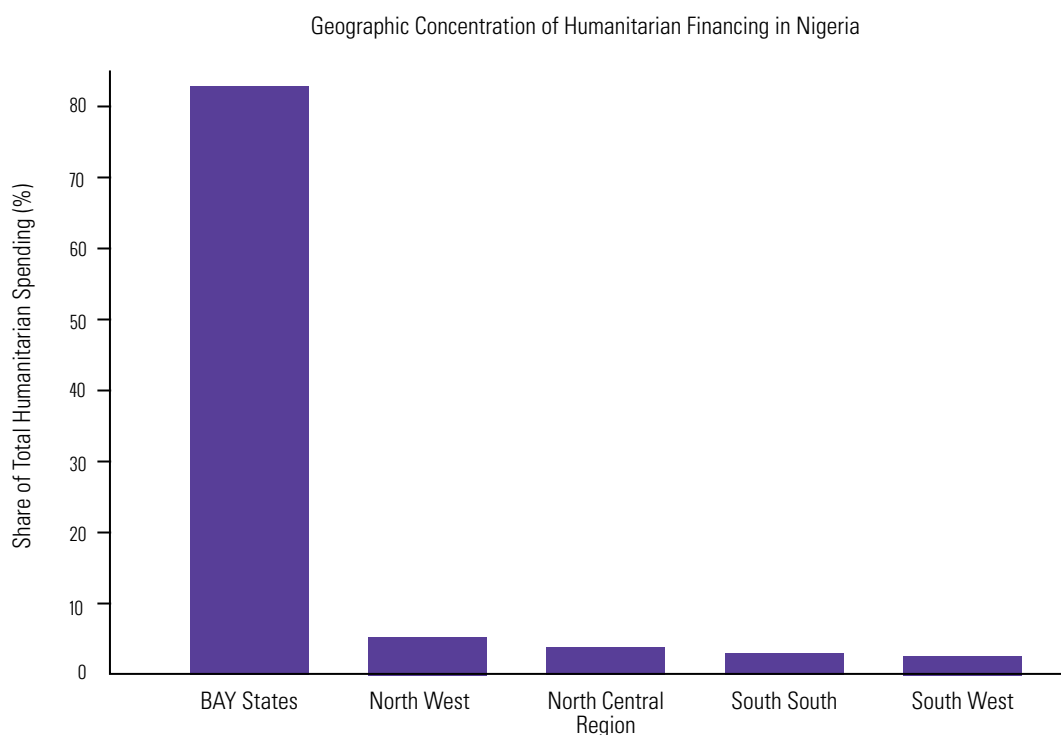
## Distribution Analysis (Who Benefits and Who Is Left Behind)

### Geographic Distribution of ECDiC Financing

ECDiC-relevant financing in Nigeria is unevenly distributed across geography, driven more by donor concentration, operational access, and state execution capacity than by the distribution of child vulnerability. International humanitarian financing is heavily concentrated in the North-East, particularly the BAY states (Borno, Adamawa, and Yobe), reflecting the protracted insurgency and established humanitarian presence. While this concentration addresses acute needs in those areas, it leaves significant gaps elsewhere.<sup>64</sup>

Host communities in the North-West and North-Central zones experience a persistent funding mismatch. Together, these regions host a substantial share of Nigeria's internally displaced population, with approximately **20%** in the North-West and **17%** in the North-Central. Yet they rely primarily on domestic budgets that are poorly adapted to emergency conditions and frequently under-executed. As a result, large numbers of vulnerable young children remain underserved outside the main humanitarian hubs.<sup>65</sup>

Overall, ECDiC financing tends to flow toward locations where service delivery is operationally feasible rather than to all areas with high child vulnerability, reinforcing geographic inequities in coverage.



**Figure 5:** Geographic Concentration of Humanitarian Financing by Geopolitical Zone

Source: OCHA (2025); UNHCR (2025)

<sup>64</sup>OCHA (2025)

<sup>65</sup>Internal Displacement Monitoring Centre (2024)

## Distribution by Income and Poverty Status

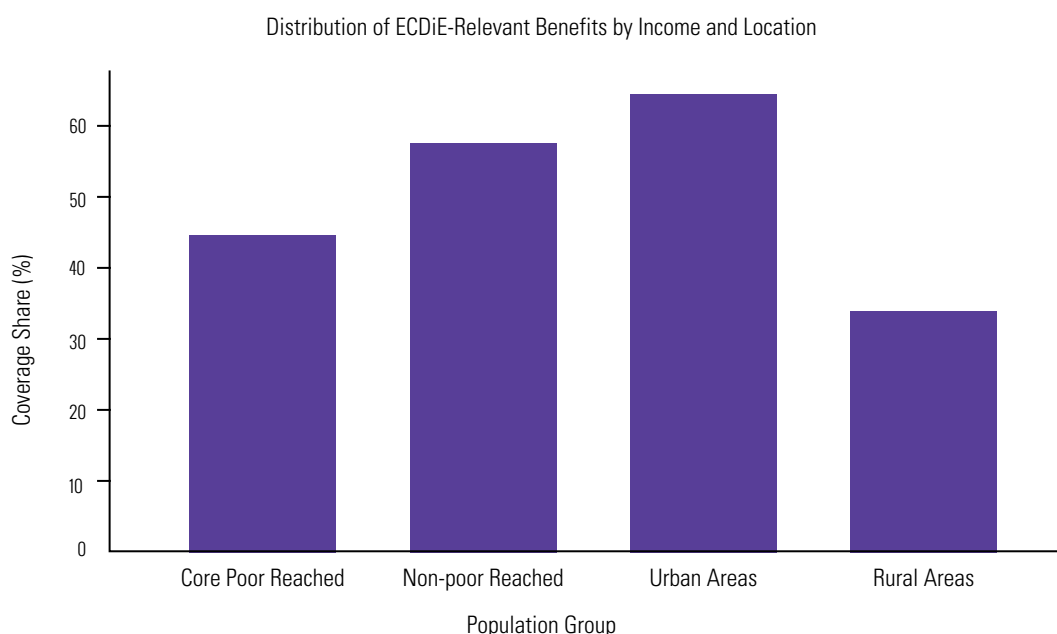
Distributional inequities are also evident across income groups. Social protection and ECDiC-relevant benefits are weakly pro-poor: only around **44%** of safety-net benefits reach poor households.<sup>66</sup> Benefit levels are typically determined at the household level rather than per child, diluting the impact for poorer households, which tend to have larger family sizes and more young children.<sup>67</sup>

As a result, ECDiC financing does not consistently reach households facing the highest developmental risks, limiting both equity and effectiveness in crisis-affected settings.

## Access Constraints and Urban–Rural Inequities

Access constraints further shape distributional outcomes. A disproportionate share of ECDiC-relevant spending reaches urban areas and state capitals, where administrative capacity, infrastructure, and security conditions are stronger. In conflict-affected states, humanitarian and social sector resources tend to cluster around garrison towns and accessible urban centers.

Rural local government areas, informal settlements, and host communities, particularly in newly affected or less visible crisis zones, often receive minimal coverage beyond food assistance and basic health services. This pattern systematically excludes rural and insecure communities from early learning, caregiver support, and integrated child development services.



