

Investing in Every Child's Early Years: World Bank Contributions

Part 1: World Bank Investments in ECD: Establishing an Updated Spending Baseline for the Early Years

Two previous reports sought to establish trends for the World Bank's spending on early childhood development (ECD), with investments from IDA and IBRD building from \$197.7m in FY01 to \$694.4m in FY13.^{1,2,3} This gradual, 3.5-fold increase in approved financing signals growing World Bank and country commitment to the early years globally, along with an increased understanding of why we must invest in the early years, and how best to do it.^{4,5} ECD is a comprehensive and integrated approach to child development involving health, nutrition, cognitive stimulation, early learning, and child protection spanning from pregnancy to the age of eight.⁶ The most effective interventions include components applicable to infants, toddlers, children, pregnant women, parents, and caregivers.¹ Public commitment from World Bank President Jim Kim^{7,8} and the announcement of the Investing in the Early Years Initiative (with 21 country action plans developed to date)⁹ have accelerated the ECD agenda. If this commitment is sustained and increased, it may act as a catalyst for increased global investment from multilaterals, bilateral donors, country governments, and others, in the development of entire generations.

With 156 million children under 5 stunted (too short for their age due to chronic malnourishment),¹⁰ only 17 percent of eligible children in low-income countries enrolled in pre-primary education,¹¹ and more than 16 million children born in conflict settings in 2015,¹² it comes as no surprise that 43 percent of children under 5 globally (about 250 million children) are at risk of not developing physically or cognitively to their full potential.¹³ The lack of global solidarity on an early years agenda remains an emergency for those hundreds of millions of children, their families and communities, and the health and stability of entire national economies.

Updating the World Bank's spending baseline for ECD is critical in order to illustrate a new "starting line" for investments, the scale of the need that is still unfunded, and the global partnership required to close the gap.

The World Bank has already stated its intent to update figures on ECD investments through IDA

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For purposes of this analysis, the research team defined the scope of early childhood development using a list of keywords:⁵ Child; Children; ECD; Maternal; Nutrition; Orphan; Child Health; Preprimary / Pre-primary; Antenatal; Birth Attendant; Birth Registration; Breastfeeding; Child Immunization; Child Protection; Child Safety Net; Complementary Feeding; Continued Feeding; Early Childhood; Infant; Iron Fortification; Newborn; Oral Rehydration; Parenting; Prenatal; Preschool; Salt Iodization; Vitamin A Supplementation; Vulnerable Children; Young Children.

and IBRD, recognizing the challenges inherent to tracking this wide-ranging, multi-sector, and long list of investments. Publicly-available data on World Bank spending also makes external evaluation possible.¹⁴ The RESULTS team utilized the World Bank's Project Database, along with an evaluation methodology inspired by previous publications and informed by interviews with current and former World Bank staff and consultants to sort through all projects approved in the Bank's fiscal years 2014-2017 data looking for project components or entire projects focused on the early years. To validate FY14-17 findings, the RESULTS team performed a comparative analysis of FY12-13. A full methodology is available in at the end of this report.

The research team found that World Bank combined IDA and IBRD investments, often alongside investments from country governments, have gone up sharply since FY12.

Figure 1 illustrates this upward trend, with a total of **\$6.151 billion** approved via IDA and IBRD over FY12-17, equivalent to an average of **\$1.025 billion** per year. IDA makes up the majority (77 percent on average) of ECD investments over these four years, with an average of **\$791.2 million** invested per year.

Divided into IDA rounds (see figure 2), IDA16 (FY12-14), saw a total of **\$1.433 billion** dollars invested in ECD with an average of **\$477.58 million** per World Bank fiscal year. A significant jump occurred from IDA16 to IDA17. The latter round shows an investment of **\$3.314 billion** dollars to ECD with an average of **\$1.105 billion** per year. These figures do not include borrower

contributions, aligned spending from other multilaterals or bilateral donors, analytical activities or technical assistance conducted by the Bank,¹⁵ or trust fund contributions, even when those trust funds (such as the HRITF,¹⁶ GFF,¹⁷ Japan Trust Fund for Nutrition, Power of Nutrition Fund,¹⁸ or Early Learning Partnership¹⁹) are administered by the World Bank. Some of these trust funds have invested considerable sums in ECD over time.

