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IMPLEMENTATION COMPLETION REPORT  
(IF-N0150 PPFI-P9990)

ON A

CREDIT

IN THE AMOUNT OF US\$ 27.8 MILLION

TO THE REPUBLIC OF KENYA

FOR AN

EARLY CHILDHOOD DEVELOPMENT PROJECT

December 23, 2004

**Human Development 1**  
**Country Department 5**  
**Africa Region**

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## CURRENCY EQUIVALENTS

(Exchange Rate Effective March 10, 1997)

Currency Unit = Kenya Shillings (KSh)  
KSh 55 = US\$ 1  
US\$ 1.44124 = SDR 1.00

FISCAL YEAR  
July 1 June 30

## ABBREVIATIONS AND ACRONYMS

CORPS	Community Own Resource Persons
DECDIC	District Early Childhood Development Implementation Committee
DICECE	District Center for Early Childhood Education
ECD	Early Childhood Development
GoK	Government of Kenya
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
IDA	International Development Association
IDD	Iodine-Deficiency Disorders
KIE	Kenya Institute of Education
M&E	Monitoring and Evaluation
MOEST	Ministry of Education, Science and Technology
MoH	Ministry of Health
NACECE	National Centre for Early Childhood Education
NECDIC	National Early Childhood Development Implementation Committee
NGO	Non-Government Organization
PIM	Project Implementation Manual
PMSG	Project Management Support Group
SAR	Staff Appraisal Report
UNICEF	United Nations Children Fund

Vice President:	Gobind T. Nankani
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Sector Manager:	Dzingai Mutumbuka
Task Team Leader/Task Manager:	Carla Bertoncino

**KENYA**  
**Early Childhood Development**

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<i>Project ID:</i> P034180	<i>Project Name:</i> Early Childhood Development
<i>Team Leader:</i> Carla Bertoncino	<i>TL Unit:</i> AFTH1
<i>ICR Type:</i> Core ICR	<i>Report Date:</i> December 23, 2004

## 1. Project Data

*Name:* Early Childhood Development *L/C/TF Number:* IF-N0150; PPFI-P9990  
*Country/Department:* KENYA *Region:* Africa Regional Office

*Sector/subsector:* Central government administration (34%); Pre-primary education (30%); Tertiary education (17%); Health (16%); Primary education (3%)

*Theme:* Child health (P); Education for all (P); Nutrition and food security (P); Social analysis and monitoring (P); Social risk coping (P)

### KEY DATES

	<i>Original</i>	<i>Revised/Actual</i>
<i>PCD:</i> 03/31/1995	<i>Effective:</i> 10/09/1997	10/09/1997
<i>Appraisal:</i> 01/15/1996	<i>MTR:</i> 11/22/1999	11/22/1999
<i>Approval:</i> 04/08/1997	<i>Closing:</i> 06/30/2002	06/30/2004

*Borrower/Implementing Agency:* GOVERNMENT OF KENYA/MINISTRY OF EDUCATION;  
GOVERNMENT OF KENYA/SCIENCE AND TECHNOLOGY (MOEST)

*Other Partners:*

STAFF	Current	At Appraisal
<i>Vice President:</i>	Gobind T. Nankani	Callisto E. Madavo
<i>Country Director:</i>	Makhtar Diop	Harold Wackman
<i>Sector Manager:</i>	Dzingai B. Mutumbuka	Ruth Kagia
<i>Team Leader at ICR:</i>	Carla Bertoncino	Marito H. Garcia
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## 2. Principal Performance Ratings

(HS=Highly Satisfactory, S=Satisfactory, U=Unsatisfactory, HL=Highly Likely, L=Likely, UN=Unlikely, HUN=Highly Unlikely, HU=Highly Unsatisfactory, H=High, SU=Substantial, M=Modest, N=Negligible)

*Outcome:* U  
*Sustainability:* L  
*Institutional Development Impact:* M  
*Bank Performance:* U  
*Borrower Performance:* U

*Quality at Entry:* QAG (if available) ICR  
S

*Project at Risk at Any Time:* Yes

This assessment is based on a review of the available documentation (see annex 7), a two-week mission (June 2004) by the ICR team, including several field visits and discussions with Government officials, NGO partners, and the Bank staff and consultants related to the project. Particular mention should be

made of the following documents: The Bank's Staff Appraisal Report, the Bank's Project Status Reports (PSR); the mission aide-memoires; Project Completion Report by the Government of Kenya (GOK); a Quantitative Evaluation and a Qualitative Study (these studies did not collect primary data, but used existing data from the project's internal systems; and some of these are not consistent with a recent assessment by UNESCO).

### **3. Assessment of Development Objective and Design, and of Quality at Entry**

#### *3.1 Original Objective:*

The project objective at appraisal was to improve quality and educability of children in poor Kenyan households through the achievement of the following: a) improved child cognitive and psycho-social development; b) improved child health and nutrition; c) increased school enrollment at the appropriate age; and d) reduced dropout and repetition rates in lower primary school.

The phraseology “to improve quality ... of children” may have left the objective somewhat open to interpretation (whether it refers to the children's quality of life or quality of education, or the quality of the children themselves) and difficult to measure. However, the objective includes fairly specific indications of what the project sought to achieve in operational and measurable terms, if only appropriate baseline data had been collected and effective information systems had been put into place.

In light of the international research on early childhood development (ECD) that continues to demonstrate the correlation between timely inputs in the first few years of life and healthy human development, the objectives are very relevant to poverty reduction in Kenya. With over half of the children in Kenya under the age of six living in poverty, 80% of preschool children being worm infested and more than 50% suffering from anemia, 34% of the preschool age group (0-6) being stunted (i.e., chronically malnourished) and with elementary schools reporting rising grade repetition and increased absenteeism rates, poor classroom performance and increased school dropout rates, the case for a well-designed ECD program was not difficult to make.

The project was built on existing infrastructure, and demonstrated commitment to ECD in Kenya. This was evidenced by a long-standing practice of government supported ECD activities that began in the early 1970's. These activities included the establishment of ECD centers around the country as well as the National Centre for Early Childhood Education (NACECE) at the Kenya Institute of Education (KIE).

The objectives were also consistent with the priorities set in the Bank's Country Assistance Strategy (CAS), which recommended targeted interventions for vulnerable groups. The project objectives are still relevant to Kenya's current poverty reduction strategy and the Bank's CAS, as the health, nutrition and educability of young children remain critical determinants of poverty, productivity and economic development.

#### *3.2 Revised Objective:*

The objectives of the project were not changed during implementation. However during the Mid-term Review (MTR) in December 1999 some resource reallocation and restructuring activities were agreed to. (This is discussed in greater detail in **Section 3.4- Revised Components**)

#### *3.3 Original Components:*

The project had 3 components with 7 sub-components as follows:

##### **A. Core Service Delivery Support** (covering all parts of Kenya)

**Sub-component A.1. Improved Teacher Performance (US\$5 million).** This component aimed to improve the quality and availability of trained human resources for early childhood development in the

country. Training plans encompassed all levels of the ECD service system including existing and newly recruited ECD teachers, trainers, head-teachers, zonal inspectors, local authority and the District Centers for Early Childhood Education (DICECE), NACECE and the managers and directors within the Ministry of Education, Science and Technology (MOEST). Targets for curriculum reviews/enhancements and development for all levels of training were incorporated into the preparation of this component.

***Sub-component A.2. Community Capacity Building and Mobilization (US\$3.5 M).*** Objectives were to build community management capacity and to mobilize resources for ECD to improve sustainability and local autonomy. This component included the following activities: a) community sensitization on the importance and benefits of ECD, b) training of key community leaders and managers of ECD centre to improve their capacity to manage preschools, and c) mobilization of communities and increasing participation in ECD activities by implementing an information, education and communication strategy. In view of the already existing network of 20,000 ECD centres at preparation, priority was assigned to those communities chosen for two pilot components : Health and Nutrition and Community Grant / Support.

## **B. Pilot Components** (in selected geographical areas)

***Sub-component B.1. Health and Nutrition Pilot (US\$4.5 million).*** This component sought to develop a replicable model of interventions at the community level, to improve the health and nutrition status of preschool children. The Government of Kenya (GoK) and contracted nongovernmental organizations (NGOs) would pilot different ways of delivering health and nutritional services for two target groups: children 3-6 years of age who attend ECD centres and children 1-3 years of age in households. The interventions were aimed mainly at improving caring practices and at controlling five common problems: growth failure, diarrhea, acute respiratory infections, worms and vitamin A deficiencies; in selected geographic areas, they also included the control of malaria, schistosomiasis, and iodine-deficiency disorders (IDD).

