

# What Works to Reduce Child Poverty in Peru?

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## Summary

What works to reduce child poverty and advance progress toward the Sustainable Development Goals (SDGs)? Not surprisingly, there is no one-size-fits-all solution, but global evidence points to common effective strategies, combining sustainable, pro-poor economic growth, inclusive social protection, and sustained investment in social sectors through holistic and integrated approaches, as set out in the Global Coalition to End Child Poverty's 2025 publication, '[What works to reduce child poverty?](#)'.

**This case study presents evidence on what works to reduce child poverty in Peru, drawing from over two decades of data from the [Young Lives study](#), demonstrating the [unique value of longitudinal research](#) in tracking human development across the life course and providing crucial insights for effective policy change.**

Peru has achieved significant reductions in child poverty over the past two decades, with progress spanning from infancy through adolescence and into early adulthood. Evidence from Young Lives shows that public policies have delivered wide-ranging benefits for disadvantaged children and young people. However, deep-rooted inequalities persist with long-term consequences, while multiple shocks and crises – including the COVID-19 pandemic, climate-related weather events intensified by El Niño, and ongoing political instability – risk reversing hard-won gains and further exacerbating inequalities.

Young Lives' longitudinal evidence shows that a broad, inclusive approach is essential for public policies to effectively target the diverse needs of disadvantaged children and young people. But supporting policymakers to deliver meaningful, progressive change is not just about generating robust data and evidence. It also requires effective ways to translate research into policy influencing, and, crucially, to maintain strong relationships that are built over many years.

## The Young Lives Study

Young Lives is an innovative mixed-methods longitudinal study following the lives of 12,000 young people, from infancy into adulthood, across four countries—Ethiopia, India, Peru and Vietnam—delivering significant research to policy impact, since 2001. In Peru, Young Lives has been following the lives of 2,700 children, including 2,000 born in 2001-02 (the Younger Cohort) and 700 born in 1994-95 (the Older Cohort) from households that represent the diversity of living standards throughout the country (Escobal and Ponce, 2008).

### Peru has seen significant reductions in child poverty over the last two decades

Official statistics show significant reductions in poverty and improvements in living standards in Peru over the past two decades. For example, [chronic malnutrition in children under five](#) decreased substantially from 34.4% in 2000 to 10.6 per cent in 2024, indicating that Peru has achieved the [SDG 2.2 target](#) to reduce stunting in children under five by 40%.

Similar patterns have also been observed by the Young Lives longitudinal study. Young Lives participants born in 2001 (the Younger Cohort) benefited significantly from economic growth and improved social programmes compared to those born in 1994 (the Older Cohort). Between 2002 and 2016, Young Lives households showed an overall wealth<sup>1</sup> increase of 54%, with access to electricity increasing from 60% to 96% and access to sanitation rising from 74% to 95% (Sánchez, 2018).

Figure 1. Average annual growth rates in household wealth showing changes between 2002 and 2016 for the Younger Cohort

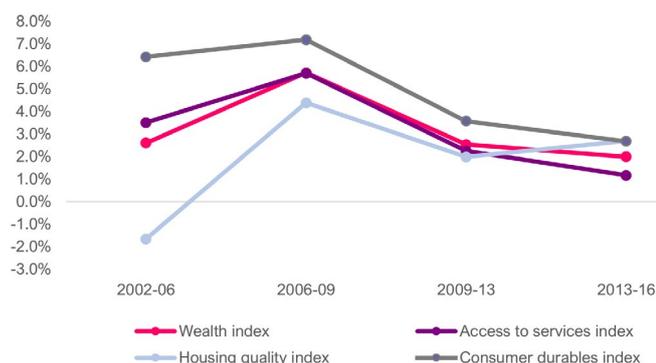


Figure 1 shows increasing household wealth among the Young Lives sample between 2002 and 2016, especially between 2006 and 2009. (Briones, 2017)

Childhood stunting was alarmingly high in the early years of the study, with 37% of 5-year-olds below the expected height-for-age in 2006. However, by 2016, this rate had fallen to 16% for the same group at age 15, which was also significantly lower than the 31% observed among the Older Cohort at age 15 in 2009 (Penny, 2018). Additionally, Young Lives participants are taller than their parents, with young women from the Younger Cohort being on average four centimetres taller than their mothers by age 22, reflecting improved overall nutrition.