**Figure 6:** Distribution of ECDiC-Relevant Benefits by Income Status and Geographic Location

Source: National Bureau of Statistics & UNICEF (2025); UNICEF Nigeria (2024–2025)

<sup>66</sup>World Bank (2025)

<sup>67</sup>National Bureau of Statistics & UNICEF (2025)

## Sector-Specific Distributional Mismatches

Sectoral allocation patterns reinforce these geographic and income-based inequities:



### Education

Over **50%** of the education budget funds tertiary education and administration, while pre-primary and primary education receive only **44%** for **45 million** students. Recurrent costs consume **69%**, leaving limited resources for learning materials and maintenance.<sup>68</sup>



### Health

Out-of-pocket spending has reached **70–80%** in recent years, disproportionately excluding displaced and poor households from maternal and child health services.<sup>69</sup>



### Nutrition

Less than **10%** of nutrition financing reaches hard-to-reach host communities, despite these areas recording some of the highest stunting rates.<sup>70</sup>

Across sectors, public resources therefore disproportionately benefit higher-income, urban, and more politically visible populations, while young children in fragile, conflict-affected, and displacement-affected settings remain underserved.

<sup>68</sup>Nabena, D. et al (2024)

<sup>69</sup>WHO (2025)

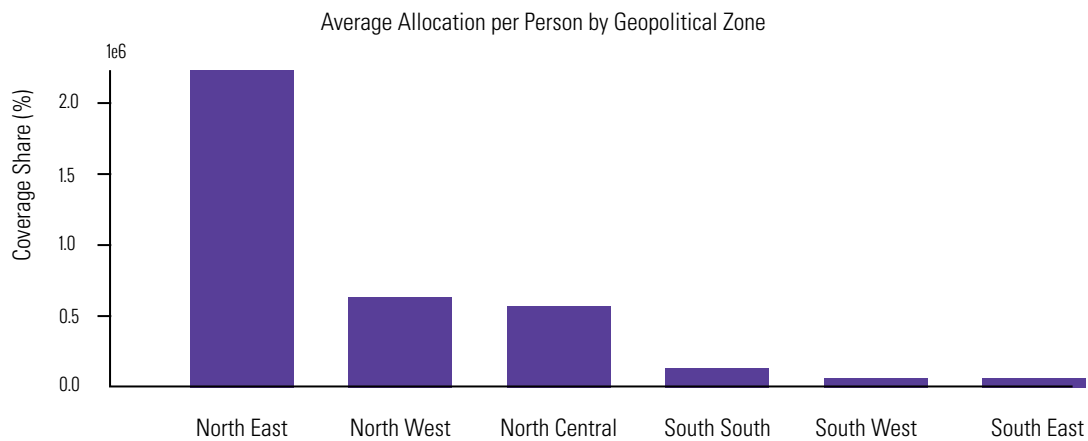
<sup>70</sup>IPC (2024)

## Linking Distributional Inequities to Geographic Financing Patterns

The geographic concentration of ECDiC-relevant financing aligns more closely with donor presence and operational feasibility than with the national distribution of child vulnerability. Comparative analysis of displacement patterns and per-capita funding allocations shows that zones with the highest displacement burdens, particularly the North-East and North-West, receive the lowest per-person public financing.

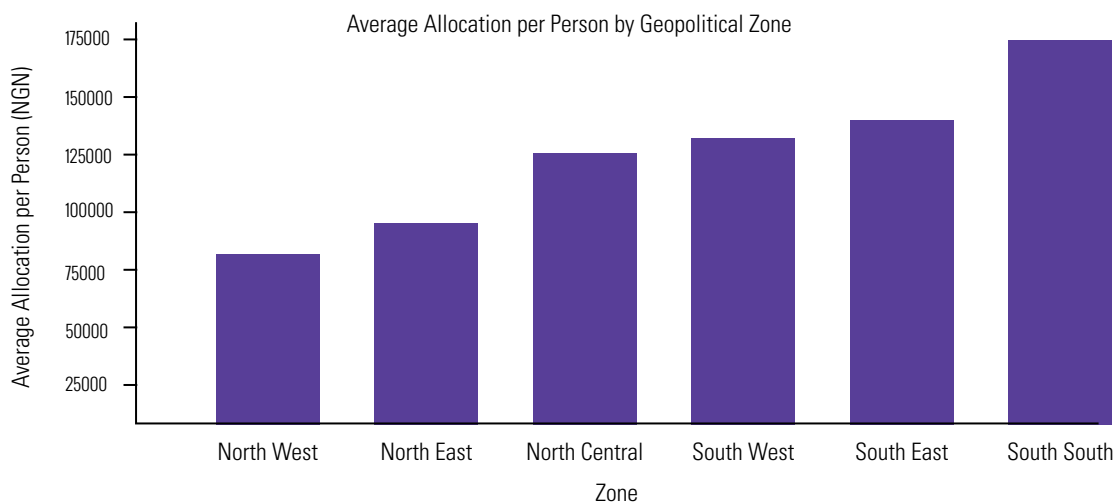
This mismatch leaves large populations of vulnerable young children dependent on under-executed state budgets and short-term development programmes that are poorly adapted to emergency conditions.

Figures 7 and 8 below illustrate the regional mismatch between the total IDPs/Refugees per geopolitical zone and the average per-capita allocation by geopolitical zone.



**Figure 7:** Total IDPs/Refugees by Geopolitical Zone

Source: UNHCR (2025)



**Figure 8:** Average Per-Capita Budget Allocation by Geopolitical Zone

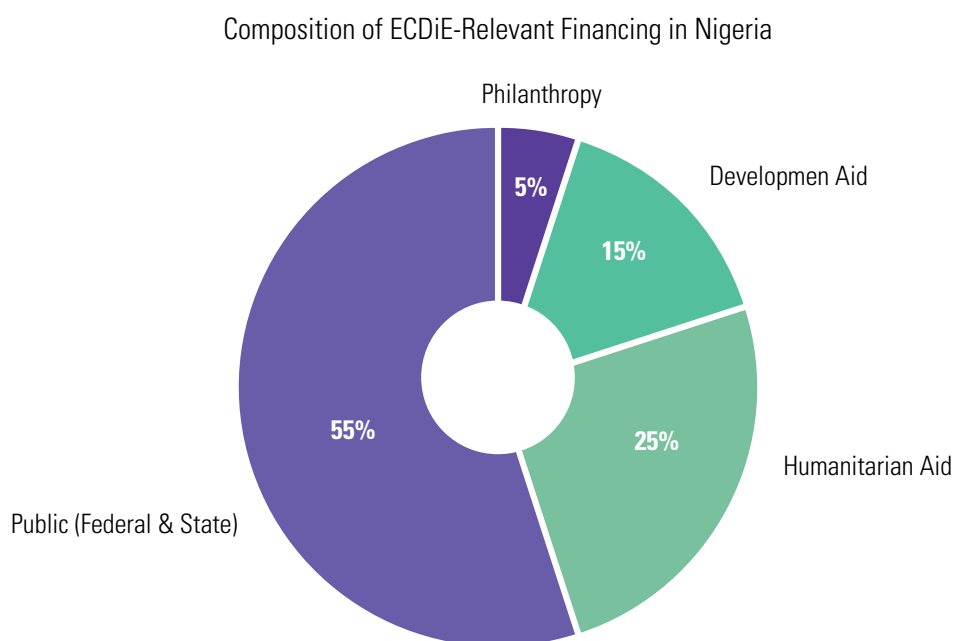
Source: BudgIT (2025a)

## Non-Public Financing in ECDiC: Scale, Role, and Sustainability Risks

### The Role of Non-Public Financing in ECDiC Delivery

Non-public financing plays a critical operational role in delivering ECDiC services in Nigeria, particularly in conflict-affected and hard-to-reach contexts. In 2023, Nigeria received an estimated **US\$270 million** in development financing and **US\$27 million** in humanitarian financing targeted at early childhood–relevant sectors.<sup>71</sup> These resources sustain services where public financing is delayed, constrained, or difficult to deploy due to insecurity.