***Sub-component B.2. Community Grants Pilot (US\$5 million).*** This pilot (also implemented by GoK and NGOs) aimed to assist the poorest communities in developing ECD services and improving access to ECD services for the neediest children. It also included community based activities for financing, managing and implementing ECD efforts. The idea was to make the ECD centre financially self-sustainable by the third year of the project. Technical assistance was to be provided in management, accounting, fund raising (by income generating activities), planning and budgeting.

***Sub-component B.3. Preschool to Primary School Transition (US\$0.8 million).*** This component was to address the high drop out rates between the 1st and 2nd grades in Kenya caused by the tougher learning environments in lower primary schools. It proposed to remedy this situation by harmonizing the curriculum and teaching methods in the lower schools. The inputs included the development of teaching methodologies and curriculum for lower primary schools, retraining of primary school teachers, field education officers, head teachers and inspectors.

## **C. Project Management**

***Sub-component C.1. Institutional Strengthening (US\$8.7 million).*** This aimed to strengthen the ECD section of MOEST and of NACECE and to provide the inputs to manage and implement the program. This involved training and capacity building for national and district level management. The organizational structure was a bit complex: a National ECD Implementation Committee (NECDIC) was to provide overall policy and strategic direction; the ECD section of MOEST had the responsibility for project management, coordination and flow of funds; NACECE was responsible for training, curriculum development, child growth and development community education, resources management and research and evaluation; a District ECD Implementation Committee (DECDIC) was to be responsible for monitoring and coordination

at the district level; DICECEs were responsible for district level implementation; additionally, there were preschool committees, through which the communities themselves would manage the ECD centers. The Ministry of Health (MoH) would second one of its officers to MOEST to implement the Health and Nutrition pilot. The transition component was to be implemented by the KIE and MOEST Inspectorate. Though the project did not create any new entities for implementation, the sheer number of actors and organizations involved, the various layers of coordination, the several committees and the innovations envisaged in terms of NGO contracting - all added to the complexity of institutional arrangements. But the aim was broader ownership, involvement and partnership.

***Sub-component C.2. Monitoring and Evaluation (US\$1.0 million).*** The monitoring and evaluation (M&E) system sought to track project inputs such as grants provided, monitor project outputs such as numbers of ECD centers established, teachers trained, coverage indicators such as number of children reached, participation rates and to evaluate the impact on children's educability, health, nutrition status and such measure. An essential element of this component was the development of MIS. The M&E system had been elaborately outlined in project preparation documents, with a clear distinction between monitoring, evaluation and special studies. Monitoring was to be based on routine information collected from ECD centers, to be fed quarterly to DICECE, and thence to NACECE. Evaluation was to be done at baseline, mid-term and endline; through specific surveys.

#### *3.4 Revised Components:*

While the components were not revised, there were notable shifts in emphasis during the Mid-Term Review (MTR). For example, at appraisal, Institutional Strengthening had a focus on 'software' inputs such as HR development, training and system development. By Mid-term, the Institutional Strengthening component saw a new emphasis on infrastructure that resulted in the construction of the NACECE conference center and 14 DICECE resource centers. No reasonable justification could be made for the construction of the large conference center in Nairobi, with very little direct benefits to the ECD program; as for the DICECE resource centers, though the idea might have been justifiable, its implementation left much to be desired; the lack of concomitant provision for other associated inputs like HR, training and maintenance costs appears to have affected their utility.

At appraisal, the project did not include any civil works. After mid-term, the DCA was amended to include a new allocation of SDR 3.2 M for Civil Works, and increase the allocation for community grants from SDR 2.6 M to SDR 4.3M and that for Operating Costs from SDR 2.3 M to SDR 2.7 M, while the allocation for goods was reduced from SDR 6.6 M to SDR 4 M, that for training from SDR 4.8 M to SDR 4 M and for consultant services from SDR 1.4 M to SDR 0.4 M. It is surprising and inexplicable that the Bank Management approved such a radical change as the inclusion of new civil works at MTR.

Activities related to HIV/AIDS Education were introduced during the MTR. Appropriate HIV/AIDS-related activities were to be implemented within existing components, which were to include the supply of material, curriculum development and financing support to orphans and HIV/AIDS awareness campaigns of MOEST officers, DICECE officers, ECD Teachers and communities. There was some confusion regarding the implementation of this new activity, as the agencies concerned were not familiar with, nor had the skills for, incorporating HIV/AIDS interventions. However, the inclusion of these interventions was probably appropriate given the status of the HIV epidemic in Kenya.

Another significant revision at MTR was the performance indicators, particularly by way of dropping most of the outcome measures. Prior to mid-term, 8 outcome indicators and 6 output indicators were listed in the Project Status Reports (PSR), though target values and actuals were not presented at the time. After MTR (from the PSR dated 10/2/2000) 6 proxy outcome/impact indicators (essentially those which measure

outputs or coverage in lieu of outcomes or impact) and 8 output indicators were included in the PSR. While this shift from attempting to measure outcomes to the use of proxies is understandable from the point of view of availability of data, it does "shift goal posts" as it were.

The **key** revisions proposed by the MTR are listed in the table below (this is not an exhaustive list).

Sl. No.	Revisions	Status
1.	An integrated project design at the community level	Partially accomplished
2.	Modification of the Institutional Strengthening component to include construction of media resource center, library, residential facilities in NACECE & resource centers in DICECEs	Completed
3.	Expansion of pilot programs	Partially accomplished
4.	Improving flow of funds	Not accomplished
5.	Partial Cancellation of project funds	Not accomplished
6.	Revision of monitoring indicators	Done, but necessary information systems not effective and the utilization of information not adequate
7.	Addition of HIV/AIDS activities	Partially completed

The MTR decided to cancel 10% of the Credit and an additional 20% of the credit would be cancelled if the disbursement did not reach the level of KSH 300 million (US\$ 4 million) for FY 1999/2000. But until the credit was closed, no part of it was cancelled, resulting in an overall disbursement ratio of 76%, i.e. SDR 14.7 million out of the original amount of SDR 19.3 million despite a two-year extension, i.e. a total implementation period of 7 years. Apparently, the original intention to cancel part of the Credit amount was replaced by a decision to use those funds for the HIV/AIDS activities. Eventually after the project closed 23% of the IDA credit remained undisbursed

### 3.5 *Quality at Entry:*

Based on the following, the project quality at entry is rated as Satisfactory.

The project was philosophically holistic, and the preparation was reasonably participatory and inclusive of most stakeholders who share an interest in ECD and the well-being of young children. It was based on long-established links between learning readiness and the child's health/nutrition status, and between early childhood interventions and long-term human development, which in turn is critical to overall poverty reduction and national development. Thus the project's effort to include health/nutrition interventions - albeit as a pilot - was commendable. For the first time, the Ministries of Education and Health worked on a project together. Despite the added complexity, such inter-sectoral collaboration was an innovation worth attempting. In view of the complexity, it was appropriate to try the community grants and health/nutrition interventions as pilots.

The project design attempted to devolve responsibility to district and community level and encouraged MOEST, NGO and other district development staff to empower local communities in the implementation of the project. Notwithstanding challenges like ensuring the smooth flow of funds to the districts, the approach is appropriate; for instance, inter-sectoral collaboration and partnership with NGOs was found to be working much more effectively at the district level and below. In fact, most of the implementation hurdles were at the central level and to the extent that the project did provide ECD services at the grassroots level, credit should go to the districts and communities which actually performed on the ground.

Another positive aspect of the project design was the use of NGO contracting to deliver services at the community level, recognizing the comparative advantage held by NGOs in this area. Once again, this approach was far from easy to implement, and until the end there were issues of relationships between the GoK and the NGOs. Those notwithstanding, the intent was laudable and both parties stated that they would do it again, as they saw the value of such partnership. While the principle of NGO involvement is clearly the right one, lessons learnt from this experience need to be incorporated in future operations (see section 8).

The project was also grounded in other Kenyan realities. Significant risks were identified at appraisal and these foretold some implementation problems; in retrospect however, the risk mitigation measures appear not to have been sufficient. These risks included: a) potential risks associated with transfer of grants directly to communities and the potential for misappropriation of funds; b) tendency to see ECD centres as preprimary schools and parental pressure to teach the 3 R's (Reading, wRiting and aRithmetic) could result in an extension downward of a rote learning system that does not serve the holistic developmental interest of young children. Also identified was a risk that the expanded investment proposed in young children could replace or reduce other sources of funding.

