



**POLICY BRIEF**

# Financing Early Childhood Development in Crisis (ECDiC) in Nigeria:

From Fiscal Invisibility to Child-Level Results

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Group photo at the end of the national consultative meeting with stakeholders from the media, government, private sector, local organisations, and the UN in Abuja.

## ABBREVIATIONS

<b>ECD</b>	Early Childhood Development
<b>ECDiC</b>	Early Childhood Development in Crisis
<b>NBS</b>	National Bureau of Statistics
<b>UNICEF</b>	United Nations Children's Fund
<b>UBEC</b>	Universal Basic Education Commission
<b>BHCPF</b>	Basic Health Care Provision Fund
<b>LGA</b>	Local Government Area
<b>BAY</b>	Borno, Adamawa, Yobe States
<b>OCHA</b>	Office for the Coordination of Humanitarian Affairs
<b>ECCDE</b>	Early Childhood Care, Development and Education
<b>DLR</b>	Disbursement Linked Result
<b>PHC</b>	Primary Health Care
<b>NGO</b>	Non-Governmental Organisation
<b>NHF</b>	Nigeria Humanitarian Fund
<b>DHIS-2</b>	District Health Information System 2
<b>MOU</b>	Memorandum of Understanding

# INTRODUCTION

According to the National Bureau of Statistics (NBS), Nigeria is home to

**216+ million**  
people, including over  
**31 million children**  
under five (UNICEF).



Yet young children living through conflict, displacement, climate shocks, and economic stress remain largely invisible in public budgets: ECD in Crisis (ECDiC) is not a line item, has no unified operational framework, and is financed via fragmented sector envelopes (education, health, nutrition, social protection, humanitarian), which means money often fails to reach the child, when and where it matters most.

ECDiC is crucial because the first years of life are the most sensitive period for brain development, yet also the most vulnerable to the shocks children experience during conflict, displacement, climate emergencies, and economic instability. When young children face chronic stress without holistic support, the impacts on cognitive, social-emotional, and physical development can be lifelong, reducing school readiness, lowering future productivity, and increasing long-term public costs.

This brief draws directly from the 2026 Nigeria ECDiC Financing Analysis Report, commissioned by the Moving Minds Alliance and developed by Whole Child Advisors, which analyses public finance trends, execution challenges, allocative patterns, geographic inequities, non-public financing, and emerging financing instruments between 2020 and 2025.

## REPORT FINDINGS



Structural problem, not only a funding gap. Even where social sector allocations rise, weak budget execution (e.g., delayed releases; under-executed capital) prevents approved resources from translating into services for 0–8-year-olds in crisis settings.



Policy vacuum for emergencies. Nigeria's Integrated ECD policy recognises multisectoral care but offers limited crisis operational guidance; there is no nationally agreed "Minimum Service Package" for ECD in emergencies.



Fragmented financing flows. Education (via UBEC counterpart grants), BHCPF in health, humanitarian clusters, and social protection each push funds through different, multi-layered chains, accumulating attrition before reaching communities.



Geographic inequity. Financing concentrates in the North-East (BAY states) while the North-West and parts of the North-Central remain underserved despite rising need.



Reliance on non-public finance. External aid and domestic philanthropy aim to address operational gaps but are short-term, survival-oriented, and weakly integrated with state systems, creating sustainability risk as aid contracts. The analysis highlights three structural challenges that continue to undermine investments in early childhood development in crisis settings.

## 1

### WHAT THIS BRIEF OFFERS

**A practical recommendation to:**

01. Make ECDiC visible in budgets;

02. Simplify financing chains;

03. Blend domestic and external capital into a single, child-level results architecture by 2028;

04. Pivot to equitable, age-sensitive targeting;

02. Front-load and protect releases;

## 2

## WHY ECD IN CRISIS MUST BE A NATIONAL FINANCING PRIORITY



**Human capital at risk:** With a Human Capital Index of 0.40, a child born in Nigeria will reach only **40%** of potential productivity, facing early deficits in health, nutrition, safety, learning, and responsive care, deficits that are amplified in crisis contexts (World Bank's Human Capital Index).