However, while non-public financing is essential, it cannot fully compensate for systemic weaknesses in public budget execution and remains vulnerable to volatility and donor reprioritisation.



**Figure 9:** Orientation of Non-Public Financing for ECDiC: Survival vs. Developmental Interventions

Source: OCHA (2025); Moving Minds Alliance (2020)

**NB:** Philanthropy in this chart includes both domestic foundations and international private foundations that provide flexible, non-state financing for ECDiC-relevant interventions.

Public financing at the federal and state levels still accounts for the largest share of ECDiC-relevant resources overall, but non-public financing provides a disproportionate share of operational funding in emergency contexts, particularly where public systems are weakest.

<sup>71</sup>Moving Minds Alliance (2025)

## Orientation and Use of Non-Public Financing

Non-public financing for ECDiC in Nigeria is heavily skewed toward survival-oriented interventions. Approximately **85%** of external resources are concentrated in health and nutrition, including immunisation and treatment of acute malnutrition.<sup>72</sup> By contrast, only around **10%** supports early learning, and less than **5%** is directed toward caregiving and psychosocial services.<sup>73</sup>

This allocation pattern reflects donor priorities and humanitarian norms but reinforces a survival-focused model in which early learning, stimulation, and caregiver support remain persistently underfunded, even as crises become increasingly protracted.

## Delivery Modality and System Integration

Most non-public financing is short-term and project-based. These resources are commonly delivered through parallel implementation arrangements that bypass state treasuries and operate on cycles disconnected from public planning and budgeting processes.<sup>74</sup>

Such delivery modalities:

- Bypass state treasury and budget systems
- Operate on annual or multi-year project cycles misaligned with public planning frameworks
- Limit opportunities for institutional learning and capacity transfer at the subnational level

As a result, gains achieved through externally financed ECDiC interventions are often difficult to sustain once projects end, particularly in fragile states and Local Government Areas (LGAs).

## Sustainability Risks and the Declining Aid Outlook

Nigeria faces a deteriorating external financing outlook. The OECD projected a reduction of approximately **16-28%** in bilateral official development assistance in 2025, in addition to the 9% decrease from 2024.<sup>75</sup> If Nigeria experiences a **30%** decrease between 2024 and 2025, this would lead to a decrease of **\$89M**. Driven by global aid contraction and donor reprioritisation, this decline poses a significant risk given the central role that external financing currently plays in sustaining ECDiC service delivery in emergency contexts.

<sup>72</sup>OCHA (2025)

<sup>73</sup>Moving Minds Alliance (2020)

<sup>74</sup>World Bank (2025)

<sup>75</sup>OECD (2025)

## Implications for Public–Non-Public Alignment

The core challenge is not the presence of non-public financing, but how it is structured and aligned with domestic systems. Current financing patterns tend to:



- Provide speed but undermine sustainability
- Address survival needs while neglecting holistic development
- Deliver services without sufficiently strengthening public systems

These dynamics underscore the need for stronger alignment between public, humanitarian, and philanthropic financing, including through pooled mechanisms, blended approaches, and execution models that reinforce state systems.

Non-public financing is indispensable for ECDiC delivery in Nigeria, but it is neither sufficient nor sustainable on its own. As global aid declines, Nigeria’s ability to protect young children in crisis settings will increasingly depend on integrating external resources with improved public execution and more child-responsive financing structures.



Maiduguri, Nigeria. Hajia Fati Andu, an IRC incentive community health worker, provides ready to use therapeutic food (RUTF) to a mother for the treatment of her children at the IRC’s outpatient therapeutic programme (OTP) site in Anguwan Taya.

## Financing Flows and Governance: How Resources Move

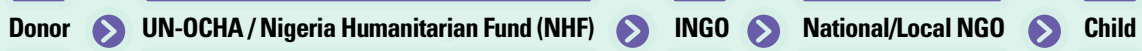
### Overview: Why Financing Flows Matter for ECDiC

For ECDiC, how resources flow through the system matters as much as the level of allocation. In Nigeria, financing is characterised by multiple parallel pathways and numerous intermediaries, which reduce timeliness, weaken accountability, and dilute impact. ECDiC-relevant financing flows through four primary pathways: humanitarian, health, education, and social protection.

Across all pathways, delays and attrition accumulate, particularly at the federal–state–local interface, where capital releases and transfers often diminish before reaching frontline service providers.<sup>76</sup> These dynamics are especially consequential in emergency contexts, where predictability and speed are critical for effective service delivery to young children.

### Core Financing Pathways for ECDiC

- **Humanitarian Pathway**



This pathway dominates ECDiC delivery in conflict-affected areas. It prioritises speed and access but relies on multiple intermediaries. A positive shift toward localisation is underway: in 2025, approximately **70–80%** of NHF allocations were channelled directly to Nigerian NGOs, reducing transaction costs and improving last-mile reach.<sup>77</sup>

- **Health Pathway**



Health financing has become more direct through the BHCPF 2.0 framework introduced in late 2025. This model uses an accountability index and digital claims tracking to improve facility-level disbursement.<sup>78</sup> In October 2025,<sup>78</sup> **₦32.9 billion** was disbursed to strengthen primary health care for children and vulnerable populations.<sup>79</sup>

<sup>76</sup>World Bank (2024)

<sup>77</sup>OCHA (2025)

<sup>78</sup>Federal Ministry of Health & Social Welfare (2025)

<sup>79</sup>Federal Ministry of Health & Social Welfare (2025)

• **Education Pathway**



The education pathway remains structurally constrained. Despite a **65%** increase in accessed funds by mid-2025 following the UBEC Strategic Blueprint, approximately **₦250 billion** remained unutilised in state accounts as of late 2025.<sup>80</sup> Counterpart funding requirements continue to limit uptake, particularly in crisis-affected states with weak fiscal capacity.<sup>81</sup>

