Bana Pele to Global Leadership:

South Africa's Opportunity to Champion the Early Years

Act For Early Years

> **"Universal childhood development should have started 30 years ago... We recognise today that investing in early childhood development is not just about education. It is about shaping the next generation of skilled, capable and entrepreneurial citizens who will drive our economy forward."**
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> **— President Cyril Ramaphosa, Bana Pele 2030 Roadmap Leadership Summit, March 2025**

South Africa's G20 Presidency theme of "Solidarity, Equality, Sustainability" creates a historic opportunity to showcase how investing in early childhood care and education can simultaneously address the triple threat of unemployment, inequality, and poverty while delivering a powerful triple benefit: nurturing children's potential, creating meaningful jobs in the female-led care economy, and enabling parents and carers to participate in the workforce.

The science is clear: the first five years of life represent a once-in-a-lifetime window when 90% of brain development occurs. The quality of experiences during this period shapes cognitive, emotional and social development, making it a fundamental moment for tackling inequality. Early years investments create a butterfly effect, multiplying opportunities for children, breaking cycles of poverty, and transforming outcomes for entire generations.

South Africa has emerged as a global leader by developing a comprehensive, collective approach to universal early childhood care and education built on five interconnected pillars. These include a compelling vision backed by strategic planning; collective leadership through innovative public-private partnerships; an enabling regulatory framework; and substantial public financing commitments. This systems-thinking approach demonstrates how countries can achieve rapid scale with equity despite resource constraints.

The South African experience shows that with the right combination of political will, context-appropriate policy, innovative partnerships, and targeted investment, a clear map for achieving transformative change for young children and their families becomes possible even in complex socioeconomic contexts.

Purpose of this briefing

This briefing, developed collaboratively by Ilifa Labantwana, SmartStart, and Theirworld, seeks to highlight South Africa's approach to early childhood care and education on the global stage. By showcasing the country's innovative strategy during its G20 Presidency, we aim to inspire other countries and demonstrate a potential model for comprehensive system-change. South Africa's collective vision serves as a compelling catalyst for the Act For Early Years campaign, which seeks to mobilise at least USD 1 billion in new funding and convene the first-ever international financing summit for the early years. The campaign aims to unite stakeholders behind three transformative goals: universal access to quality primary healthcare, universal preschool education, and universal family support through affordable childcare and benefits.

The early years challenge and opportunity

The world faces an urgent early years crisis that demands immediate action. Around 349 million children lack access to childcare[1], whilst approximately 175 million children are not enrolled in any form of preschool education.[2] This gap is particularly evident across Africa, where children under five receive just 6.5% of child-focused spending despite comprising around a third of the child population.[3]

This underinvestment represents a significant missed strategic investment opportunity. A child's first years offer a critical window for strategic policy investments that yield returns far exceeding any other stage of life. Recent research shows that a minimum package of just one year of early childhood care and education for all children would cost on average less than 0.15% of low-income and middle-income countries' current gross domestic product. Yet the societal cost of inaction is enormous, with an estimated forgone benefit of 8–19 times the cost of investing in early childhood care and education.[4]

Unlike many development investments that can take decades to yield results, early years spending delivers measurable outcomes within typical electoral cycles. Research indicates that an increase in universal childcare spending by just 0.4% of GDP across G20 countries could bring 67 million more women into the workforce within three years[5], creating immediate economic benefits whilst laying the groundwork for long-term human capital development. The Global Education Evidence Advisory Panel also identified quality preschool and parenting support programmes as two of ten cost-effective 'Smart Buys' for improving learning outcomes.[6]

The challenge is substantial, but the potential rewards - both human and economic - are even greater. By addressing the early years crisis, countries can simultaneously tackle inequality at its source, strengthen workforce participation, and build the foundation for sustainable economic growth. For policymakers seeking high-impact interventions that deliver both immediate results and long-term benefits, the early years represent the single most promising investment available.