**Scale of displacement & need:** **3.4 million** forcibly displaced people by late 2025; millions of children require life-saving and developmental support, yet humanitarian appeals remain chronically under-funded.



**Macroeconomic squeeze:** High inflation and currency depreciation erode the real value of social spending; without execution reform, nominal increases do not convert to child-level outcomes.



**Equity imperative:** Funding tends to follow feasibility and existing hubs rather than vulnerability, leaving rural LGAs, informal settlements, host communities, and newly affected areas behind.

Bottom line: Nigeria will not achieve its human capital ambitions without a crisis-responsive ECD financing architecture that gets predictable resources to frontline providers, on time, in the right mix, and to the right children.

## 3

## WHERE THE SYSTEM BREAKS AND WHAT TO FIX

### 3.1 Policy and institutional gaps

- No ECDiC policy anchor or Minimum Service Package: states lack guidance to adapt education, health, nutrition, and protection services in displacement, conflict, or flood settings.
- Development–humanitarian “silos.” The National ECD Committee (development-oriented) and OCHA clusters (emergency-oriented) are not strongly aligned with the priorities of children 0-8.

### 3.2 Financing and execution gaps

- Fiscal invisibility: ECDiC is embedded in sector lines; no tags; low traceability; hard to defend during budget negotiations.
- Under-execution: Late releases and capital bottlenecks; recurrent-heavy spend starves service quality inputs (e.g., learning materials, caregiver support, outreach).
- Complex flows: UBEC counterpart funding leaves large sums unutilised in states; Basic Health Care Provision Fund (BHCPF) improvements are promising but not yet universal; humanitarian funds remain survival-skewed.

### 3.3 Distributional gaps

- North-West gap: Sokoto, Zamfara, and Katsina show high poverty and rising insecurity but receive lower ECDiC financing relative to need.
- Urban bias vs last mile: Spending clusters in capitals and accessible garrison towns; peri-urban slums and remote LGAs receive little beyond food and basic health.

## 4

## OPPORTUNITIES WE CAN LEVERAGE NOW



Emerging Early Childhood Care, Development and Education (ECCDE) Implementation Guidelines (FG/UBEC) to standardise and cost operations, including ECDiC minimum, age-specific packages, and emergency variants.



Results-based instruments coming online (e.g. Disbursement Linked Results-DLRs) linking funds to service delivery metrics in basic education and primary health, extend DLRs to ECDiC and shock-responsive indicators.



BHCPF 2.0 with more direct, accountable facility financing, uses PHC as an integrated ECDiC platform (caregiver modules, early stimulation, referral to ECCDE).



Nigeria Humanitarian Fund (localisation shift) higher shares to Nigerian NGOs enable faster last-mile reach; align grant criteria with ECDiC standards.



Domestic philanthropy growth- explore flexible capital to co-finance state pilots, especially in underserved North-West LGAs.

## SEVEN KEY REFORMS NEEDED NOW

### Reform 1- Create an ECDiC Policy Anchor & Minimum Service Package

- Action: Issue a Federal ECDiC Framework with a costed Minimum Service Package (health + nutrition + early learning + caregiver support + protection), adaptable by state and emergency typology.
- Opportunity: Expand the National ECD Committee's ToR to include a crisis-responsive mandate and establish formal coordination channels with the Education in Emergencies Working Group, as well as the Nutrition and Child Protection sub-sectors.

### Reform 2- Make Children in Crisis Visible in Budgets (Tagging & Ring-fencing)

- Action: Introduce ECDiC sub-programme codes in the National Chart of Accounts; ring-fence modest, multisector ECDiC budget lines within the Federal Ministry of Education / Universal Basic Education Commission (UBEC), Federal Ministry of Health, National Primary Health Care Development Agency, and the Federal Ministry of Humanitarian Affairs, Poverty Alleviation, as well as state budgets; and publish quarterly budget-execution dashboards.