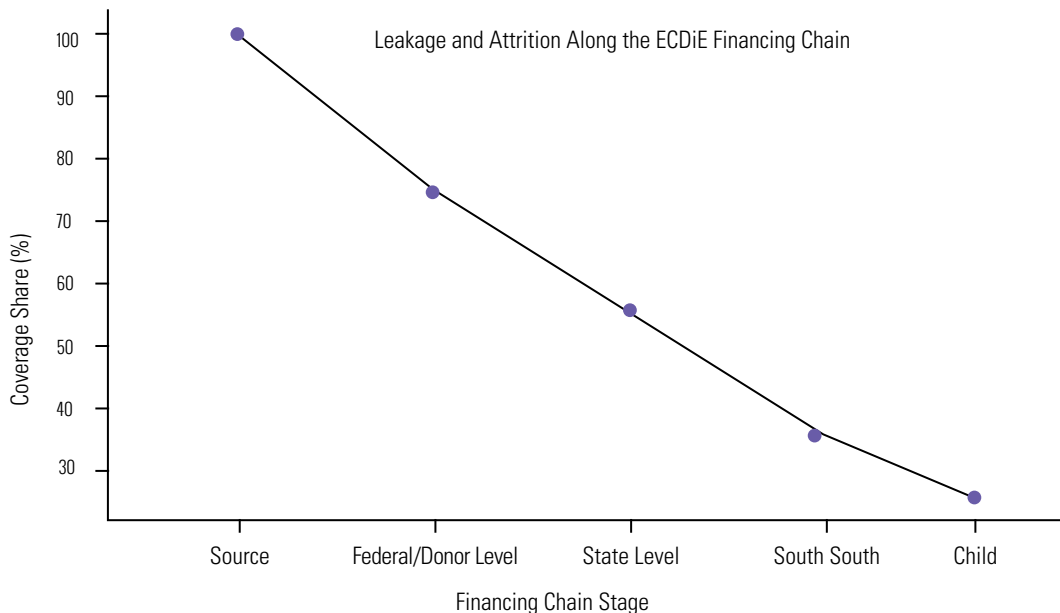
• **Social Protection Pathway**



Digital systems, including BVN and N, have significantly improved the traceability of cash transfers. However, because targeting remains at the household rather than child level, these flows do not consistently prioritise the specific developmental needs of children aged 0–8 in emergency contexts.<sup>82</sup>

**Leakage and Attrition Along the Financing Chain**

Across all pathways, the proportion of resources that ultimately reaches children declines with each additional intermediary layer. Attrition arises from administrative overheads, delayed releases, procurement bottlenecks, and fragmented reporting systems.



**Figure 9:** Theoretical Attrition Model: Retained Value of ECDiC Resources Along the Financing Chain

Source: BudgIT Foundation (2026); World Bank (2024)

<sup>80</sup>The Nation (2025, July 22); Business day (2025, July 21)

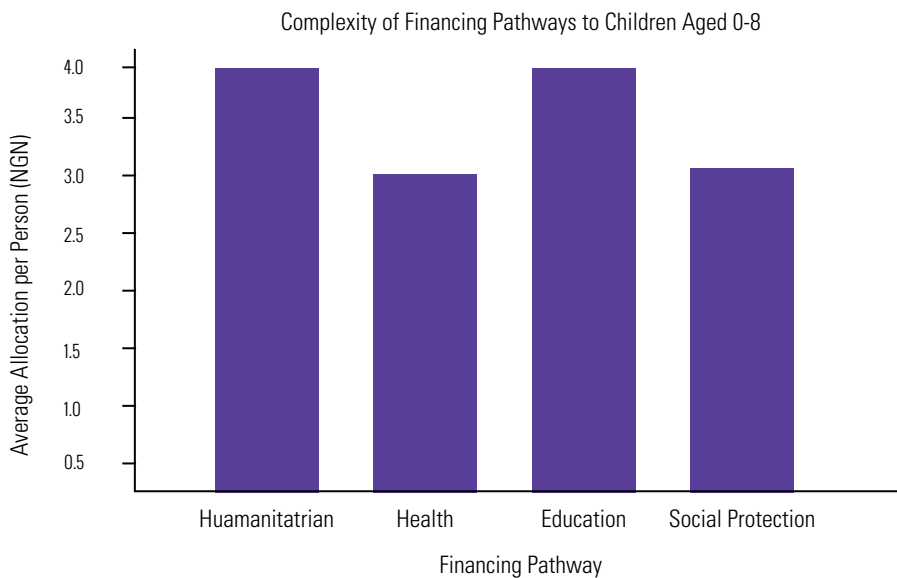
<sup>81</sup>Universal Basic Education Commission (UBEC) (2024)

<sup>82</sup>World Bank (2024)

As a result, only a fraction of allocated or committed resources retains operational value by the time it reaches children, particularly in emergency settings where delays significantly undermine effectiveness.

### Complexity and Fragmentation of Financing Pathways

ECDiC financing flows differ in scale and structural complexity. Humanitarian and education pathways involve the highest number of intermediary layers, increasing execution risk and reducing predictability. These intermediary layers include federal ministries and agencies, state governments, coordinating bodies, and implementing partners that funds pass through before reaching service delivery points. Health and social protection pathways are comparatively streamlined but remain constrained by governance and targeting limitations.



**Figure 11:** Comparison of Structural Complexity (Intermediary Layers) Across Financing Pathways

Source: Federal Ministry of Health & Social Welfare (2025)

Across pathways, greater structural complexity is associated with weaker accountability and a higher likelihood of impact dilution.

### Governance Constraints Shaping Financing Flows

Governance dynamics within Nigeria’s fiscal federalism further shape financing flows. Although a July 2024 Supreme Court ruling mandated direct disbursement of federal funds to the **774** Local Government Councils, implementation remained largely stalled as of late 2025 due to state-level resistance and unresolved constitutional ambiguities. This tension helps explain why increased allocations at federal or state levels do not consistently translate into improved service delivery at community level.

## Facilitators of Improved Financing Flows

Despite fragmentation, several mechanisms demonstrate potential to improve flow efficiency and traceability:

- **Nigeria Humanitarian Fund (NHF):** Reduces intermediary layers by funding national NGOs directly.
- **BHCPF Gateways:** Enable more predictable transfers to primary health care facilities.
- **Digital Systems (BVN/NIN, DHIS-2, SFTAS):** Improve traceability, reporting, and accountability, particularly in health and social protection.

These mechanisms indicate that financing flows can be strengthened without increasing total allocations, provided governance and execution reforms are prioritised.

ECDiC financing in Nigeria is not only insufficient and inefficient; it is structurally diluted by fragmented financing flows. Multiple intermediaries, conditional transfers, and state-controlled disbursement systems reduce the proportion of resources that reach children aged **0–8**, particularly in emergencies where speed and predictability are essential. Improving ECDiC outcomes therefore requires simplifying financing pathways, reducing intermediaries, strengthening traceability, and reinforcing local-level financial autonomy, alongside broader execution reforms.

## Subnational Comparative Analysis

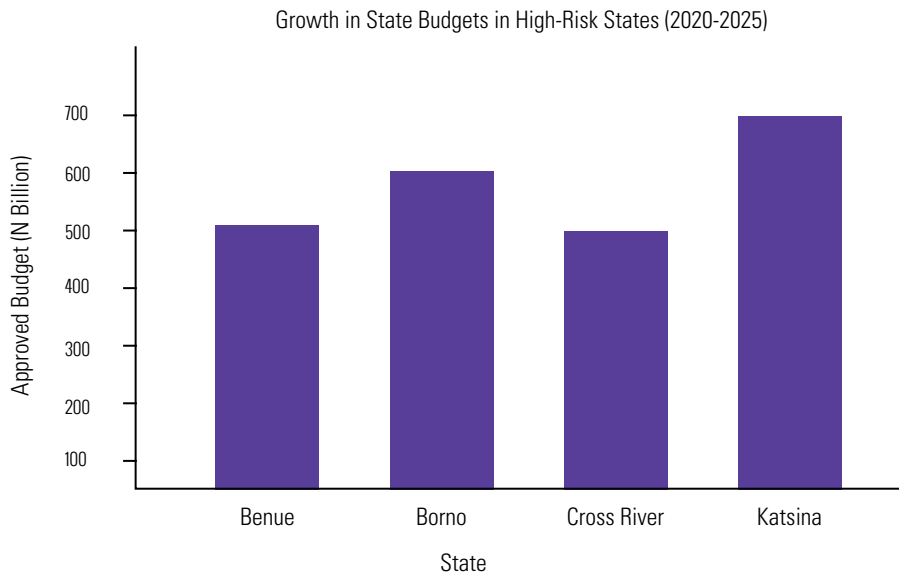
**How ECDiC Financing Performs in High-Risk and Conflict-Affected States (2020–2025)**