While the above positive aspects have resulted in the Satisfactory rating for quality at entry, significant design problems are recognized, especially with the benefit of hindsight. Perhaps the first of such problems is an understatement/non-recognition of certain risks e.g., complex implementation arrangements, challenges of fund-flow, and the lack of implementation capacity [In the context of these risks and the largely unsubstantiated assumptions used, the economic analysis and its project might have overstated the expected benefits of the project (a 33% economic rate of return)]. A simpler design separating the nutrition interventions targeted to the younger children (0-3 years) and the ECE interventions targeted to the 3-6 year olds may have been easier to implement than the integrated design adopted by this project. The preparation process, while reasonably participatory, could have been better; especially in terms of a beneficiary assessment. The project should have paid greater attention to gender issues, both as they apply to the beneficiaries and to the care-givers and ECD teachers, most of whom are women. The nutrition component should have targeted children 0-2 years of age, rather than the 3-6 year olds in ECD centers or even the proposed 1-3 year olds in households (which do not appear to have received much attention in reality). The 3 pilot components should have been designed with better evaluation systems, and a clear plan for scaling up and mainstreaming. Linkages between the ECD program and the broader HD strategies needed to be clearer and stronger.

#### **4. Achievement of Objective and Outputs**

##### *4.1 Outcome/achievement of objective:*

The overall achievement of development outcomes is rated Unsatisfactory. The objective was divided into four sub-objectives but an attempt to rate these separately is constrained in most cases by want of appropriate measurements: a) improved child cognitive and psycho-social development (not measured); b) improved child health and nutrition (not measured); c) increased school enrollment at the appropriate age (satisfactory for ECD and primary school); and d) reduced dropout (not measured) and repetition rates (Unsatisfactory) in lower primary school.

During the Mid-term Review (MTR) in Dec 1999 significant changes were made to the original outcome indicators. Seven out of the eight original outcome indications were replaced with proxy indicators, which are essentially output indicators. This has meant that the measurement of actual development outcomes of the project has not been made, and it is impossible to assert that the outcomes were achieved as stated originally. In view of the absence of direct measurements of the development outcomes, the Unsatisfactory

rating is arrived at through deductive reasoning: Given the unsatisfactory implementation of the project and less than complete disbursement of funds, the very delayed start of some components, and several short-falls in meeting output targets, it is unlikely that the originally stated objectives were achieved, though a few output targets were met.

The one outcome indicator that remain unchanged at the MTR is the lower primary school repeater rates. The quantitative evaluation study reported the average repeater rate in sampled project districts to be around 11%. This compares with the 13% repetition rate at the start of the project. It is difficult to say whether the 2% improvement over 7 years is statistically significant and even more difficult to ascertain how much of such improvement is attributable to the project interventions.

In 2003, the Gross Enrollment Ratio (the number of children enrolled out of the total number of 3-6 yr children) stood at 50.8%, up from 31.8% in 1999. Here it must be recognized that enrollment cannot be equated even to regular attendance, let alone be a measure of quality ECD interventions or cognitive improvements. Pupil-teacher ratios have come down from 70.7 pupils to a trained teacher in 1997 to 41.4 in 2003.

Looking at the proxy indicators of outcome, there are a few good results, in terms of increased numbers of ECD centers, number of teachers trained, and increases in enrollment. The total number of trained ECD teachers increased from 15,057 in 1997 to 38,712 in 2003 (of these 18,732 are trained in the two year program offered under the project, as against the target of 13,000; in contrast the project could only train 7,900 more teachers in the short course, as against the target of 8,500). The number of ECD centers increased from 23,344 to 28,702 during the same period (roughly 22% increase) though the number of new centers established by the project was only 3,355 well short of the targeted 5,000 (annex 1). The number of children enrolled in ECD centers increased from 1,064,053 to 1,604,539 (nearly 60% increase); but it is impossible to ascertain how much of the increase is attributable to the project and surely not all of it, given the poor physical progress of project implementation. While some of these indicators speak well of the coverage of ECD services, it is difficult to conclude that the quality of ECD programs had improved, and consequently that the ECD outcomes were indeed achieved. The project appears to have resulted in some improvement in the national capacity for ECD services, but project implementation from beginning to end across all components was hampered by procurement and financial management problems. Unfortunately the end result of the slow disbursement rate of project funds was a correspondingly slow implementation of project activities. In varying degrees, the slow disbursement of project funds has to have resulted in an impairment of the achievement of all the components objectives.

ECD enrollment and teacher training are just two elements of the ECD program, and the project intended to achieve more holistic ECD through community mobilization, community grants, transition arrangements, and health/nutrition interventions. These interventions fell well short of the planned implementation due to bureaucratic delays in procurement, disbursement and other issues. The number of communities mobilized was only 800 (40% of the targeted 2,000), and the number of ECD parents committees trained in management and accounting was 720 (36% of the targeted 2,000); the number of ECD centers with health and nutrition interventions was 829 (less than 20% of the target of 4,314); the number of ECD centers receiving a community grant was 90 (less than 10% of the target value of 1,480) and out of those receiving grants, only 55.6% had a viable project; and among those districts which benefitted from the community support grants, the increases in enrollment and the training of teachers appear to show no consistent trend. The delays in the disbursement of the grants appears to have hampered their effective utilization. Under the health and nutrition component, while activities were ongoing, much of the project inputs like drugs and equipment were only procured in the last year of the project; clearly it would not be reasonable to expect the achievement of the health or nutritional outcomes, and even where improvements may have taken place,

it would be difficult to attribute them to the project inputs. Though the health & nutrition, community grants and transition to primary school were intended to be pilot interventions, their size (nearly \$5 million each, except the transition) in relation to the so-called core components would suggest that they should be evaluated with the same level of importance. In fact, if they were pilots, these components ought to have had strong evaluation mechanisms built into them, which was absent, thus making it difficult to learn important lessons in the context of a possible scale-up.

Hence the overall achievement of project outcomes is impossible to assert based on evidence and very unlikely under the circumstances described.

#### *4.2 Outputs by components:*

For the purpose of the following discussion, the mid-term output indicators will be linked to the project components and development objectives and compared with actual achievements. In the interest of saving space, the authors would like to refer the reader to section 3.3 for component descriptions and their specific objectives, rather than repeat them here.

***Sub-component A.1. Improved Teacher Performance.*** The achievements under this component are rated Satisfactory. The project performed well in respect of some output indicators of this component. As of June 2004, 18,732 ECD teachers completed their 2-year training, which represents a 132% of the target (13,500) set. Despite this remarkable achievement, the proportion of Kenya's ECD teachers who are trained stands at 54.2% substantially below the original target of 70%. The reason for this shortfall could be the high attrition rate of ECD teachers. The project attempted to address attrition but perhaps did not succeed; a study on the quality of training and teacher attrition (2002) highlighted low and variable remuneration and employment conditions as the main causes of attrition; consequently District Service Guidelines were developed. A weakness in the implementation of this activity was with the out-of-class component and post-training support. Trainer shortages and transportation difficulties coupled with an expanding system limited the DICECE officer's follow-up with practicum students. In addition, the majority of TAC tutors and inspectors had not yet been trained on ECD and most do not visit the ECD centers during inspection and tutor visits.

With respect to the short-course training, against a target of 8,550, by the end of the project 7,900 ECD teachers benefited from such training. Support and follow-up plans for this group of ECD teachers also fell short because of the reasons stated above. Against a target of 60% DICECE trainers to have completed the 9 month induction course, the actual achievement was 52.7% (253 out of 480). Similarly, against a target of training 80% of national staff, the achievement was 58.8% in short computer courses and only 35.3% in ESAMI courses.

From the small sample of ECD centers visited by the ICR mission, it appears that the overall quality of preschool experience was enhanced, as evidenced by better displays of learning materials as well as enhanced access to equipment and improved outdoor facilities. But there were also examples of ECD centers which did not present such a rosy picture.

The successes of this effort to improve teacher performance across the county might have been higher if not for the inadequate attention to supervision and quality assurance and the high teacher attrition rates, especially among those who completed the 2-year course. Though available evidence on quality is inadequate, increased enrolment might indicate an increasing demand, which in turn might be due to quality

improvements.

***Sub-component A.2. Community Capacity Building and Mobilization.*** The performance of this component was Satisfactory. The following achievements of the project might be attributable to this component: 27% rise in ECD centers from 1997 to 2002, enrollment increases of 50.8% between 1997 and 2003, decreases in overage children in ECD centers, improved physical facilities in some ECD centers and increased general awareness of ECD services among the public.