### Reform 3- Front-Load and Protect Releases for ECDiC

- Action: Issue Treasury guidance to prioritise releases for tagged ECDiC lines; require inflation-adjusted procurement schedules; monitor capital execution monthly.

### Reform 4- Simplify Financing Flows; Fix Counterpart Bottlenecks

- Action:
  - Pilot UBEC ECDiC windows that relax or sequence counterpart rules for crisis LGAs
  - Expand direct-to-facility BHCPF with ECDiC add-ons (caregiver corners, play kits,

### Reform 5- Results for Children: Extend Result-Based Funding to ECDiC

- Action: Add DLRs that pay for outputs like: number of functional ECCDE safe spaces in IDP/host LGAs; percentage of caregivers completing stimulation sessions; continuity of routine immunisation, MUAC screening coverage; referral closures between primary health care and ECCDE.

### Reform 6-Targeting for Equity: Follow Risk, Not Convenience

- Action: Adopt a vulnerability formula (i.e., displacement, poverty, access) to guide federal transfers and pooled funds; earmark 40% of ECDiC windows to North-West and 20% to North-Central until parity is achieved.

### Reform 7- Blend Domestic & External Capital into a Joint ECD Investment Architecture

- Action: Establish a State-Aligned Pooled ECDiC Window (hosted by a reputable fiduciary agent or NHF-style mechanism) that interweaves BHCPF add-ons, UBEC windows, humanitarian grants, and philanthropic co-financing, using a single results and reporting framework.

## 6 INDICATIVE FINANCING MIX & COSTING LOGIC

### What will it cost?

Reform is not about creating a new silo; it is about re-structuring existing flows and adding catalytic funds where execution is hardest.

Below is an illustrative annual allocation for the 6-state pilot (# values indicative for planning):

01.

BHCPF ECDiC add-on: small per-facility top-up for caregiver corners, stimulation kits, psychosocial support, channelled to

**1,200 PHCs @ #4m each = #4.8bn.**

02.

UBEC ECDiC window: rapid ECCDE tents/rehab, play-learning kits, teacher stipends, school-PHC linkage,

**60 LGAs @ #250m each = #15bn;**

counterpart flexibility via arrears-matching.

03.

Humanitarian/pooled window: localisation grants for last-mile NGOs-

**#8–10bn;** focus on North-West gap and host communities.

04.

Philanthropy co-financing: target **#6–8bn** with clear public-system alignment and common results framework. Total pilot range:

**#34–38bn/year,** mostly by repurposing or ring-fencing within existing allocations plus catalytic external/domestic co-financing.

## 7

## GOVERNANCE, ACCOUNTABILITY & DATA

Effective delivery of ECDiC services depends on strong governance, clear accountability, and reliable data systems. The following measures outline how Nigeria can track results, improve transparency, and ensure funding translates into real outcomes for young children.

### A. One Results Framework (child-level outputs)

**Coverage:** % of 0–8s in target LGAs receiving integrated packages (health + nutrition + caregiver + early learning).

**Continuity:** % of children completing caregiver sessions; % with completed referral loop PHC↔ECCDE.

**Quality:** ECD environment scorecards at ECCDE/PHC hubs; psychosocial support availability.

**Equity:** share of resources reaching North-West & rural LGAs vs baseline.

### B. Execution transparency

Quarterly ECDiC Budget Execution Dashboard (federal and state): allocations, releases, commitments, expenditures, time-to-facility metrics, etc.

### C. Integrated Data & Information Flows

Tag ECDiC services in DHIS-2; standardise LGA service registers; integrate with social protection registries for shock-top-ups to households with 0–8s.