**Selected States:** Benue, Borno, Cross River, Katsina  
**ECDiC Sectors:** Health, Education, Nutrition, Social Protection, Humanitarian Affairs, WASH

These four states were selected because they represent distinct emergency typologies, farmer–herder conflict (Benue), protracted insurgency (Borno), refugee hosting and border displacement (Cross River), and banditry-driven insecurity (Katsina). Together, they illustrate how ECDiC financing challenges are systemic, but their effects vary depending on governance capacity, security conditions, and fiscal structure.

## Financing and Governance at State Level

All four states recorded substantial nominal budget growth between 2020 and 2025. However, this growth is heavily tethered to federal transfers. Benue State, for instance, remains **92.48%** dependent on FAAC for its revenue, making its social spending highly vulnerable to federal disbursement delays. Katsina and Borno also show high revenue dependence (over **65%**), while Cross River's 2025 budget relies on borrowing for **32.5%** of its total funding.



**Figure 12:** Subnational Budget Growth in Selected High-Risk States (2020–2025)

Source: State Appropriation Laws (Benue, Borno, Cross River, Katsina, 2025)

State-specific patterns:

**Benue**

**₦213.9bn**  
**₦550.11bn**  
 (2025); FAAC ≈  
 86% of revenue



**Borno**

**₦248bn (2021)**  
**₦615.86bn (2025);**  
 security-dominated  
 spending



**Cross River**

**₦296bn (2024)**  
**₦538.5bn (2025);**  
 administrative  
 transition risks



**Katsina**

**₦213.9bn (2020)**  
**₦692.2bn (2025);**  
 capital-heavy  
 expansion



Nominal budget growth masks persistent structural fragility, particularly in states with high dependence on federal transfers, where delays and volatility directly constrain service delivery.

## ECDiC-Relevant Sector Allocation

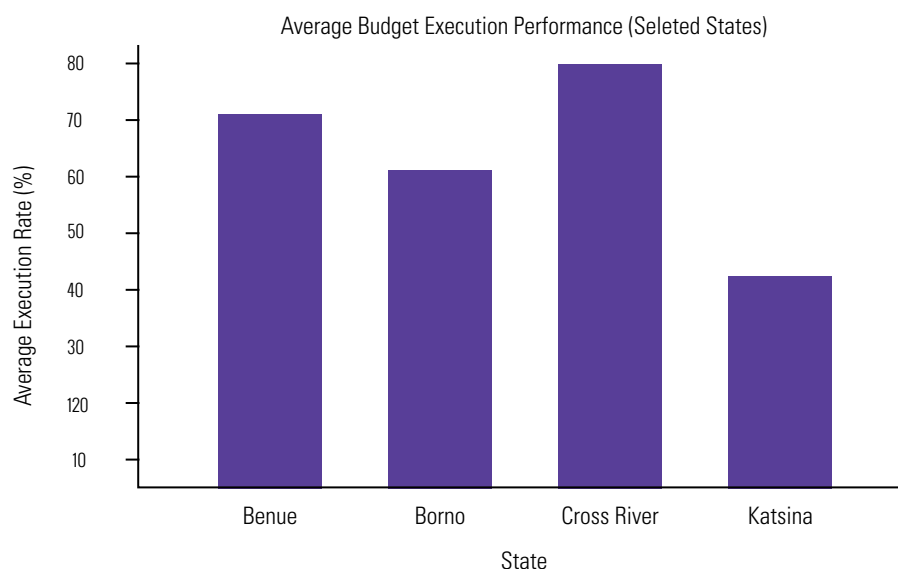
Allocations to social sectors are significant but often “capital-heavy” in ways that prioritises physical infrastructure over child-specific and service-quality investments. Katsina leads in education allocation (**₦95.99bn** or **14%** of its budget), followed by Borno with a substantial **₦89.9bn** for health to address maternal and child needs.<sup>86</sup>

State	ECDiC-Relevant Sector Share	Key Pattern
Benue	25–30%	Education + Health aggregation
Borno	>40%	Capital-heavy social spending
Cross River	19–29%	Donor-influenced allocations
Katsina	33–38%	Education (14%), Health (6%)

Higher sector shares do not guarantee stronger ECDiC outcomes without execution capacity and child-specific targeting.

## Budget Execution and Absorptive Capacity

Execution remains the “bottleneck.” While Benue achieved **91%** execution for Social Protection in 2023, its Q1 2025 execution for Primary Health Care plummeted below **15%**. Similarly, Katsina implemented over 80% of its education budget in 2024, yet health execution remains lower at approximately **61.9%**. Cross River faces a specific “recurrent bias,” where personnel and overhead costs often consume the majority of actual spending, leaving capital projects for schools and clinics underfunded.<sup>89</sup>



**Figure 13:** Average Budget Execution Performance Across Selected States and Sectors

Source: BudgIT (2024); State Budget Implementation Reports (2024–2025)

<sup>86</sup>Katsina State Government (2025)

<sup>87</sup>Benue State Government (2025)

<sup>88</sup>BudgIT (2024)

<sup>89</sup>Cross River Government (2025)

### Key execution evidence:

Across states, execution challenges are driven by timing, release patterns, and dependence on recurrent spending, with early-year under-execution emerging as a consistent constraint for ECDiC delivery.

- Benue:** Social Protection executed strongly in 2023 (**91%**), while education (**85%**) outperformed health (**56%**), indicating sectoral variation in absorptive capacity. However, Q1 2025 execution for both Basic Education and Primary Health Care fell below **15%**, underscoring severe early-year release constraints that directly undermine emergency-responsive services.
- Borno:** Execution volatility was pronounced in earlier years (**42%** deviation in 2021), but execution improved by 2024–2025, reflecting tighter controls under SFTAS and TSA reforms, particularly for federally linked spending channels.
- Cross River:** Spending is heavily recurrent-biased (**80–90%**), while capital expenditure consistently underperforms pro-rata expectations. In 2024, Aids and Grants declined by **39.9%**, highlighting vulnerability to external financing fluctuations rather than sector-specific execution failures.
- Katsina:** Capital execution remained weak (**33–50%** by Q3 2024), reflecting structural dependence on federal transfers. FAAC delays, combined with over 65% revenue dependence, constrained timely releases for both education and health investments.

While execution levels vary by state and sector, the shared constraint is weak early-year execution and delayed releases, which are particularly damaging for ECDiC interventions that require predictable, front-loaded financing during periods of shock.

### Allocative Efficiency at the State Level

Differences in execution are reinforced by how states allocate resources across expenditure types, with important implications for ECDiC outcomes.