Some of the achievements under this component, as compared with the respective targets were as follows: against a target of 75 district mobilizers 41 (55%) were trained; against a target of 300 district technical committees 88 (29%) were trained; 10,000 parents were trained against a target of 15,200; and 800 communities were mobilized against a target of 1480. Trainer shortages and transportation difficulties coupled with an expanding system and continuously rotating community boards, limited the respective implementer's ability to provide sufficient training and follow-up support.

A participatory approach to community involvement provided a strong foundation for this component. An inherent value was placed on community and parent involvement in ECD services which also encouraged an increased level of public accountability.

***Sub-component B.1. Health and Nutrition Pilot .*** The performance of this component was Unsatisfactory. The implementers (both GoK and NGO officials) faced persistent problems associated with the slow disbursement of funds. Timely and appropriate deliveries of health and nutrition supplies and equipment such as drugs, storage cabinets, growth monitoring equipment, mosquito bed nets, and spray prevention initiatives and feeding programs were impeded by procurement problems and slow disbursement of funds. Some districts did not receive the necessary equipment and drugs until late in 2003, i.e., 6 years into the project (some items procured under the project have been held up awaiting distribution, even after the project closed). Such long delays in funding and procurement posed an almost insurmountable challenge to both the achievement of outcomes projected and ongoing sustainability. As a result, this component did not meet its coverage targets.

Despite these challenges, both NGO's and GoK teams managed to deliver services, by evolving local solutions to problems not addressed at the central level, e.g., by sharing or lending resources from one facility to another; as expected, collaboration between health and education sector colleagues worked much better at the local levels. As a result of the project, 67,024 children were dewormed and 45,201 children benefited from project drug treatments. Large quantities of mosquito bed nets, clinical thermometers, anthropometric equipment and drug kits and storage cabinets were delivered to communities with project resources. Some safe water initiatives and improved ECD sanitation facilities were also achievements of this component. Health-related training was provided to school committees, head teachers, ECD and lower primary teachers, community health workers and care providers. But given the shortened implementation period (due to late arrival of inputs), the component could not achieve its planned objectives.

***Sub-component B.2. Community Grants/Support Pilot.*** The performance of this component was Unsatisfactory. The Community Grants/Support Pilot was implemented in identified districts by the Government of Kenya in 9 districts and contracted Nongovernment Organizations (NGO's) in 8 districts. Only 48 % of targeted committees were trained, 25% of ECD centers received their grants and 56% of centers have viable projects as a result of grants. Significant delays in the transfer of grant funds to the communities was a major impediment to the successful implementation of this component.

In spite of these shortfalls, the pilots appear to have the benefit of developing replicable service delivery

models which might point ways forward for improved best practices and increased sustainability. Benefits of this component were in the financial support to teachers, the training given to ECD committees on management and accounting, increases in access and improvements to ECD centers including purchases of learning materials, outdoor play equipment, building classrooms and offices and extended feeding programs. As a result of the project, “720 ECD center management committees were trained across 9 districts with over 200 committees are continuing to meet and maintaining proper financial records” Ngware (2004). Community decisions were made possible through grants resulted in a range of activities including: teacher training sponsorships, parent education, improved awareness related to health and nutrition factors.

The allocation of grants was contingent on community based investments. Out of necessity, and given the living circumstances of the pilot communities, income generating plans were developed. Because of the project, over 50 communities developed innovative income generating projects that included bee keeping, poultry and goat keeping, tree planting and gardening. These activities might also help to sustain ECD centers in these communities.

***Sub-component B.3. Preschool to Primary School Transition.*** This component is rated Unsatisfactory. It is estimated to have benefited about 10,990 children and some outcomes related to reduced school repetition and drop out rates were particularly attributed to the Transition interventions (Ngware, 2004). However, the harmonization of curriculums between early childhood development centers and primary grades does not appear to have occurred. A divide continues between the curriculum and teaching styles of these programs, i.e., child-centered curriculum and teaching methods in preschool settings and rote approaches to teaching in the primary level. In some cases, the rote learning system extended downward from primary to the ECD level.

The majority of TAC tutors and primary school inspectors have not been trained on ECD and most do not visit the ECD centers during inspection visits. With regard to this aspect the training and implementation objectives were not realized. System-wide support in terms of orientation and training of teachers, head teachers, inspectors and other officials in authority will be required if transition efforts are to succeed in the future.

As a result of this project, inspection and assessment guidelines were revised and implemented in some areas. Some teaching materials were developed and interactions between preschool and primary teachers in targeted sites were facilitated as a result of the transition effort.

***Sub-component C.1. Institutional Strengthening.*** The implementation of this component is rated Unsatisfactory. Institutional strengthening efforts of the project at national, district and community level were considerable. 80% of the national staff were trained in short computer courses; study tours were undertaken to Ghana, Tanzania and Zimbabwe. Some activities carried out under the sub-component A.1 also contributed to capacity strengthening, e.g., curriculums for the ECD teachers and preschool classroom and inspection guidelines related to the transition component were reviewed, developed and revised over the course of the project. However, considerable efforts will have to continue if national implementation of these curriculums and guidelines is to take place. NACECE distributed ECD learning and support materials to only 50% of the country’s ECD centers.

Before MTR, the activities under this component had not been well-defined; they focused largely on training. By Mid-term, infrastructure investments were added. The project funded the construction of 14 DICECE centers and the conference center at NACECE. The value of the conference center to ECD program is dubious at best. The DICECE centers could be useful, but their quality remains variable, some

of them were still not furnished at the end of the project, and lacked water and power supply. In addition the project-funded library rooms had no books. Thus, this project has unfortunately been no exception to the classic problem of financing construction without adequate provision of recurrent costs and software inputs that make such infrastructure functional.

Follow-up and management of project purchased vehicles is also an ongoing concern. Vehicles bought under the project have been subject to misappropriation and abuse by higher-level officials in the Ministry and district levels, at the expense of reduced mobility of operational level staff. In spite of this issue having been raised in Supervision missions, it continued to hamper the project. While the occasional official use of ECD vehicles by non-ECD staff is certainly understandable, priority should have been given to ECD field work.

Noted gains in institutional arrangements include the first successful collaboration between the Ministries of Education and Health and the contracting NGO's; such collaboration worked more effectively on the ground than at the central level. For the beneficiary/client, sectorial silos have no meaning and one-stop service delivery is always likely to succeed better. Thus it is no wonder that the collaboration came together more easily at the point of service delivery.

Though the working experience between NGO's and GoK was fraught with distrust and frustration until the end of the project, credit must be given that it was attempted at all. Once again some of the contributing factors can be related to slow disbursements of funds, lack of financial accountability mechanism and procurement problems. Quite a few lessons could be derived from the rich experience of NGO contracting under this project; some of these key lessons are outlined in section 8 of this report; more detailed discussion of these lessons and other useful perspectives can be found in a report titled "Learning Together", commissioned by the Bank in the year 2000.

Institutional arrangements at the center had their own problems. NECDIC and DECDIC never really became functional. And partly as a result of their ineffectiveness, a parallel task-force was set up, through an initiative of UNICEF, without taking account of these mechanisms (UNICEF was inactive in Kenya during project preparation and since UNICEF re-engaged, there has been little coordination between its inputs to ECD and the project). The Project Management Support Group (PMSG), was convened irregularly and the ECD team in MOEST was left with little or no guidance or support from the committees / bodies intended for the purpose.

***Sub-component C.2. Monitoring and Evaluation.*** The implementation of this component is rated Unsatisfactory. Over the term of this project, DICECE centers gathered data; several surveys were conducted; reports on community capacity building and mobilization, transition and quality of training and ECD teachers attrition and monitoring were written; sample baseline surveys were separately conducted. However considerable gaps remain in key areas of data collection, analysis, and reporting. The information systems under the project did not function effectively, regular two-way flow of information was lacking and systematic monitoring of agreed indicators did not take place. The baseline study and the two evaluative studies (qualitative and quantitative) were inadequate sources of relevant information for evaluating the project; they contain some useful data, but several agreed indicators are not reported upon. The fact that the indicators were changed at MTR was another constraint that made the overall performance of M&E less than optimal; in fact the logical framework analysis was only done at mid-term, i.e., 4 years into the project's implementation. Information gaps on outcomes related to reduction in childhood illness, documented improvements in school performance, and improved nutritional status of children make it impossible to conclude definitively whether the project had the desired impact. Another weakness of the M&E system was that the information that was obtained was rarely used for management or policy

decisions. For example, the data on teacher attrition rates did not actually lead to any effective management decision to address the problem. The lack of a robust impact evaluation is particularly problematic for the scale-up of pilots.