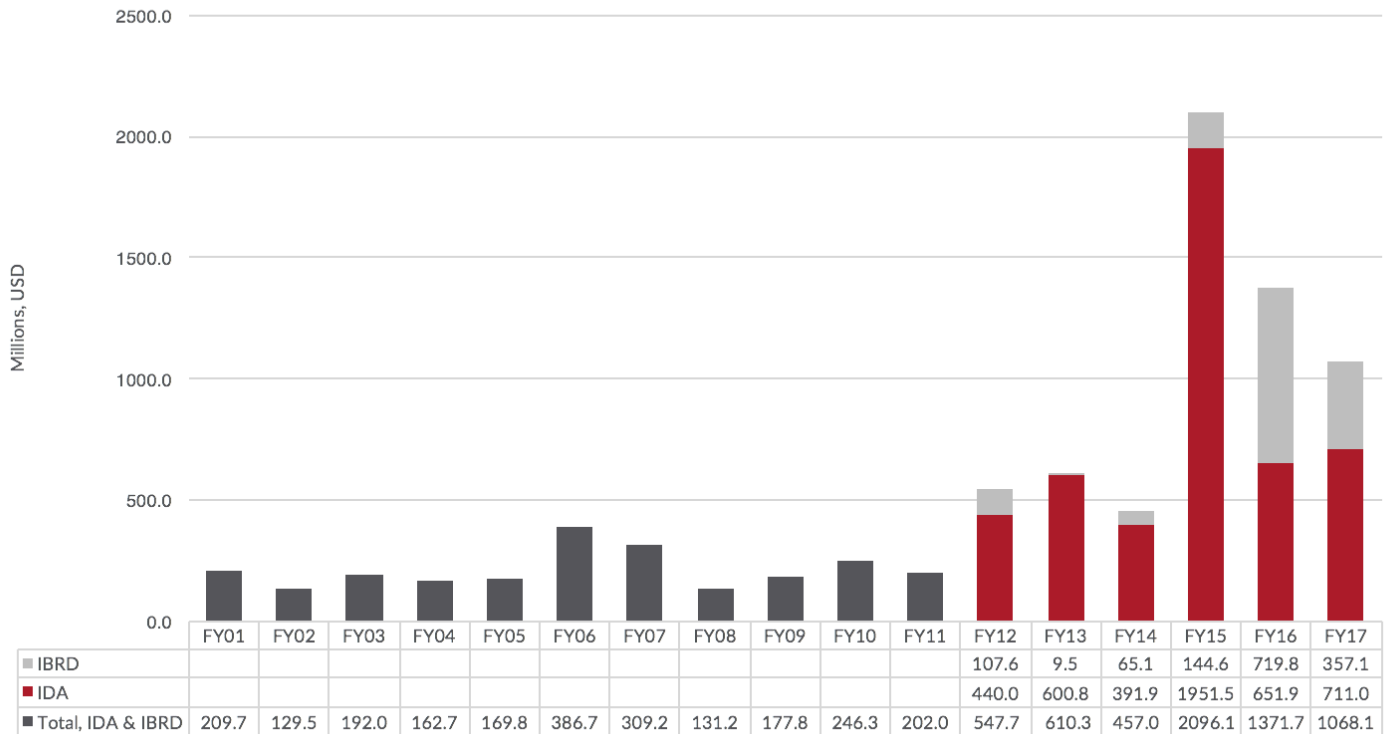
The analysis process to reach these figures made it clear just how cross-cutting World Bank investments in ECD really are, with project-by-project analysis of available documents required for all activities that included between one and 29 ECD-related keywords to achieve the fairest, more comprehensive evaluation possible using publicly-available documents. All of the spending profiled here is included in the Bank's Human Development practice; the wide range of sectors represented by these early years investments suggests additional ECD spending may be found in less expected places within total Bank spending over these years (see Part 2 of this report).

Overall, the time-consuming evaluative process needed to reach these figures suggests internal streamlining for identification of ECD-related projects would be beneficial. In particular, our evaluation suggests there may be additional nutrition-sensitive ECD expenditures that are counted outside the Human Development portfolio, including water and sanitation investments clearly meant to protect infants and young children from disease and infection. Equally tricky is the challenge of approximating

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Investments in ECD are more than three times greater in FY15 than in any prior fiscal year. Of 23 FY15 projects with IDA investments, four accounted for 1.2 billion of the 1.9 billion dollars invested (2015 nominal dollars) – or 63 percent. A single project, the “Program to Support Saving One Million Lives,” in Nigeria is a \$500 million investment alone, with another \$552 million coming from the government. Integrating maternal and child health, immunizations, communicable disease prevention, nutrition, and health systems performance, it is an excellent example of an integrated project with substantial financial support. It is also unique in that it accounts for over 25 percent of ECD spending in FY15.