State	Spending Focus	ECDiC Impact
Benue	Reconstruction (MRRR)	Focus on infrastructure/resettlement. <sup>90</sup>
Borno	Personnel/Overheads	High recurrent costs crowd out child services. <sup>91</sup>
Cross River	Capital Expansion	76.85% of budget is capital-oriented. <sup>92</sup>
Katsina	Targeted ECCDE	Allocated 90m for ECCDE access in 2025. <sup>93</sup>

<sup>90</sup>Borno State Government (2025)

<sup>91</sup>BudgIT (2025a)

<sup>92</sup>Katsina State Government (2025)

<sup>93</sup>Cross River State Government (2025)

## Distribution and Conflict Sensitivity

In Borno, the state Governor Zulum stated security spending reached **₦100bn** in 2025, which, while necessary for “garrison town” safety, reduces the funds available for rural ECDiC expansion. In Benue, the humanitarian crisis involves **2 million** IDPs, yet the **₦11.5bn** spent on social protection is a fraction of what is needed to reach the **86%** of the displaced population who are women and children. Even where poverty-targeted programmes exist, geographic access and insecurity dilute equity gains, particularly for displaced and rural children. In practice, this means that services are least likely to reach remote, conflict-affected or inaccessible communities, regardless of need.

## Constraints and Facilitators Across States

### Common constraints:

- **Heavy FAAC dependence:** States rely heavily on federal transfers, so delays in FAAC releases directly delay education, health, and ECDiC spending.
- **Procurement delays:** Lengthy approval and contracting processes slow down the release of funds and the start of service delivery.
- **Insecurity restricting access:** Conflict and insecurity limit physical access to communities, disrupting implementation even when funds are available.

### State-specific facilitators:

- **Benue:** Direct payments to contractors reduce bottlenecks and leakages; coordination with UNICEF and CRS supports implementation capacity.
- **Borno:** Adoption of SFTAS and TSA improves financial controls, while strong donor presence supports execution in insecure contexts.
- **Cross River:** A dedicated Ministry of International Donor Coordination helps align and track external funding.
- **Katsina:** Use of the National Chart of Accounts improves budget tracking; emphasis on capital investment supports infrastructure delivery.

ECDiC financing performance improves where institutional coordination and execution systems are stronger, reinforcing that governance, not budget size alone, drives outcomes.

<sup>94</sup>Leadership Newspaper (2025, December 4). Since no official reports on expenditure were available, this source documents Governor Zulum’s year-end statement on estimated security expenditures and how it limits spending on ECDiE areas.

<sup>95</sup>BudgIT (2024)

Subnational evidence confirms that Nigeria’s ECDiC financing challenge is structural, not state-specific. While high-risk states have expanded budgets and social sector allocations, execution quality, access constraints, and weak ring-fenced child-responsive targeting ultimately determine whether resources translate into services for young children. Differences in institutional capacity explain variation in outcomes, underscoring the importance of governance and execution reform alongside fiscal expansion.

## Innovative Financing for ECDiC: Re-structuring Resources

### What “Innovation” Means in the Nigerian Context

Innovative financing for ECDiC in Nigeria should not be understood as the creation of new revenue sources or complex financial instruments. Rather, the evidence from preceding sections shows that innovation lies in restructuring how existing public, humanitarian, and non-public resources are pooled, executed, and targeted to address persistent failures in execution, coordination, and child-responsiveness.

Across national and subnational levels, constraints on ECDiC financing reflect both limited allocation levels and deeper structural weaknesses in how funds are organised and spent. While nominal allocations to ECDiC-relevant sectors remain insufficient relative to need, their impact is further undermined by fragmented financing streams, delayed releases, weak execution incentives, and the fiscal invisibility of children aged **0–8** within sector budgets. In this context, innovative financing mechanisms are most effective when they address execution and governance constraints alongside resource gaps, rather than focusing solely on expanding fiscal commitments within a constrained macroeconomic environment.

### Core Financing Gaps and Appropriate Innovative Responses

#### ➤ Linking Core ECDiC Financing Gaps to Innovative Financing Responses

The table below links the most persistent ECDiC financing gaps identified in this analysis to financing instruments that are already in use or feasible within Nigeria’s institutional context.

Core Financing Gap	Corresponding Innovative Response
Fragmented financing streams	Pooled ECDiC financing windows
Low execution capacity	Results-based financing mechanisms
Fiscal invisibility of ECDiC	Ring-fenced ECDiC subprogrammes
Declining donor funding	Blended and catalytic finance
Weak expenditure traceability	Digital execution and tracking systems

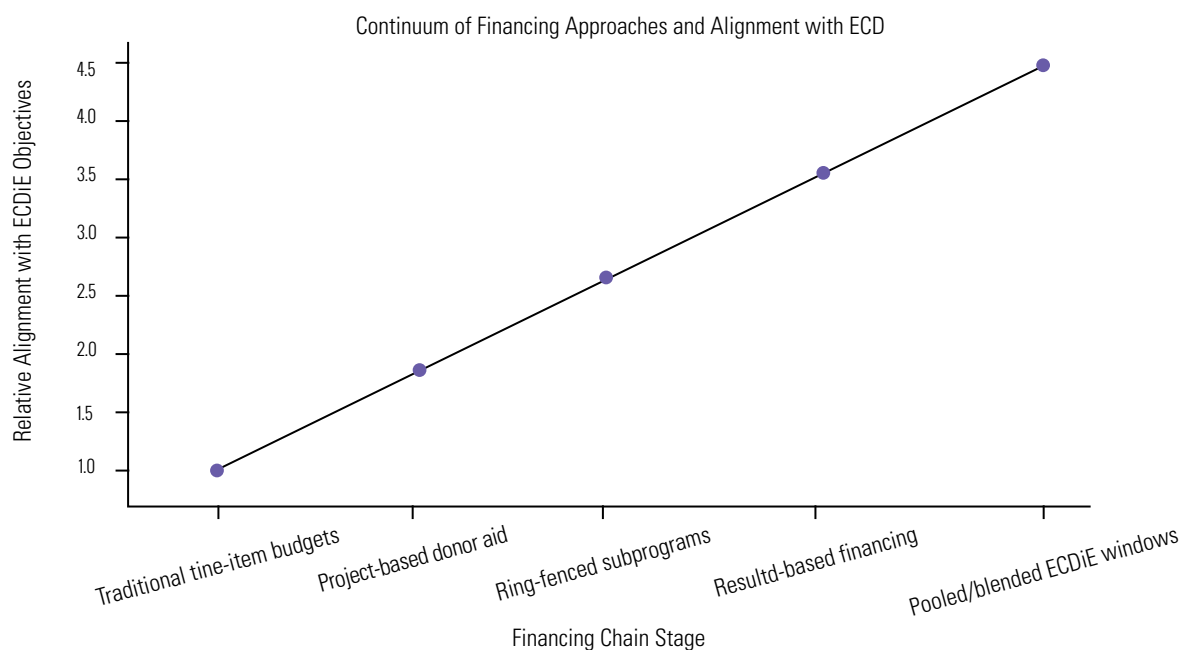
The analysis identifies a small number of recurring financing gaps that cut across sectors and states. Fragmentation undermines coordination, weak execution prevents approved budgets from translating into services, and the absence of ring-fenced budget structures renders ECDiC fiscally invisible. Declining global aid heightens sustainability risks, while limited traceability weakens accountability from source to child.

Each gap aligns with financing responses that are already tested in Nigeria or comparable contexts. The critical insight is that no single mechanism addresses all constraints; effectiveness depends on strategic alignment between the problem and the instrument.