**New activity (added at Mid-Term). Contribution to HIV/AIDS prevention.** This was not formally designed as a component; however, if viewed as a component, its implementation would be rated Unsatisfactory. The fact that the HIV sub-component was sought to be "retrofitted" at MTR (primarily as a way of utilizing unspent part of the Credit amount which had to be cancelled otherwise), combined with the lack of the necessary skills in MOEST to incorporate HIV actions into the Education sector, probably made these interventions more difficult to implement. Coordination of this component was also complicated by the fact that 4 different agencies were involved in the implementation (MOEST, KIE, Aids Control Unit and National Aids Control Council). Of particular concern is the fact the grant disbursements to care for HIV/AIDS orphans were not completed by project end in June 2004. The achievements related to HIV/AIDS did however include: the publication of HIV/AIDS training manual and 720,000 text books (still waiting to be distributed pending resolution of some operational hurdles), ongoing national and district orientation seminars and district level short courses.

#### *4.3 Net Present Value/Economic rate of return:*

The Staff Appraisal Report (SAR) estimated an economic rate of return of 33% for this project, (ambitiously) assuming public and private savings from incremental reduction of repetition and dropout rates in primary school (until reaching zero when all primary entrants would have gone through a full ECD cycle); and incremental lifetime earnings. For these assumptions to hold, one must also (unrealistically) assume that due to the project and related policy decisions, the entire 3-6 years old population in Kenya would be enrolled in ECD centers, will continue to attend regularly and derive full benefits from the ECD services and, that such services would result in a zero repetition and a zero drop-out rate in the primary level.

Based on such ambitious assumptions, the economic rate of return analysis postulated that 33% was a lower bound, in consideration of other supposedly unquantifiable benefits of ECD programs. Unfortunately, even assuming a flawless implementation, a rigorous assessment of this ex-ante rate of return is impossible to carry out at the end of the project, because, it takes the first cohort 15 years from the start of the project to enter the labor force. Other reasons are the lack of reliable data and the inability to verify the assumptions. We can however conclude that while the ECD operation was well designed, its implementation record indicates that the development objective was not attained, and its predicted economic rate of return is unlikely to materialize.

The project could have been justified merely based on available literature about the value of ECD interventions on cognitive and physical development and the resultant productivity and perhaps a cost-effectiveness analysis, rather than computing economic rates of return. In general, Human Development investment lending takes a long time to yield results, which is especially true if the beneficiaries are very young children, as in the case of ECD. Under such circumstances, trying to compute the rate of return of such projects may not be very meaningful.

#### *4.4 Financial rate of return:*

n/a

#### *4.5 Institutional development impact:*

The institutional development impact of the project is rated to be Modest at best. A systematic institutional capacity analysis was lacking and a coherent strategy to build capacity could therefore not be expected.

But if we look at capacity in terms of (a) human resources (b) systems (c) materials and (d) organizational structure, one might say that the project contributed substantially to the HR aspects (through the training programs), and somewhat to the material aspects (through the infrastructure investments and the supply of consumable items), but little was done to deal with the weaknesses in the systems such as fund-flow, procurement, management and coordination and even less was done in the area of organizational structure (duplication of roles and responsibilities). Even in terms of HR, more attention could have been paid to issues of staff development and incentive mechanisms, accountability and governance issues.

## **5. Major Factors Affecting Implementation and Outcome**

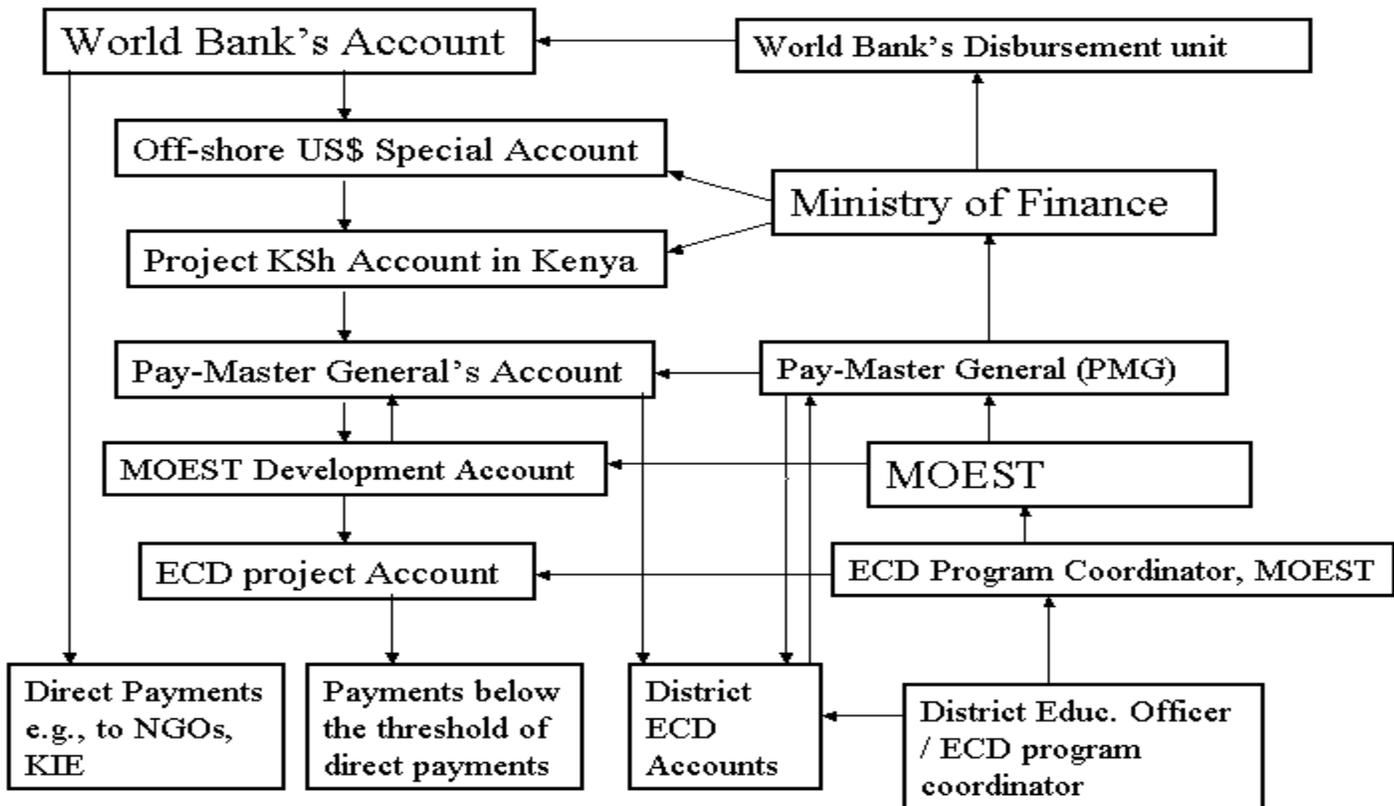
### *5.1 Factors outside the control of government or implementing agency:*

The factors outside the control of government and implementing agencies were serious but not inhibiting to project implementation, with the exception of specific areas hit hard by flood and drought respectively in the 1997-98 El Nino flood and 1999-2001 droughts. The deteriorating HIV situation was a factor impacting on the project's implementation, but whether this is outside the control of government is debatable; but it is outside the control of the implementing agency (MOEST). Lastly, as the Bank could have provided critical support to GoK in implementing the project, one could argue that the Bank's performance during supervision constitutes a factor beyond the control of the government or implementing agency.

### *5.2 Factors generally subject to government control:*

Government has demonstrated an ongoing commitment to the project throughout implementation. The facts that the project was placed in a regular unit within MOEST and staff were assigned to the ECD team from both the MOEST and Health departments pointed to such commitment. Government ECD policies were also enhanced and integrated at both the national and district levels.

Complex implementation arrangements, onerous financial rules, bureaucratic and systemic delays, resulted in slow disbursement of funds, procurement and accounting deficiencies. The fund-flow arrangement, for instance, involved unnecessary and repeated approvals and transfers from one account to another. The diagram below illustrates schematically the various accounts / steps involved in the flow of funds from the World Bank to the project; the complexities are obvious.