Figure 1: World Bank Investments in ECD, FY01-17 (operations only)



Data on ECD components of approved World Bank operations from FY01-11 are pulled directly from a World Bank study published in 2015¹ which did not provide an IDA and IBRD breakdown. Figures here look slightly different because all totals have been adjusted to 2017 constant dollars in order to compare many years of investments over time (see Methodology for chart of real dollars and how adjustments were made to account for inflation).

Bank-published figures for FY12-13 were recalculated for verification and to track IDA and IBRD investments separately for the most recent two IDA rounds. This also facilitated setting of an IDA baseline for ECD investments across IDA16 (FY12-14) and IDA17 (FY15-17). The existing World Bank report cites marginally higher ECD investments in FY12-13 (see chart in Methodology section for exact figures). The difference can be partially explained by availability of updated data since publication of the World

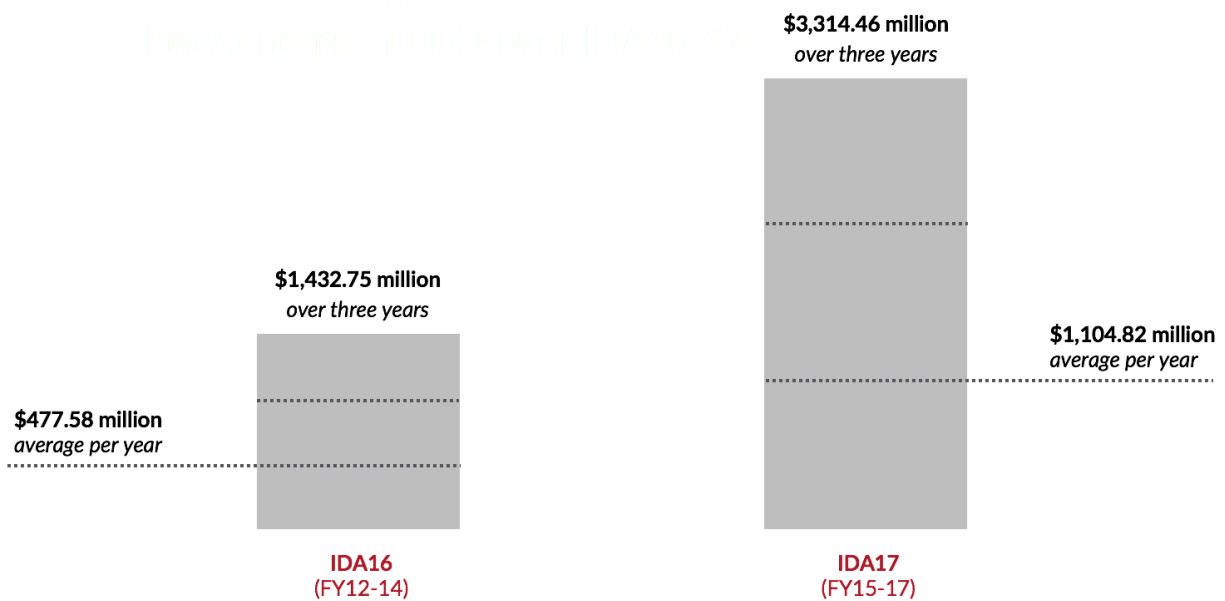
Bank report, partially through a difference in opinion on the project level, and in some cases, both. The RESULTS team made a differing judgment call regarding 4 projects in FY12 and 8 projects in FY13, explaining \$72.89m (2013 nominal dollars) of the difference in total among analyzed projects found in the World Bank report. In addition, the team added 6 projects that were not previously included in the list of investments in FY12-13, adding \$37.35m to RESULTS' total.

Analytical activities and technical assistance investments, missing from publicly-available documents, averaged \$4.19 million per year over FY01-13, peaking at \$15.38 million in FY13,¹ and are not shown in this figure. Were these figures publicly available, a similarly small but meaningful total might be added to FY14-17 as well.