The opportunity presented by South Africa

South Africa is already demonstrating what collective leadership in early childhood care and education looks like. The 2025 Budget demonstrates real commitment through tangible investment pledges.[7] These include:

1. **R10 billion (USD 555 million) ECD medium-term budget investment, which will enable a substantial uplift in the per child ECD subsidy and expand support to 700,000 more children, with 1.5 million anticipated to benefit by 2028.**
2. **R210 million (USD 11.6 million) towards infrastructure support for early learning programmes in 2026 and 2027.**
3. **R131 million (USD7.3 million) towards the full digitisation of early childhood care and education service administration through a dedicated digital platform.**
4. **70% increase in funding for an early years nutrition pilot to R336 million (USD 183.3 million) by 2026.**

While funding is essential, equally important is developing societal-level delivery solutions to the challenge of inequitable access to early childhood care and education programmes.

In 2024, the Department of Basic Education published the 2030 Strategy for ECD Programmes, setting out how it will achieve

1 World Bank, Better Jobs and Brighter Futures: Investing in Childcare to Build Human Capital, 2020

2 United Nations Children's Fund, A World Ready to Learn: Prioritizing quality early childhood education, 2019

3 United Nations Children's Fund, Fit for the Future: How a Rethink of the Human Capital Model is Needed in Africa to Optimise the Return on Social Spending, 2024

4 Nores, Milagros et al. The cost of not investing in the next 1000 days: implications for policy and practice, The Lancet, Volume 404, Issue 10467, 2117 – 2130

5 Theirworld, Every Family Every Child, 2024

6 World Bank, Cost-Effective Approaches to Improve Global Learning, 2023

7 National Treasury of the Republic of South Africa, National Budget, May 2025

its target of universal access by the end of the decade. Under this model, population-based planning will be combined with new contracting arrangements with non-state role-players, to unlock the pipeline of new programmes required to reach every child. It will also create structured pathways to inject funding into a largely market-driven sector, in a way that drives key government policy goals and helps to leverage new business and donor resources.

What distinguishes South Africa is its comprehensive systems-thinking approach. Government has tried to understand how the relationships and dynamics between the wide range of role-players involved in early childhood care and education, alongside cultural, social and economic factors, have interacted to create structural exclusion. This has highlighted that the state alone cannot deliver universal access, and that a whole-of-society effort is required. This understanding has in turn, underpinned a new Social Compact for ECD, launched at a recent national early childhood development leadership summit, attended by the President and sectoral and business leaders.

Another central pillar of the South African approach is that it is asset-based. Rather than viewing informal early childhood care and education settings as deficient, the approach values the strengths already present - such as under-employed women with aptitudes for caregiving, available home venues, and vibrant forms of informal economic activity - and harnesses them for the public good. The Department of Basic Education has also prioritised legal reform. In 2024, it published new draft legislation that will significantly lower barriers to inclusion in the early childhood development regulatory and funding frameworks. An ECD Red Tape Reduction task team has also developed concrete proposals for reducing red tape at municipal level.

The global call to action

Under South Africa's leadership, we urge the G20 to recognise that investment in early childhood care and education is essential to achieving our shared goals of solidarity, equity, and sustainable development. Early years interventions lay the foundation for healthier, more inclusive, and resilient societies, and are proven to generate high returns across health, education and economic growth.

We commend the leadership of South Africa in elevating early childhood care and education and championing innovative policy and delivery approaches. We call on the G20 to acknowledge the persistent global financing gap that limits progress in this area, particularly in low- and middle-income countries where the early years crisis is most acute.

As a legacy of the South African G20 Presidency, we urge the G20 to:

1. **Commit to increasing domestic and international investment in quality early childhood development programmes that support the three catalytic goals of universal access to primary healthcare, quality preschool education, and support for families.**

2. **Commit to the five pillars of the South African approach - financing, leadership and strategy, policy reform, new partnership models, and harnessing community assets.**

3. **Promote knowledge-sharing between countries implementing successful early childhood care and education models, with special attention to innovations from the Global South that signpost pathways to universal access.**

4. **Support calls to convene the first-ever International Finance Summit for Early Childhood Development. This Summit will provide a global platform to mobilise new funding commitments, strengthen collaboration, and build a more coherent and sustainable financing architecture for the early years.**

By taking these concrete steps, the G20 can accelerate progress toward multiple Sustainable Development Goals while addressing the root causes of inequality. South Africa has shown what leadership in this space looks like. Now is the time for collective global action that transforms the futures of millions of young children and their families across the world.

As President Ramaphosa said, **"Let us join hands and work together, as a united force, to achieve our shared vision of universal access to quality Early Childhood Development."**

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smartstart

GIVING EVERY CHILD THE POWER TO SUCCEED.

Theirworld