In the above diagram, on the left side are the various accounts and on the right are shown the different actors. The horizontal arrows show who operates which account. The upward arrows on the right side denote requisitions for funds and accounts; the downward arrows on the left indicate the flow of funds. The exceptions are: (i) the down arrow from PMG to District ECD Accounts, which denotes an Authorization to Incur Expenditure (AIE); and (ii) the upward arrow between MOEST Development Account to PMG's account, which indicates a reverse flow of funds (!). Apparently such a reverse flow occurs with respect to the finances meant for the district level, i.e., the funds get transferred first to the MOEST account and then the portion intended for the district level has to go back to the PMG's account and then transferred to the district level accounts. This happens because the PMG's office do not know at the outset, how much is for the central level and how much for the district levels; therefore, they transfer all project funds to the Ministry and once the Ministry calculates the district level entitlements, those amounts cannot be sent directly to district accounts, but go back to PMG. If one factors in the various clearances, approvals, accountabilities and other bureaucratic requirements for each transfer from one account to another, it is a great wonder that any activities ever got implemented. As an illustration of such hurdles, the accountability rules for AIEs were excessively stringent (for instance waiting for all the 70+ districts and municipalities to account before releasing any new AIE) and virtually strangled the system. This resulted in less than 1/3 of the total AIE amount being used, a factor that, *inter alia*, severely hampered local supervision.

In the last year of the project, the Government introduced a policy of universal free primary education, which seeks to protect the right of every child to have access to primary education. This policy did not

contain any provision to mitigate the unintended negative impact on ECD (though this is not uniformly felt - yet - across Kenya). The new policy was not accompanied by effective communication campaigns explaining to parents convincingly why they need to pay for the first 3 years of ECD before free primary education. The absence of fees for primary education should free up household resources to pay for ECD, but unfortunately some parents interpret the policy to mean that primary education is the important starting level (they reason that otherwise, the Government would have made ECD also free). The negative impact on ECD, wherever felt, is manifested by declining ECD enrollments, nonpayment of parent fees and reduction of available ECD space in schools as classrooms are being reclaimed to make room for the growing primary school populations. There is no easy solution to this situation, as it would not be prudent to recommend the inclusion of ECD within the free Primary education; it would add significantly to the exchequer's burden and to the management demands on handling what in effect would become an 8 year program (5 years of primary + 3 years of ECD). Also, making ECD a prerequisite for admission to the primary school might have the effect of denying many children the right to primary education simply because they missed out on ECD. Hence, careful thought needs to be put into how ECD could be accorded its own rightful priority, without impacting negatively on the declared policy of free primary education.

An important drag on the achievements of ECD teacher training was the high rate of attrition among the trained teachers. Clearly a more sustainable set of service conditions - without necessarily absorbing the ECD teachers in the public payroll, but ensuring that they are compensated adequately and treated equitably - was required to address this issue. This action was recommended by the Bank missions but effective action appears to have eluded the program so far.

#### *5.3 Factors generally subject to implementing agency control:*

High turn over rates of senior project staff at all levels including program coordinators impeded continuity and efficiency of implementation. Inadequate devolution of authority, discrepancies in compensation, job security and terms of employment and education imbalances between the various levels of implementation have also negatively affected the project.

While some of the implementation delays may have been caused by system-wide constraints which MOEST was unable to overcome, it would appear that MOEST could have been more proactive in seeking assistance from the Bank and/or in unblocking some of the bottlenecks through more vigorous follow-up with the respective ministries such as Finance and Planning.

The fact that the MOEST and NGOs continued to have difficult working relationships (nearly throughout the project period) is an important factor impeding success, and this was very much within the control of the implementing agencies (i.e., both MOEST and NGOs).

#### *5.4 Costs and financing:*

There were no significant changes to the cost of the project during the course of its life. The project did not suffer from a shortfall of financing at any time, as evidenced by the fact that despite a two-year extension, only about 75% of the allocation was expended.

## **6. Sustainability**

### *6.1 Rationale for sustainability rating:*

The sustainability of project achievements and their benefits (to the extent that they were realized) is rated as Likely. Essentially, the conclusion is that while the project has achieved less than was planned, that reduced level of achievement is likely to be sustainable over a period of time. This statement is applicable both to the limited benefits that have been derived by the children who did have ECD, as such benefits will

stay with them for the rest of their lives and to the ECD activities at the community level, which have been and are likely to continue to be sustained after the project. The basis of the rating is as follows :

- (a) The achievements in terms of ECD teachers' training program have resulted in a significant capacity for ECD services at the operational level. And the band of ECD trainers who have also been produced as a result of the project add to the country's capacity for training more ECD teachers. In addition, scholarships and sponsorships for graduate studies in the Kenyatta universities, supported by the project, has enhanced the available skills at the higher levels to develop strategies, policies and plans, curricula and other such content for ECD programs in-country. 100% of the DICECEs staff have been recruited, which augurs well for sustainability at the operational levels. Of course, the quality of ECD training, attrition of ECD teachers, additional inputs such as teaching materials, supervision and inspection activities and adequate class-room facilities are issues that need to be addressed.
- (b) The community mobilization component has had a substantial impact on the motivation of communities, including parents and teachers on the value of ECD for the children of their respective communities; as the core ECD services have been supported by contributions from the parents themselves, they are less dependent on public financing and are likely to continue as long as the parents are willing to pay for them. Though the parents' willingness to pay for ECD services is a great plus for the sustainability of the program, it is certainly desirable that multiple financing sources are tapped, i.e., the government, development partners, NGOs and private firms who may have an interest in the sector; such an approach of keeping all options open would further enhance the likelihood of sustainability.
- (c) Even before the project closed, some DICECEs were meeting to discuss ways of continuing the program beyond the project. The ICR team attended one such gathering and it was impressive to see such a planning process taking place at the grass-roots level. It showed the level of commitment and motivation at that level, which is critical to the continuation of a self-sustaining program. Similarly, at the national level, there was a stakeholder consultation, coinciding with the last supervision mission, focusing specifically on the sustainability of the project after Credit closing.
- (d) The fact that the project was implemented as part of the ECD unit within MOEST, rather than through a separate project implementation unit, augurs well for the long-term sustainability of the program. The unit continues to function beyond the date of credit closing and with the help of NACECE and KIE, and through DICECEs and ECD centers across the country, the services are continuing.
- (e) The project helped in keeping the ECD dialogue alive and probably contributed to the momentum which resulted in the formulation of a national ECD policy; the existence of such a policy adds to the likelihood of sustainability, since it is owned by the Government.
- (f) Necessary legal steps (passage of an Act) have been taken to make ECD and Primary education part of one sub-sector called Basic Education, making ECD more sustainable. However two risks need to be highlighted in this regard: (i) such a step may result in a large government-paid ECD program (along the lines of free primary education), which may be untenable in the long run; and (ii) the idea of including ECD within Basic Education may come with the risk of losing inter-sectoral inputs such as health and nutrition, as it could become more entrenched within the education sector.

#### *6.2 Transition arrangement to regular operations:*

MOEST assured the ICR mission that the letter of Sector Policy would be adhered to and sufficient budgetary provision would be made to continue the program with GoK's own resources (i.e., to increase the allocation for ECD to at least 1% of the total allocation for Education). The program would function as a

regular part of the Ministry's activities. Any requirement for external financing - including the Bank funding - was to be considered as part of the Sector Wide operation currently under preparation. However as of date, the budget for ECD is far less than 1% of the MOEST budget and there is no evidence yet that adequate budgetary allocations are being made.

The Government expressed the intention, to continue beyond Credit Closing the pilot activities, which were started late, to bring them to their logical conclusion.

## **7. Bank and Borrower Performance**

### **Bank**

#### *7.1 Lending:*

The Bank's performance during project preparation was Satisfactory. At nearly \$700,000 the Bank resources spent on project preparation was on the high side, but considering the challenges in putting together such a comprehensive project, it was probably worth it. The project was prepared in a participatory manner, consulting most of the relevant stakeholders (though inevitably some could not be included in the process, e.g., UNICEF, which had shut down operations for a few years during the preparation of this project). Technically the project design was good, it took account of the risks involved (except for capacity constraints and complexity of implementation arrangements), built on the existing strengths of the Kenyan ECD program and made substantial improvements to it, including innovations such as community mobilization and NGO contracting. The preparation teams from the Bank had the appropriate skill mix and provided the necessary technical support to the government. Two areas that appear to be somewhat wanting, in retrospect, are: the design of the fund-flow mechanism and the establishment of the baseline data and the necessary information systems to enable monitoring and evaluation, especially for the pilot components. Perhaps in retrospect the approach of integrated ECD interventions seems ambitious, and might have resulted in higher unit costs; a design of nutrition interventions targeting the younger age groups (0-3 years), with separate preschool education intervention targeting children of 3-6 years might have been simpler. Also, a more balanced presentation of the benefit-risk scenario would have added to the quality at entry. These problems notwithstanding, the overall project design and the Bank's assistance during preparation are found to be Satisfactory.