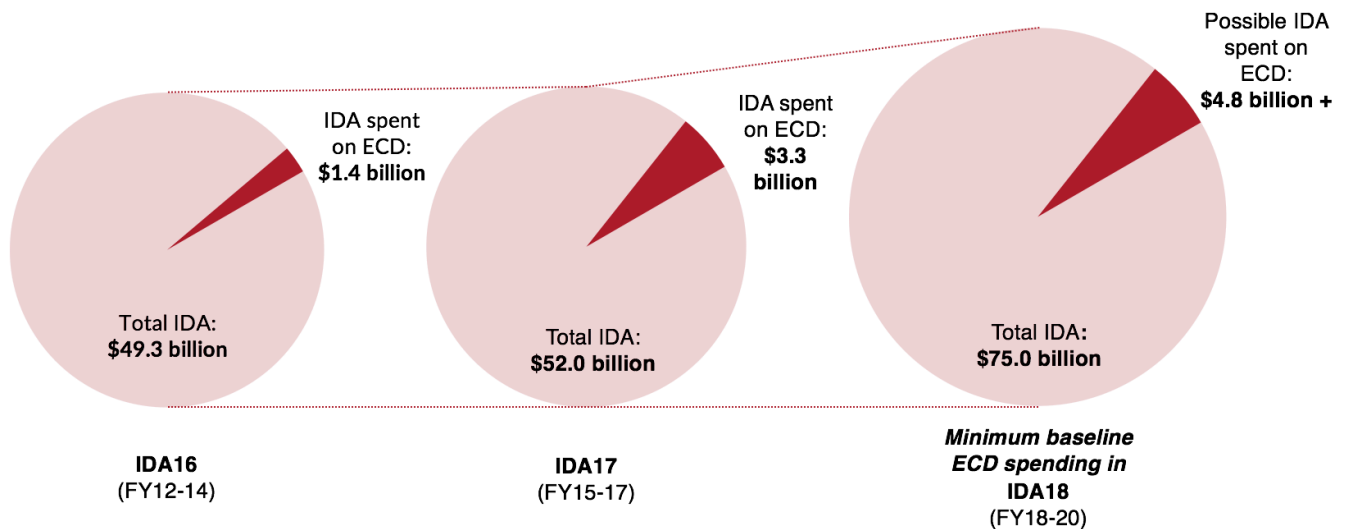
ECD pieces of wide-ranging, population-level social protection projects. Here, programs are often (and ideally) heavily integrated, with cross-cutting ECD components. This makes approximation of total funding going to ECD difficult. For the purposes of this review, social protection investments were only counted as ECD if there was a specific stated focus on young children and/or mothers. This focus might come

in the framing of program outreach, for example, choosing households or communities around the idea of promoting nutrition for women of reproductive age. In other cases, cash transfers were conditional on pro-ECD interventions.²⁰ This methodology likely underestimates the full impact of existing IDA and IBRD-funded social protection programs on the early years.

Figure 2:
Establishing an IDA Baseline: Investments in ECD in IDA16-17



ECD investments in IDA16-17 and a possible increase for IDA18



Tracking the average investment amount over a three-year IDA round can provide a more complete picture of investment trends. Figure 2 illustrates the large increase in ECD investments via IDA in IDA17 (FY15-17). Given the 44% increase in total IDA resources in IDA18, there is ample room for growth in ECD spending via IDA.

ECD Programming in Cameroon and Sri Lanka

While Cameroon’s Health System Performance Reinforcement Project consists of a wide range of interventions and objectives, it also includes a subcomponent focusing on child health and nutrition. A second subcomponent includes child protection elements within a larger focus on civil registration and vital statistics systems by recognizing the benefits of a focus on the quality and breadth of data collected on mothers and children. These activities are small pieces of the total project but together form an example of how ECD investments can be integrated into related programs that reach beyond the early years—in this case much broader health systems strengthening. This project is co-financed by the Global Financing Facility for Every Woman, Every Child.