Compared to their parents, the proportion of Young Lives participants completing school more than doubled between 2002 and 2016, from 39% to 87%, while higher education enrolment quadrupled from 11% to 46%. At age 15, the Younger Cohort also demonstrated improvements in educational performance, even compared to the Older Cohort at the same age, seven years earlier (Favara, Chang and Sanchez, 2018). Secondary school enrolment rates (already high) continued to increase with declining drop-out rates, supported by increasing government investment in education, although overall improvements in learning remained relatively modest.

Part of this trend might be explained by the increased capacity of families to invest in education, combined with increasing public spending on education. Between 2009 and 2016, government expenditure on education increased from 3.1% to 3.8% of GDP, and has remained at a similar level since, although this remains significantly below the 6% promoted by the 2003 General Law of Education (Cueto and Felipe, 2018).

Evidence from Young Lives' most recent Round 7 data shows that 82% of participants born in 2001-02 completed secondary education at the correct (normative) age, compared to only 63% of participants born in 1994-95 (Cueto and Espinoza, 2025), suggesting that Peru is making good progress towards meeting SDG target 4.1 to ensure that, by 2030, all children complete secondary education.

These reductions in child poverty mirror Peru's improved economic performance during the same period. The country experienced high economic growth between 2002 and 2013, with GDP average annual growth rate of 6.2%, followed by continued - though slower - growth between 2014 and 2019, averaging 3.1% per annum (Central Reserve Bank of Peru, 2020). Social protection expenditure increased with the launch of the Government's flagship **JUNTOS** conditional cash transfer programme and the introduction of a free health insurance scheme (**SIS**) for low-income families, both starting in 2005. However, despite these initiatives, Peru remains behind many other Latin America countries in terms of social expenditure on children (Alcazar and Sánchez, 2018).

1 Young Lives measures living standards using a composite wealth index combining: access to services, housing conditions and ownership of consumer durables – see Briones, 2017.

## **Public policies have delivered wide-ranging benefits for disadvantaged children and young people**

### **Social Protection: JUNTOS**

Young Lives' ground-breaking longitudinal evidence shows that early childhood stunting can be reversed over a much longer period than previously thought - well beyond the first 1,000 days of life, even into adolescence – and that physical recovery is associated with better performance in [cognitive tests and progression through school](#). Importantly, findings show that social protection programmes can play a crucial role in mitigating the impacts of early-life shocks and supporting the most disadvantaged children achieve their full potential.

Children from households that receive support from the JUNTOS conditional cash transfer programme are significantly less likely to experience chronic malnutrition. Nutritional benefits are greater for children receiving support from an early age, with severe stunting in children under 5 years reduced by 8.4 percentage points ([Sánchez and Jaramillo, 2012](#)), and those receiving support in the first three years of life 13.4 percentage points less likely to experience stunted growth by the age of 7-9 years ([Sánchez, Meléndez and Behrman, 2020](#)). Children who benefit from JUNTOS also spend less time on paid work, increasing time available to study and attend school ([Escobal and Benites, 2012](#)).

Evidence from Young Lives also shows that children who receive JUNTOS support from an early age show significant cognitive gains, including the ability to focus on a specific task ('inhibitory control'), improving the ability to learn and concentrate in the classroom ([Scott et al, 2022](#)).

### **Early Childhood Development: Cuna Más**

Measuring the impact of public policies over time is critical to informing effective programme design and implementation. Young Lives evidence in Peru showed that the national early childhood development (ECD) programme, known as 'Wasi Wasi,' did not effectively enhance key areas of child development (gross motor, language, fine motor skills) when compared to children who remained at home ([Cueto et al., 2009](#)).

This evidence informed the design of Peru's current national ECD program, '[Cuna Más](#)', expanding accessibility to disadvantaged children, especially in rural areas, with a much stronger focus on strengthening early learning, improving cognitive development and language skills. More recent Young Lives evidence shows the long-term impact of good quality pre-school education on cognitive development ([Cueto et al., 2016](#)), and that more years attending pre-school improves socio-emotional development ([Arapa et al., 2021](#)), highlighting the importance of meeting SDG target 4.2 by ensuring all girls and boys have access to quality early childhood development and pre-primary education.

## **Young Lives' impact informing redesign of JUNTOS programme in Peru**

Young Lives longitudinal evidence has directly informed the re-design and expansion of JUNTOS, delivering better access to health and education for disadvantaged pregnant women, children and adolescents.