#### *7.2 Supervision:*

The Bank's performance with respect to supervision is rated as Unsatisfactory. Before explaining the rationale behind this rating, it is important to note that a Quality Assurance Group (QAG) Panel of the Bank, in the year 2000, had rated the Bank's supervision of this project as Satisfactory. But the differences between a QAG review and this ICR's assessment need to be borne in mind: the QAG review, as is customary, was done without a visit to the project and therefore did not benefit from discussion with stakeholders or visits to the field sites; secondly it was done half-way through the project and therefore did not have the comprehensive view of the total duration of project implementation. Considering the full picture of the project implementation during seven years, all the implementation problems could not be reasonably attributed to the borrower's performance alone; the Bank needs to take its share of the responsibility for these problems. Finally, it should be understood that such a rating does not reflect on any individual staff member of the Bank team or Management. It is an overall assessment of the Bank's performance as an institution.

During the life of the project (from Board approval in April 1997 to credit closing in June 2004), 18 PSRs (more than the required two per year) have been archived, indicating a fairly vigorous supervision effort. The task-team, which had some continuity in the country office through the presence of an experienced national consultant, however faced several changes of team-leadership during the life of the project. Supervision missions appear to have been appropriately staffed, the aide-memoires reasonably clearly

written and included agreements on actions needed. But it would seem that the agreements reached during missions were not followed through and the Bank's team could have been more effective in the follow-up of such actions.

The resources spent by the Bank on project preparation (from Identification to Negotiation) far outstripped the resources spent during 7 years of supervision. In terms of staff-weeks, while 280 staff-weeks were spent on preparation, only 102.6 were spent on supervision; in dollar terms, the contrast is even more stark: US\$ 698,700 were spent on preparation as opposed to the US\$159,300 on supervision. The reason why the dollar amount looks worse is because much of the supervision was done by national staff, while preparation process had more international inputs; this fact *per se* is not to be criticized, but the imbalance between Bank resources for supervision and preparation is something that should be addressed.

GoK felt that the Bank's support could be improved in the areas of procurement actions and disbursement. The Bank team could have provided better assistance in designing a simpler system of fund-flow, and facilitated disbursement actions as necessary. Additionally, the GoK officials expressed their perception that sometimes the Bank missions were overly critical of the Government officials, instead of appreciating their hard work under difficult conditions and encouraging them. The ICR team was informed by the Bank team that such an attitude might have been an isolated incident, but the Government representatives seemed to think that it was more than that. The Bank missions were also perceived by MOEST to be siding with NGOs, rather than serving as an "honest broker".

While fund-flow is recognized as a systemic issue, affecting nearly all the projects in the Bank's Kenya portfolio, it does not make it any less of an issue for this project's implementation and the Bank as an Institution failed to help GOK resolve this issue, though it was elevated by the task-team to the higher levels of management. This should be considered in the context of other projects in Kenya which have successfully overcome the fund-flow issues (e.g., Lake Victoria and Arid Lands projects) through simpler implementation mechanisms.

The overall slow disbursement cannot be attributed to the fund-flow problems alone; the borrower's implementation actions were found wanting too. But the Bank team could have been more proactive in early identification of problems and solving them. For instance, though the project appears to have suffered serious implementation difficulties almost throughout its life, the first time that Implementation Progress (IP) was rated Unsatisfactory (U) was in December 2003, i.e., in the last year of project implementation, and the achievement of Development Objectives (DO) had been rated U for the first time in the previous PSR of May 2003. If one takes all the PSRs together, it presents a disconcerting picture: a project which had been rated Satisfactory throughout and got a two-year extension, ends up with a U for both DO and IP in its last two PSRs. If a project should get a U, one would want to see the opposite trend, i.e., the U being given early on, triggering appropriate remedial actions leading up to an S. Clearly this project had serious implementation problems, which did not start in its sixth year; thus the earlier satisfactory ratings were not realistic or candid. There appears to have been a reluctance to acknowledge the existence of implementation problems early enough, which might have helped solve them in time.

The PSRs did not include quantitative monitoring of the indicators until after the mid-term review (which changed the indicators to more realistic and measurable ones); even after the MTR, such measurement was not complete, for lack of data. This does not take away the fact that the aide-memoires and back-to-the-office reports highlighted key issues and documented the agreements reached. But lack of monitoring data is indeed a deficiency in the documentation of Bank's supervision, and this is related to the earlier point of identifying problems early, so that they could be addressed earlier.

The Bank team also appears to have been somewhat inconsistent in its decisions; for instance while the mid-term review mission indicated a partial cancellation of the credit would be made, this was never put into effect. Again, it would seem that there was a hesitation to take tough proactive actions. Such an approach apparently resulted in the borrower not taking the Bank seriously when warned of significant remedial actions; perhaps for the same reason, repeatedly the understandings reached in supervision missions, and documented in aide-memoires were not honored. Moreover, an important decision with which the Bank went along without convincing justification, was the introduction of new construction into the project, especially the expensive auditorium as part of NACECE in Nairobi; the Bank ought to take its fair share of the responsibility for such decisions made mid-stream (given that the original loan agreement did not provide for *any* civil works), as it was approved by the Bank Management.

Finally and importantly, Management attention to the project did not come until it was too late. The first time any Manager's comments were recorded in the PSRs was in August 2001 (PSR sequence 11), and even in that case, only the Country Coordinator's comments had been entered. Subsequently, once again the Manager's comments are left blank, but in July 2002 (PSR sequence 13), wherein the Sector Manager has noted the need for close scrutiny in spite of the "Satisfactory" IP. Once again, the next PSR does not have any Manager's comments but in May 2003 (PSR sequence 15), the Sector Manager notes the lack of likelihood that the project would fully meet its DOs. Thenceforth, and only then, both sector management and country management appear to have taken note of the problems with this project. Had the Bank Management taken timely action to verify whether the ratings matched the implementation realities, problem-identification and problem-solving may have come sooner for the project.

### *7.3 Overall Bank performance:*

Overall Bank performance is rated Unsatisfactory. Though the project preparation was satisfactory, more proactive and supportive supervision was needed during implementation.

Here it may be worth clarifying that the ICR team felt constrained by the forced choice between Satisfactory and Unsatisfactory. Had there been an option to rate the performance as "partially satisfactory", that would have been the appropriate rating. Being qualitative assessment without strictly quantitative criteria, such ratings cannot be so discrete; rather they would probably fall in a continuum of scores, depending on individual judgements. If a scoring could be given, say on a scale of 1 to 4, with 1 representing Highly Unsatisfactory and 4 representing Highly Satisfactory, then a Satisfactory rating may represent a score of anything between 2.1 and 3.0. Unsatisfactory might represent a score that falls between 1.1 and 2.0. On such a scale, the Bank performance during Lending might score say 2.2 (i.e., in the lower half of the Satisfactory band) and during Supervision, it might be say 1.7 (i.e., somewhere in the upper half of the Unsatisfactory band). Even with equal weights for Lending and Supervision, this would make the average to be marginally Unsatisfactory (at 1.95). But the ICR team would argue that the Bank ought to place a greater emphasis on Supervision, the lack of which has traditionally hurt the performance of its portfolio. Therefore, the overall score might be say 1.8 (i.e., in the upper half of Unsatisfactory).

### **Borrower**

#### *7.4 Preparation:*

The borrower's performance during preparation was Satisfactory. The borrower's commitment to ECD was evident in the fact that the MOEST had integrated ECD into its organizational structure, created NACECE at the central level and DICECE in all the districts, and was already training ECD teachers across the country. The fact that GoK decided to borrow IDA funds for ECD is also, in and of itself, another indication of the borrower's commitment. Apart from commitment, the borrower's decision to pull together two separate line ministries to work jointly on one project is exemplary. The willingness to contract out community-level activities to NGOs was commendable (for the first time on such a scale in

Kenya), given the traditional suspicions between Government and NGOs in nearly all countries of the world. The borrower had prepared a detailed Project Implementation Manual early on, which should be acknowledged as an important aspect of good preparation. The comments regarding fund-flow arrangements and monitoring indicators and the information systems apply equally to the borrower's performance as they did to the Bank's.