Sri Lanka’s aptly named Early Childhood Development Project focuses on Early Childhood Education (ECE) and incorporates health, nutrition and parental support. The first component of the ECD Project focuses on improving the *quality* of ECE by improving facilities, educational materials, and bolstering the training of teachers and staff members by revising curriculum and updating development standards and assessments. The project also aims to expand equitable access to children ages 3 to 5 in Sri Lanka, especially those children from families in low income-brackets and from traditionally impoverished regions of the country. In addition to education, ECD centers will look to improve knowledge and care practices for teachers and parents pertaining to health and nutrition through training programs and informational sessions.

Part 2: Additional Findings

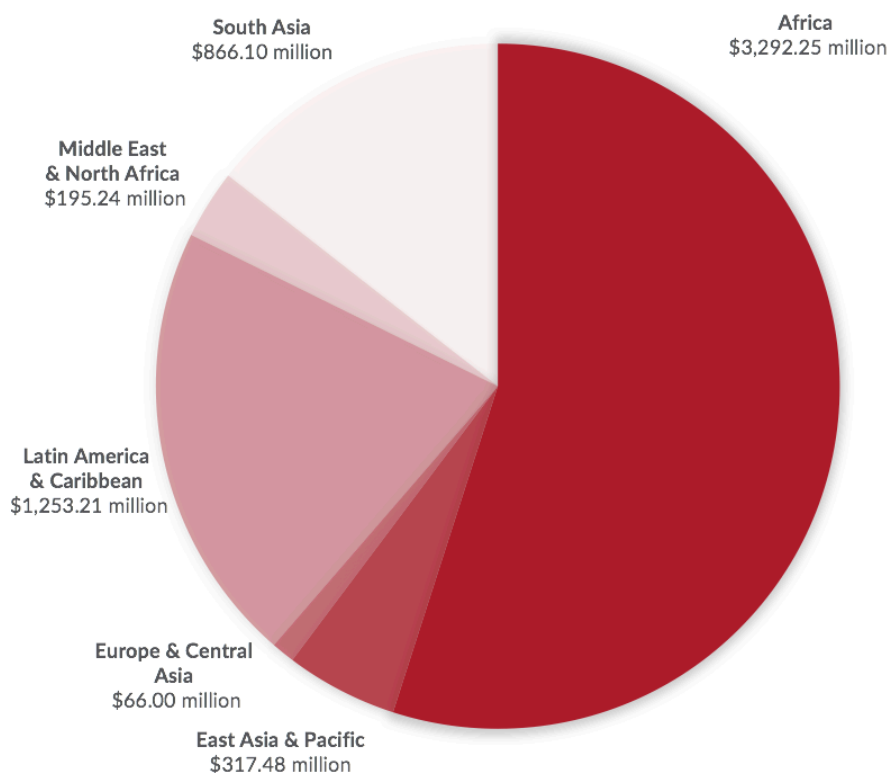
Reinforcing or building new cross-cutting, integrated programs for the early years

While IDA and IBRD-funding for ECD activities has steadily increased since FY01 (and sharply so for FY12-17 compared to previous years), there is still significant need for investment from all donors, countries, and other partners, including the World Bank. This analysis also suggests there is room for growth in funding specific critical components of a holistic early years agenda, namely child care, support for parents, and stimulation of young minds.

Over the four new Bank fiscal years examined by the research team (FY14-17, for which public World Bank analysis does not exist), 131 projects included identified ECD activities; within these nutrition and pre-primary education (both chronically underfunded areas globally) were mentioned often, but only eleven projects had project documents

specifically mentioning childcare, parental support, cognitive stimulation, or child protection components in any specific way (with protection usually amounting to civil registration and vital statistics, rather than prevention of violence). Three additional projects integrated water and sanitation with other components of ECD.

Figure 3: Investments in ECD by Region, IDA & IBRD, FY12-17



The World Bank can continue to be a leader in cross-cutting programming that aims to ensure every child has the care they need, a nourished brain and body, stimulation for a growing brain, and a safe place to grow, free of physical threats and toxic stress. The world can and urgently must integrate these kinds of programs with well-recognized high-impact nutrition, education, maternal and child health, and water and sanitation interventions in particular.

Geography of ECD Investments

IDA and IBRD activities approved in World Bank FY12-17 predictably include several comparatively larger investments that make up much of the funding total for each fiscal year. This is not necessarily negative, but does create a perceived geographical imbalance in a given year of approved financing. That said, the bulk of IDA and IBRD investments in ECD from FY12-17 were in Africa. Over these six fiscal years, IDA and IBRD activities focusing on ECD spanned 56 countries, 33 of which are in Africa where investments totaled \$3.641 billion, equivalent to 63 percent of all IDA/IBRD spending on ECD over these years (see figure 3).