### Priority Innovative Financing Mechanisms

- **Results-Based Financing (RBF):** A promising mechanism for addressing Nigeria's execution challenge. RBF fundamentally changes the incentive structure, disbursing funds based on results as opposed to inputs. The **US\$500 million** HOPE-Governance Programme (effective as of September 2025) links **US\$480 million** in state incentives to Disbursement Linked Results (DLRs) in basic education and primary health, shifting financing from inputs to verified service delivery outcomes.
- **State-Aligned Pooled Financing:** Pooled mechanisms such as the Nigeria Humanitarian Fund (NHF) reduce transaction costs and improve last-mile delivery, particularly where national NGOs are funded directly in insecure areas.
- **Ring-fenced ECDiC Subprogrammes:** Earmarking defined portions of sector budgets improves visibility and protects child-focused spending from diversion without requiring new legislation.
- **Blended and Catalytic Finance:** Under the Integrated National Financing Framework (INFF), Nigeria is exploring ways to use external resources to de-risk private investment, positioning aid as catalytic rather than substitutive.

## Innovation as a Continuum, Not a Binary Shift



**Figure 14:** The Innovative Financing Continuum: Alignment of Approaches with ECDiC Objectives

Source: World Bank (2025); UNDP (2022)

Innovative financing should be understood as a continuum rather than a binary shift. Traditional line-item budgets and project-based donor aid remain important but offer limited alignment with ECDiC objectives. Ring-fenced subprogrammes and results-based approaches improve alignment incrementally, while pooled and blended financing offer higher potential returns where governance capacity allows.

This framing recognises that innovation can be adaptive and incremental, enabling states and sectors to adopt mechanisms consistent with their institutional readiness.

## Short- to Medium-Term Feasibility

In the short term (**1–2 years**), the greatest gains lie in strengthening digital execution and tracking tools (e.g., BVN/NIN, DHIS-2) to improve traceability, reduce delays, and limit attrition along the financing chain.<sup>100</sup> In the medium term (**3–5 years**), aligning these tools with the Integrated National Financing Strategy offers a pathway toward a more coherent and child-responsive financing ecosystem.

The evidence indicates that the highest returns for ECDiC lie not in expanding budgets alone, but in improving execution, coordination, and targeting within existing fiscal envelopes. By aligning financing instruments with identified constraints, Nigeria can materially improve outcomes for young children in crisis, even under conditions of fiscal pressure and declining aid.

<sup>100</sup>World Bank (2025)

# Conclusion

This report set out to examine whether Nigeria's existing financing arrangements are capable of protecting and supporting children aged **0–8** in contexts of conflict, displacement, climate shocks, and economic stress. Using a multi-sectoral public finance lens across the systems through which ECDiC services are delivered, health, nutrition, education, social protection, and humanitarian response. The analysis demonstrates that Nigeria's ECDiC challenge is fundamentally structural rather than fiscal.

Between 2020–2025, nominal allocations to social sectors increased, yet ECDiC remained fiscally invisible, embedded within broader sector budgets without dedicated identification, unified accountability, or systematic tracking. As a result, financing for young children in emergencies is weakly protected during execution and highly vulnerable to delays, inflation erosion, and reprioritisation during periods of fiscal stress.

The most binding constraint identified is execution failure. Delayed releases, capital under-execution, recurrent-biased spending, and fragmented intergovernmental financing consistently prevent approved resources within sector budgets from translating into timely, child-responsive services. These challenges are amplified by Nigeria's macroeconomic environment, characterised by high inflation, currency depreciation, and rising debt service, which erodes the real value of social

spending even where nominal budgets expand.

Analysis of how resources are used within sectors shows that spending structures systematically marginalise early childhood needs. Across health, education, nutrition, social protection, and humanitarian systems, resources are concentrated on salaries, infrastructure, and survival-oriented interventions, while early learning, stimulation, caregiving, and integrated child development services receive minimal investment, particularly in emergency contexts. Incremental increases in funding, without restructuring how sector resources are allocated and executed, are therefore unlikely to yield meaningful developmental gains.

Distributional analysis further reveals that ECDiC financing is uneven across geography, income, and access. Humanitarian resources are heavily concentrated in a small number of conflict hotspots, while poor, rural, and newly affected regions remain underserved. Social protection and other sectoral services are weakly pro-poor, with displaced children, host communities, and households with young children consistently excluded or inadequately reached.

Non-public financing plays a critical operational role in sustaining ECDiC services, particularly in emergencies, but remains short-term, project-based, and weakly integrated with state systems. As global aid contracts, Nigeria's reliance on

external resources exposes ECDiC services to growing sustainability risks unless domestic execution capacity and public–non-public alignment improve.

Subnational analysis confirms that these challenges are systemic rather than state-specific. While high-risk states expanded budgets and social sector allocations, differences in outcomes were driven primarily by execution capacity, access constraints, and institutional coordination rather than by budget size alone. Where financing flows were simpler, more direct, and better aligned with delivery systems, ECDiC performance improved.

Taken together, the evidence points to a clear conclusion: Nigeria needs both increased financing for ECDiC and significantly more effective, child-responsive use of existing resources. Without improvements in execution, coordination, and targeting across the systems that serve young children in crisis, additional funding alone will not translate into meaningful or equitable developmental gains.

Gwoza, Nigeria. Amina supports her grandson as he receives care for malnutrition. With assistance from the IRC, she has seen encouraging improvements in his health and is hopeful about his recovery.



# Policy Implications

The findings of this report point to a focused set of policy implications that prioritise execution, alignment, and equity alongside the gradual expansion of fiscal space for ECDiC. While additional financing is necessary to meet the scale of need, particularly under conditions of inflation and declining aid, the analysis shows that substantial gains can already be achieved by reforming how existing resources are structured, released, and used.

# 1

## **Make ECDiC Visible Within Existing Budgets:**

ECDiC does not require new ministries or parallel budget frameworks, but it does require explicit identification within existing sector budgets. Establishing ring-fenced ECDiC subprogrammes within health, education, nutrition, and social protection would improve visibility, tracking, and accountability for children aged 0–8 without creating new revenue demands.

# 2

## **Shift Reform Efforts from Allocation to Execution:**

Public finance reforms should place greater emphasis on early-year budget releases, capital execution, and inflation-adjusted spending discipline in sectors critical to young children. Results-based financing and performance-linked disbursement mechanisms offer practical tools to address Nigeria's persistent execution gap and ensure that approved resources translate into services.

# 3

## **Simplify Financing Flows and Reduce Intermediaries:**

ECDiC outcomes depend on how quickly and predictably resources reach service delivery points. Simplifying financing pathways, reducing conditional bottlenecks (such as unaccessed matching grants), and strengthening traceability from source to child would significantly improve effectiveness, even within existing spending levels.

4

**Embed Equity and Conflict Sensitivity in Targeting:**

Future ECDiC financing must explicitly prioritise children aged 0–8 in high-risk, poor, rural, and displacement-affected contexts. Allocation formulas and programme design should move beyond accessibility and administrative convenience toward vulnerability-based targeting that reflects conflict exposure, poverty, and developmental risk.

5

**Re-align Non-Public Financing with State Systems:**

Humanitarian and philanthropic financing should increasingly function as catalytic and complementary to public systems, rather than operating in parallel. State-aligned pooled financing windows and blended approaches can preserve speed in emergencies while strengthening sustainability, coordination, and domestic ownership.