“Since the pandemic, the JUNTOS conditional cash transfer programme has undergone a process of redesign ....[with a decision to] focus efforts on two key stages of the life cycle: early childhood and adolescence....This decision was the result of a negotiation process with the Ministry of Economy and Finance, backed by a broad empirical evidence base generated by the programme itself, including studies conducted by the Young Lives team. These studies, which have analysed various aspects of JUNTOS' performance over time, were instrumental in supporting the proposed redesign....We are deeply grateful for the valuable work of Niños del Milenio [Young Lives in Peru] and the availability of its data, which have been key to promoting informed decisions. Empirical evidence is, without a doubt, the backbone of public policies framed within the results-based budgeting approach.”

Guido Alonso Meléndez Carpio, JUNTOS, April 2025

### **Education: Jornada Escolar Completa (JEC)**

By combining analysis of national administrative data with detailed longitudinal data tracking students time use as well as their cognitive, socio-emotional and technical skills, Young Lives has demonstrated the impact of Peru's national Jornada Escolar Completa (JEC) extended school day reform in public secondary schools. The findings show that the JEC reform has had a significantly positive impact on student achievement, including improvements in mathematics, reading, English proficiency and computer skills ([Agüero, 2016](#); [Sánchez and Favara, 2019](#); [Agüero et al, 2021](#)). Extending the length of the school day has been effective because it was implemented alongside a comprehensive package of measures to improve teaching (pedagogical) resources, provide additional school staff, increase teacher training and IT resources. It also involved a reallocation of students' time away from home-based activities to allow more structured learning, reinforcing its overall impact ([Agüero et al, 2021](#)).

Recent analysis of Young Lives Round 7 data collected in 2023, combined with administrative data tracking students from 2015 to 2022, shows that the JEC reform is having significant long-term benefits ([Agüero et al, forthcoming](#)). Students in schools implementing the JEC reform since 2015 are less likely to drop out, more likely to complete secondary education (including in the expected timeframe), and more likely to enrol in university. Ongoing research suggests that positive impacts are also evident among more recent student cohorts who entered secondary school in subsequent years, indicating sustained effects of the reform.

Evidence from Young Lives shows that significant improvements in the quality of public education are achievable, with the JEC reform demonstrating strong performance relative to other initiatives. Compared with education interventions in low-and-middle-income countries, the JEC reform has delivered above-average learning gains ([Agüero et al. forthcoming](#)).

These findings are particularly relevant for informing policy debates about continued programme funding and potential expansion across Peru, especially given the high costs of implementation, persistent political instability, and the non-universal design of the programme, which currently allows schools to opt out.

### ***Unfortunately, deep-rooted inequalities persist with long-term consequences***

Although child poverty has declined over the past two decades, deep-rooted inequalities remain, particularly in access to basic services and educational outcomes. While access to primary education is now almost universal, children from poor households, rural regions, indigenous backgrounds, or those with disabilities ([Cueto et al. 2018](#)), are more likely to attend lower-quality schools and underperform on standardised tests, and less likely to complete school on time ([Cueto and Espinoza, 2025](#)). This could undermine Peru's otherwise good progress towards SDG 4.1, as this target calls for all children to complete free, equitable and quality primary and secondary education, leading to effective learning outcomes.

These disparities also expose disadvantaged children to high levels of malnutrition, which can have severe long-term effects on their physical growth, cognitive skills, and school performance. Evidence from Young Lives further shows that [inequalities in basic skills emerge by age five or even earlier](#), and that access to [quality higher education](#) remains very unequal.

Young Lives longitudinal evidence also shows [increasing levels of childhood overweight and obesity](#), driven primarily by poor diets and insufficient physical activity, particularly among urban households. Although this trend is likely to become a major public health issue in the coming decades, it currently receives little attention in public policy. Overweight and obesity in children over the age of 5, as well as in adolescents and young adults, is also not covered in the SDGs, despite being identified as a [key global health concern](#).

In response, Young Lives is taking forward [cutting-edge research](#) to better understand the interaction between nutrition, genetics and lifestyle changes ([Wuni et al., 2025](#)), aiming to inform more targeted and effective policies to address this increasing risk to children's health and well-being.

### ***Multiple shocks and crises are also threatening progress and exacerbating inequalities***

Peru was among the hardest-hit countries during the COVID-19 pandemic, with poverty rates increasing dramatically from 20% in 2019 to 30% in 2020, according to the Peru National Institute of Statistics (2021), and remaining at a similar level since then (28% in 2024). Young Lives evidence shows that the pandemic deepened household poverty, disrupted education, and worsened food insecurity, leading to long-term effects on children and youth ([Favara et al., 2021](#)). Government initiatives in 2021, such as the [Peru Works](#) programme and the [Yanapay Peru](#) cash transfer scheme, showed limited success, with poverty rates still at 29% in 2023 (Curi-Quinto et al., 2021).