Methodology

Analysis of World Bank ECD investments over its fiscal years 2014-2017 (equivalent to July 1, 2013 to June 30, 2017) for this report builds on methodology employed in two previous publications from the World Bank evaluating FY01-13 and FY01-FY14. A keyword search was used as the primary tool to identify projects that might include a focus on the early years. This search was performed on July 6, 2017, a reasonable interval following the close of FY17.

Keywords used to identify projects that might include ECD were: Child; Children; ECD; Maternal; Nutrition; Orphan; Child Health; Preprimary / Pre-primary; Antenatal; Birth Attendant; Birth Registration; Breastfeeding; Child Immunization; Child Protection; Child

Safety Net; Complementary Feeding; Continued Feeding; Early Childhood; Infant; Iron Fortification; Newborn; Oral Rehydration; Parenting; Prenatal; Preschool; Salt Iodization; Vitamin A Supplementation; Vulnerable Children; Young Children.

Individual project appraisal documents, financing documents, and other available publications were reviewed for each project identified using the keyword search in order to identify whether the project included early years components or subcomponents. Operations and/or components were then classified as “direct” investments to ECD or as “likely to benefit” young children. “Direct” investments were counted toward the grand total, whereas those marked “likely to benefit” were not. Most projects had sufficient documentation of activities that clearly included ECD and funding totals assigned to those bodies of work. However, when needed numbers were missing or there was otherwise insufficient information, the share of financing assigned to ECD was approximated using percentages of project activities assigned to one of five ECD-related World Bank Themes: Child Health, Nutrition and Food Security, Health Systems Performance, Population & Reproductive Health, and Education for All, or to the Pre-Primary Education Sector.

In parallel, for quality control purposes, the research team also analyzed all projects approved during FY14-17 that were assigned one of the five ECD-related World Bank Themes mentioned above or to the Pre-Primary Education Sector. Equivalent document review was undertaken for projects identified using this method that were not found using the keyword search.

To verify the validity of the FY14-FY17 numbers, for which World Bank analysis is not currently publicly available, the research team did their own analysis on FY12-13 using the aforementioned methodology. This analysis of FY12-13 came within \$81.3 million dollars

(\$1085.9 million total, 2013 nominal dollars) of the \$1.167 billion dollars the World Bank attributed to ECD in those two fiscal years. These updated figures, represented in Figure 1 here in 2017 constant dollars, have been used in this report as projects may have been updated since publication of the World Bank report estimating spending in the same years.

In total, 644 projects were reviewed with approval dates during FY12-17.

FY	Lending and grants for ECD, nominal (US \$ million)	Adjustment factor from US GDP deflator	Lending and grants, 2017 real terms (US \$ million)
FY01	154.9	82.9	209.7
FY02	97.4	84.4	129.5
FY03	146.9	85.9	192.0
FY04	127.3	87.8	162.7
FY05	136.9	90.5	169.8
FY06	322.1	93.5	386.7
FY07	265.0	96.2	309.2
FY08	114.9	98.2	131.2
FY09	158.2	99.9	177.8
FY10	220.3	100.4	246.3
FY11	184.0	102.2	202.0
FY12	World Bank estimate: 465.1 RESULTS estimate: 508.9	104.3	World Bank estimate: 500.5 RESULTS estimate: 547.7
FY13	World Bank estimate: 694.4 RESULTS estimate: 577.0	106.1	World Bank estimate: 734.5 RESULTS estimate: 610.3
FY14	439.4	107.9	457.0
FY15	2,044.0	109.4	2,096.1
FY16	1,352.7	110.7	1,371.7
FY17	1,068.1	112.2	1,068.1
Total, using RESULTS calculations for FY12-17	7,918.1	n/a	8,467.8

This table expands on 'Table 3.1: Trend in the Number of IBRD/IDA Operations and Funding for ECD' from Sayre, et al 2015. Figures are pulled from that report for FY01-FY13. New analysis in this report is used for FY14-17, and shown for comparison in FY12-13. Adjustment for inflation is based on the average of quarterly US GDP Implicit Price Deflator for each fiscal year, from the US Department of Commerce Bureau of Economic Analysis. For FY17, the first three quarters are used to find an average for the year as the fourth quarter is not available at time of publication.