6

**Strengthen Subnational Capacity and Local Autonomy:**

Because service delivery occurs at the local level, improving ECDiC outcomes requires stronger subnational execution capacity. Enforcing direct financing to local governments, strengthening procurement and reporting systems, and protecting local execution space are essential for translating national commitments into child-level results.

## 7

**Institutionalise Legislative Oversight and Budgetary Accountability:**

Given the central role of governance failures in ECDiC underperformance, legislative oversight must move beyond transactional, procurement-driven reviews toward performance-based monitoring of budget execution and service delivery. Priority legislative actions include:

- **Establish ECDiC Budget Tags:** Mandate the use of specific sub-codes within the National Chart of Accounts to resolve fiscal invisibility and enable tracking of resources for children aged 0–8 across sector budgets.
- **Audit Execution Timelines:** Hold public hearings on the causes of late budget releases and capital under-execution, which fell as low as **17.7%** by Q3 2025.
- **Enforce Local Financial Autonomy:** Enact enabling legislation to operationalise the 2024 Supreme Court ruling on direct disbursement to local governments, reducing the state-level bottlenecks that dilute resources before they reach children.
- **Resolve Matching Grant Shortfalls:** Exercise oversight over the **₦135 billion** in unaccessed UBEC matching grants to ensure states prioritise the required counterpart funding for basic education.
- **Mandate Inflation-Impact Reporting:** Require the executive to present real-value spending reports that show how headline inflation erodes the purchasing power of social sector allocations.

Improving ECDiC outcomes in Nigeria requires both expanded fiscal space and stronger governance and execution discipline. While additional resources are clearly needed to address the scale of need facing young children, especially under conditions of inflation and declining aid, evidence from this analysis indicates that meaningful improvements can already be achieved by reforming how existing resources are prioritised, released, and executed. Under current macroeconomic and aid constraints, the fastest and most sustainable gains will come from restructuring available financing so that it reaches young children earlier, more equitably, and more predictably during emergencies, while progressively expanding fiscal space as conditions allow.

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# ANNEXES

## Annex 1. Data Tables Underpinning Key Visuals

Every visual in the report is backed by a table in this annex.

### Annex 1.1 Federal Social Sector Allocations and Benchmarks

(Supports Section 4a: Allocation vs Benchmarks)

Sector	Year	Approved Allocation	% of Federal Budget	% of GDP	Reference Benchmark
Education	2025	₦3.52 trillion <sup>101</sup>	7.07%	0.5–0.7%	UNESCO (4–6% of GDP) <sup>102</sup>
Health	2025	₦1.2 trillion <sup>103</sup>	5.2%	0.5–0.6%	Abuja Declaration (15%) <sup>104</sup>
Social Protection	2024–25	₦500bn–₦1.2tn <sup>105</sup>	2.3–3%	0.14–0.7%	—
Nutrition	Annual avg	US\$10–50m <sup>106</sup>	<1%	<0.05%	NMPFAN (US\$1.98bn) <sup>107</sup>
Humanitarian	2025	US\$910m (Required) <sup>108</sup>	—	—	HNRP Appeal <sup>109</sup>

### Annex 1.2 Budget Execution and Absorptive Capacity

(Supports Sections 4a and 4f)

Level	Sector	Year	Execution Indicator	Value
Federal	Total Govt	2024	Actual expenditure	38.56% <sup>110</sup>
Federal	Capital	2025 (Q3)	Capital releases	17.7% <sup>111</sup>
State (avg)	Education	2024	Budget utilisation	~67% <sup>112</sup>

<sup>101</sup>Federal Ministry of Information & State House (2025)

<sup>102</sup>UNESCO (2024)

<sup>103</sup>Federal Ministry of Finance (2025)

<sup>104</sup>African Union (2001)

<sup>105</sup>World Bank (2023)

<sup>106</sup>UNICEF Nigeria (2024–2025)

<sup>107</sup>Fed. Min. of Budget & Economic Planning (2021)

<sup>108</sup>Reuters (2025)

<sup>109</sup>OCHA (2025)

<sup>110</sup>Federal Ministry of Budget & Economic Planning (2025)

<sup>111</sup>BudgIT (2024–2025)

<sup>112</sup>BudgIT Foundation (2024)

### Annex 1.3 Spending Composition by Sector

(Supports Section 4b: Efficiency in Allocation)

Sector	Salaries / Recurrent	Capital / Commodities	ECDiC-Relevant
Education	70–80%	15–25%	<5%
Health	70%	25%	<1.5%
Nutrition	20%	60%	20%
Social Protection	60% (Cash)	20%	5%
Humanitarian	15%	45%	<1% (Early Learning)

Sources: UNICEF Nigeria (2024–2025); OCHA (2025); Moving Minds Alliance (2020).

### Annex 1.4 Distribution and Equity Indicators

(Supports Section 4c: Distribution Analysis)

Indicator	Value
Share of humanitarian funding to BAY states	>85% <sup>113</sup>
Share of social protection reaching the core poor	44% <sup>114</sup>
Share of ECDiC spending in urban areas	65% <sup>115</sup>
Share reaching rural/insecure areas	35% <sup>116</sup>

<sup>113</sup>OCHA (2025)

<sup>114</sup>National Bureau of Statistics (2025)

<sup>115</sup>UNICEF Nigeria (2024–2025).

<sup>116</sup>UNICEF Nigeria (2024–2025)

## Annex 1.6 Subnational Comparative Indicators (Selected States)

(Supports Section 4f)

State	Budget Growth (2020–25)	FAAC Dependence	Avg Execution	Key Constraint
Benue	₦213bn - ₦550bn <sup>117</sup>	86%	Mixed	Recurrent bias
Borno	₦248bn - ₦616bn <sup>118</sup>	High	Improving	Insecurity
Cross River	₦296bn - ₦539bn <sup>119</sup>	Moderate	Better	Donor reliance
Katsina	₦214bn - ₦692bn <sup>120</sup>	>65%	Low	Capital delays

## Annex 2. Data Limitations and Transparency Statement

This analysis is constrained by structural data limitations, including: The absence of a standalone ECDiC budget line.

- Gaps between approved budgets and actual expenditure.
- Fragmented reporting across ministries and agencies.
- Limited comparability across states due to accounting variations.

These limitations reinforce the central finding that execution gaps, fragmentation, and fiscal invisibility are the primary barriers to effective ECDiC financing in Nigeria.

<sup>117</sup>Benue State Govt (2025)

<sup>118</sup>Borno State Govt (2025)

<sup>119</sup>Cross River State Government (2025)

<sup>120</sup>Katsina State Govt (2025)



**Coverpage cover:** Gwoza, Nigeria. Maryam experienced serious childbirth complications and later received life saving surgery and care with the support of the IRC.

Production: Lola Ayanda

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Design: Odunmbaku Olagoke

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Photos: International Rescue Committee

**Website:** [movingmindalliance.org](http://movingmindalliance.org)

**LinkedIn:** Moving Minds Alliance

**X:** MovingMindsECD

**Youtube:** MovingMindsAllianceECD

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**The Moving Minds Alliance** is an initiative hosted by the **International Rescue Committee**, a 501(c)(3) not-for-profit organisation, EIN number 13-566087.