### D. Oversight

National Assembly committees to shift from procurement-only reviews to performance hearings on early-year releases and ECDiC DLRs; State Houses of Assembly adopt the same cadence.

## 8

## RISK, MITIGATION, AND “NO-REGRETS” MOVES

Risk	Why it matters	Mitigation
Aid contraction	External funds may fall short.	Lock in philanthropic co-financing MOUs; prioritise pooled/localised windows; protect ECDiC tags in budget floors.
Counterpart shortfalls	UBEC access stalls	Sequence counterpart in arrears; accept in-kind; allow pooled window to bridge.
State resistance to direct flows	Slows LGA delivery	Use legal basis (e.g., LG autonomy direction) + negotiated compacts with incentive DLRs. .
Inflation/FX erosion	Real value collapses	Front-load releases; index key commodity contracts; pooled bulk procurement for kits.
Access/insecurity	Service interruption	Fund Nigerian NGOs directly; mobile hubs; pre-position kits; anticipatory triggers (flood/violence).

Immediate steps to take now: Publish ECDiC tags in the next budget call circular. Issue an inter-ministerial memo naming PHC-ECCDE hubs as the default service model in crisis LGAs.

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## WHAT SUCCESS LOOKS LIKE BY 2028



### Transparency:

ECDiC has a budget tag and ring-fenced sub-programmes in federal and at least 24 state budgets; quarterly execution is public.



### Execution:

≥70% of ECDiC-tagged funds released annually and ≥60% executed.



### Equity:

60% of pooled ECDiC funds reach North-West & high-risk North-Central LGAs until parity is achieved.



### Services at the last mile:

PHC-ECCDE hubs operating with caregiver sessions and stimulation kits; referral completion >65%.



### Child outcomes:

Increased coverage of the ECDiC core package, with measurable gains in developmental milestones tracking at LGAs.

## CONCLUSION

Improving ECDiC outcomes in Nigeria will require both gradually expanding fiscal space and strengthening governance and execution. While additional resources are important, especially given inflation and tightening aid, our analysis suggests there is also meaningful progress to be made by improving how existing resources are prioritised, released, and used. Within current macroeconomic and aid constraints, the quickest and most sustainable gains are likely to come from restructuring available financing. Hence, it reaches young children earlier, more equitably, and more predictably during emergencies, while progressively increasing fiscal space as conditions allow.



Panel discussion on domestic financing for early childhood in crisis contexts during the first National Consultative Meeting hosted by Moving Minds Alliance in Abuja, November 2025.

# MOVING MINDS ALLIANCE

Moving Minds Alliance (MMA) is a multi-stakeholder alliance of 40+ international organisations advocating for early childhood development in every crisis response, leveraging the strengths of diverse actors from the local to the global. In Nigeria, the Alliance is funding and supporting a locally led, multi-stakeholder coalition to advocate for early childhood development in crisis contexts.

Front Cover: Rejoice Bitrus, 14 advocates for holistic support for children in crisis at the Moving Minds Alliance stakeholder consultative meeting on early childhood development in crisis. Displaced from Gwoza Borno State Nigeria at age 3, she aspires to be a doctor to offer free medical services to families and children in displacement.

Website: [movingmindsalliance.org](http://movingmindsalliance.org)  
 LinkedIn: [@MovingMindAlliance](https://www.linkedin.com/company/movingmindsalliance)  
 X: [@MovingMindsECD](https://twitter.com/MovingMindsECD)  
 YouTube: [@movingmindsECD](https://www.youtube.com/channel/UC...)

**Written by** Lola Ayanda (Moving Minds Alliance),  
**Reviewed by** Afiniki Mangzha (Integrated Women and Youth Empowerment Centre),  
 Rinkat Oswald (International Rescue Committee)  
 Nour Jarrouj (Moving Minds Alliance)  
 and Tunde Aremu (Plan International)  
**Design:** Olalekan Onilede, (Screensmith Media)