Sources

- 1 Sayre, RK, et al. 2015. Investing in Early Childhood Development. Review of the World Bank's Recent Experience. Available at: https://olc.worldbank.org/sites/default/files/Investing%20in%20Early%20Childhood%20Development_Review%20of%20the%20WB%20Recent%20Experience_eBook_0.pdf These figures, listed in FY13 nominal dollars, have been further adjusted to FY17 constant dollars for report figures.
- 2 World Bank Group Independent Evaluation Group. 2015. World Bank Support to Early Childhood Development. An Independent Evaluation. Available at: http://ieg.worldbankgroup.org/Data/Evaluation/files/early_child_dev_eval.pdf
- 3 World Bank fiscal years run from July 1st to June 30th, evenly dividing calendar years. For example, fiscal year 2016 runs from July 1, 2015 to June 30, 2016. These figures are provided in 2013 nominal dollars per Sayre, et al 2015.
- 4 Britto, PR, et al. 2017. Nurturing care: promoting early childhood development. *The Lancet*, 389(10064): 91-102. Available at: [http://dx.doi.org/10.1016/S0140-6736\(16\)31390-3](http://dx.doi.org/10.1016/S0140-6736(16)31390-3)
- 5 For purposes of this analysis, the research team defined the scope of early childhood development using a list of keywords defined by Sayre, RK (2015).
- 6 WHO. Social Determinants of Health: Early Child Development. Available at: http://www.who.int/social_determinants/themes/earlychilddevelopment/en/
- 7 Nine Countries Pledge Greater Investments in Children, Powering Economies for Long-Term Growth. Press release from October 6, 2016. Available at: <http://www.worldbank.org/en/news/press-release/2016/10/06/nine-countries-pledge-greater-investments-in-children-powering-economies-for-long-term-growth>
- 8 World Bank Live. Human Capital Summit: Investing in the Early Years for Growth and Productivity. Event taking place on October 6, 2016. More info at: <http://live.worldbank.org/human-capital-summit>
- 9 More on the Early Years Initiative can be found at: <http://www.worldbank.org/en/programs/earlyyears>
- 10 UNICEF, WHO, and World Bank Group. 2016. Levels and Trends in Child Malnutrition. Available at: <https://data.unicef.org/wp-content/uploads/2016/09/UNICEF-Joint-Malnutrition-brochure.pdf>
- 11 UNESCO Institute for Statistics. Gross Enrolment Ratio by Level of Education. Data retrieved 27 April 2017 and available at: <http://data.uis.unesco.org/>
- 12 UNICEF. 2015. Press release: More than 16 million babies born into conflict this year. Available at: https://www.unicef.org/media/media_86560.html
- 13 Black MM, et al. 2017. Early childhood development coming of age: science through the life course. *Lancet* (389): 77-90. Available at: [http://dx.doi.org/10.1016/S0140-6736\(16\)31389-7](http://dx.doi.org/10.1016/S0140-6736(16)31389-7)
- 14 The World Bank's Projects and Operations are available at projects.worldbank.org.
- 15 According to Sayre, RK, et al 2015, "Analytical, Advisory, and Partnership Activities are tasks that create and use knowledge (and in some cases partnerships) to help improve the effectiveness of the Bank's work as well as country systems, policies, and programs. These include principally economic and sector work (ESW), technical assistance (TA), knowledge products (KP), impact evaluations (IE), and global partnerships and programs (GPP)."
- 16 More on the Health Results Innovation Trust Fund (HRITF) can be found at <https://www.rbfhealth.org/>
- 17 More on the Global Financing Facility for Every Woman, Every Child (GFF) can be found at <https://www.globalfinancingfacility.org/>.
- 18 More on the Power of Nutrition can be found at <http://www.powerofnutrition.org/>
- 19 More on the Early Learning Partnership can be found at <http://www.worldbank.org/en/topic/education/brief/early-learning-partnership>.
- 20 A good example of a social protection-focused investment with significant ECD elements is the Senegal Safety Net Operation, a component of which includes direct cash transfers to poor households with children under 5 years old. This project's Project Appraisal Document notes that these cash transfers are said to be aimed at promoting poor households' investments in the health of their children through the use of preventive health services (immunization, growth monitoring, nutrition, and more).