In addition, the 2023 'El Niño' event also affected Peru's economy, potentially worsening early childhood development and child poverty. [Young Lives research](#) shows that early exposure to climate shocks like droughts and floods can severely impact children's nutrition, growth and learning. Meanwhile, Peru's political instability, with (at the time of writing) 16 Prime Ministers since 2020, threatens the continuity and effectiveness of policies designed to combat poverty.

### ***Achieving real-world impact through a combination of robust longitudinal evidence, policy engagement and sustained partnerships***

Young Lives longitudinal evidence shows that a broad, inclusive approach is essential for public policies to effectively target the diverse needs of children and young people, in order to prevent a reversal of two decades of development gains and support progress toward the SDGs and ensuring that no one is left behind.

But [supporting policymakers to deliver meaningful, progressive change](#) is not just about generating robust data and evidence. It also requires effective ways to translate research into policy influencing, and, crucially, to maintain strong relationships that are built over many years.

Recent examples of Young Lives' policy influencing and partnerships in Peru include the invitation extended to Senior Researcher Alan Sánchez to deliver a [keynote speech](#) at the 13th 'Week of Inclusion,' held in Lima in October 2025. The event was hosted by Peru's Ministry of Development and Social Inclusion (MIDIS) in collaboration with UNICEF Peru.

The 'Week of Inclusion' is an annual event organised by MIDIS to assess progress and ongoing challenges in Peru's social protection programmes, including [JUNTOS](#), the conditional cash transfer programme, and [Cuna Más](#), which aims to improve the cognitive, physical and social development of children under three living in poverty. During the event, the Directors of JUNTOS and Cuna Más discussed the implications of Young Lives' findings for their respective programmes, particularly in relation to programme re-design. JUNTOS, for example, is seeking

to improve its focus on both early childhood and later adolescence, stages at which children from disadvantaged backgrounds face significant risks, including dropping out of school. They also reflected on the broader challenge of expanding programme coverage across Peru.

In December 2025, Co-Principal Investigator Antonio Campos and Alan Sánchez presented new Young Lives evidence to the Peruvian Ministry of Education on the impacts of the JEC reform on student learning and educational outcomes, as part of a wider government initiative to redesign the programme. The presentation was part of Young Lives' collaborative work over a number of years, including most recently working alongside the Inter-American Development Bank (IADB) to strengthen the reform's effectiveness. Young Lives has subsequently been invited to prepare a briefing paper for the Minister of Education.



Alan Sanchez speaking during the 'Week of Inclusion' event in Lima hosted by Peru's Ministry of Development and Social Inclusion (MIDIS) in collaboration with UNICEF Peru.

### **Adapting and scaling up social protection programmes offers huge potential**

Looking forward, there is huge potential to further support the government in adapting and scaling up social protection programmes to tackle persistent inequalities and strengthen the resilience of vulnerable communities in the face of shocks and crises.

For example, making JUNTOS more 'shock-responsive' would enable it to provide more timely and effective support to the most disadvantaged households in disaster-prone regions. Evidence for Young Lives shows that sustained assistance is essential to [address acute nutritional deficits caused by climate-related shocks](#), particularly among undernourished or physically stunted children, those excluded from preschool and early education, and children who spend excessive time on household responsibilities. Enhancing the climate responsiveness of JUNTOS would also align the programme with the [Global Goal on Adaptation indicator](#) that tracks social protection systems that consider climate change risk and impacts.

There is considerable scope to expand early childhood development programmes like Cuna Más, which [reached just over 323,000 children](#) living in vulnerable areas in 2025. Increased investment in day-care services for children under three is urgently needed, not only to reduce child

poverty, but also to enable young women to complete their education, secure decent jobs, and help close the growing gender employment gap.

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A shorter version of this case study was first published as part of the Global Coalition to End Child Poverty's 2025 flagship publication, [What works to reduce child poverty: Insights from across the globe](#), authored in collaboration with UNICEF and Save the Children, among others. The report is also discussed on the Poverty Unpacked Podcast [#46 - What works to reduce child poverty – Global Coalition to End Child Poverty](#).