#### *7.5 Government implementation performance:*

The Government's implementation performance is rated Unsatisfactory. Partly because of the complex organizational arrangements, partly because of the difficult fund-flow arrangements, partly owing to capacity constraints, especially in procurement actions and project management, and partly due to difficulties in the relationship with NGOs, the project implementation suffered seriously throughout the life of the project. By MTR, the overall disbursement of the Credit was only SDR 3.7 million, which is less than 20% of the total credit amount. And by the end of the project, despite a two-year extension of the closing date, the project only disbursed SDR 14.1 million (73%) of the Credit. The borrower's request for a second extension was turned down by the Bank in the absence of a credible plan to ensure effective implementation. Though the teacher training component and possibly the community mobilization component apparently got implemented at a fair pace, the other components essentially lagged behind most of the time. The implementing NGOs suffered from delays and difficulties in payments for the services rendered and their acrimonious relationship with GoK continued till the end of the project. Due to severe procurement delays much of the health pilot and community grants pilot only started implementation in the final year of implementation. Governance issues, i.e., the lack of accountability, at different levels, impeded the project progress significantly.

In this regard, the ICR team would like to observe that it might be fairer to look at the Government's performance on at least two different levels: (a) the central level and (b) the district level and below. While most of the observations made in the previous paragraph can be attributed to the central government, the district and community levels actually performed commendably well, under very difficult conditions. While the financial and material inputs did not reach the district levels and below, local solutions were devised and implemented to keep the project going somehow. Relationships with NGOs and inter-sectoral collaboration were both much better at the operational level where the services were being delivered to the clients. This is not to say that there were no management issues (like the abuse of project vehicles) at the district level; but by and large, the decentralized levels of government performed satisfactorily.

#### *7.6 Implementing Agency:*

The implementing agency suffered from weak management, several changes in leadership (there have been 5 national program coordinators for the ECD program within the project's life of 7 years), lack of capacity, especially in areas of procurement and financial management, undue bureaucratic hurdles and a negative perception of the NGOs, which adversely affected the relationship between GoK and NGOs and in turn impacted on project implementation. While the intersectoral coordination between MOEST and MoH needs to be recognized, some lack of coordination was also evident within the MOEST, regarding the role of KIE/NACECE in curriculum development for ECD with the Department of Primary Education which was responsible for curriculum development for primary school, and regarding the two ECD task-forces working in parallel (one set up within this project, and another led by a UNICEF initiative). The absence of a robust management information system within the ECD unit has proved to be a major deficiency in the way the project was managed, as it meant an inability to measure performance based on evidence.

#### *7.7 Overall Borrower performance:*

The overall performance of the Borrower is rated Unsatisfactory. While the preparation process, intersectoral coordination between MOEST and MoH, achievements in ECD teacher training and

community mobilization and the decision to contract NGOs and the willingness of GoK to put more resources into ECD were commendable, the poor implementation record with difficult relations with NGOs and overall weak management and the lack of proactive problem-solving are areas which need serious improvement.

Following the rationale explained in section 7.3 on Overall Bank Performance, the Borrower's performance might be rated 2.2 for preparation (in the lower half of the Satisfactory band) and 1.3 for implementation (in the lower half of the Unsatisfactory band) and with a greater weight for implementation, the overall rating might turn out to be 1.6 (in the middle of the Unsatisfactory band).

## **8. Lessons Learned**

### ***8.1 Lessons specific to the Kenyan ECD program:***

*8.1.1 Experience of NGO partnership/contracting.* A wealth of experience has been gained by the NGO contracting approach used by this project in Kenya. Some of the lessons emerging from this experience are applicable specifically to the ECD program and/or the education sector. Others are more generic and are described under section 8.3.

8.1.1a The first lesson here is that it is feasible. Notwithstanding traditional suspicion and rivalries, the project managed to do NGO contracting; but there were stark differences in perception as to whether it was / should be a contractual or a partnership arrangement (e.g., the NGOs saw themselves less as a contractor and more as a partner, but the Government saw the NGOs as contractors).

8.1.1b Lack of clarity in this regard, especially the large number of contractual clauses which were left open to interpretation resulted in considerable confusion and conflict. As MOEST and the NGOs embarked on such an approach, they were not experienced in calculating activity costs accurately and ended up with very high over-head costs (nearly 90% of the cost is said to have gone towards staff salaries, in the case of one NGO); this resulted in considerable resentment within GoK later on. Another controversy surrounded the vehicles procured under the project - whether or not the NGOs could keep them when the contract was over. Thus the second lesson that MOEST has learnt from this experience is that if ever they do such contracts again, they would be much more careful in what they sign for. This may also hold true for the NGOs concerned; they too felt that they had gone into the contracts without full clarity and might have negotiated substantially different terms if they had to do it again .

8.1.1c The MOEST has no difficulty working with NGOs if they are bringing their own resources to the table, i.e., funded directly by bilateral donors. This would argue that partnership arrangements, rather than conventional contracting, might be a more successful model here. But it would be unfortunate to give up totally on the model of contracting; with appropriate corrective actions, it could also work effectively and bears certain advantages over the other model; for instance, when NGOs get their resources directly from bilateral donors, typically their activities don't come within the purview of the national program and would be difficult to coordinate in a holistic fashion. And a well-designed contract is more likely to maintain accountability, rather than loosely formulated memoranda of understanding that might govern a partnership arrangement.

8.1.2 There is an universal divide between the status of the preschool teacher and primary teacher that is exacerbated by discrepancies in remuneration levels, employment standards and education. Some of the barriers can be brought down by common service terms and conditions, e.g, ongoing in-service training, support and supervision, joint decision making and inclusion.

8.1.3 *The future role of the various actors* - the Government, the NGOs and the development partners - in ECD needs to be revisited, if the program should be sustained effectively. The Government may not be in a position to finance or deliver ECD services (except perhaps nutrition) for all of Kenya. One potential model may be for the Government to take the stewardship role, and leave the financing to the parents (as is largely the case at present) and the delivery to private actors (community organizations, civil society, and so on).

8.1.4 The implementation experience of this project raises basic questions about *the design of and strategy behind ECD programs*. As the ground realities include serious difficulties in inter-sectoral collaboration, and as the appropriate target group for nutrition interventions (0-3 years) is different from that for early childhood education (ECE) interventions (3-6 years), would simpler separate interventions be more effective than the ambitious integrated design adopted by this project? Another argument in favor of separating these interventions is that most effective community nutrition programs are based on household behaviors, which require more outreach work than the preschool facility-based action carried out under this project. Combining various interventions might have actually led to an increased unit cost per beneficiary child (rather than yielding economies of scale).

## **8.2 Lessons specific to the Kenyan context, but applicable to all sectors:**

8.2.1 *Fund Flow issues*. Fund-flow arrangements need to be simple; this is a systemic issue in Kenya and should be resolved at the highest levels. In addition to appropriate design at the time of project preparation, constant and diligent attention is critical during implementation. While it may not be possible to change the system just for one project and/or during its implementation, innovative solutions could always be found to go around these problems. For example, KIE was granted an exemption from the requirements of AIEs; instead, it received quarterly advances directly paid from the World Bank on the basis of agreed work plans. There is no reason why it could not have been replicated for the other parts of the project. Similarly, the Lake Victoria and Arid Lands projects also managed to go around the fund-flow problems by keeping their implementation arrangements simple.

## **8.3 Lessons that apply specifically to HD sectors but across almost all countries.**

8.3.1 *Implementation arrangements and institutional home*. In hindsight, this project appears to have suffered from sub-optimal institutional arrangements. In order to avoid the classic problems of a dedicated project implementation unit (PIU) and to foster mainstreaming of the project activities into the ECD program, it was decided to place it within the Ministry. However, KIE's autonomous nature and its mandate may have suited the project needs better, particularly for the purely educational inputs. A related question might be whether the programmatic approach is a universal solution or certain circumstances might be more conducive to a more focused if less programmatic design. The answer may vary from context to context. The eventual solution may also be a hybrid which retains the benefits of programmatic approach while apportioning specific responsibilities to institutions with respective comparative strengths.

8.3.2 *Economic analyses in HD sector projects* need to be more modest in their expectations. Though more recent techniques allow a better assignment of monetary value to HD benefits, calculating economic rates of returns should not be considered mandatory. The justification of HD sector projects might often be better made based on scientific evidence of the technical merits of the the proposed interventions, rather than on economic rates of return based on long-term assumptions which are often difficult to justify.

8.3.3 *Income generating activities* and community investments in ECD can succeed, if designed well and

left in the hands of local communities to implement. It is also true that income generating activities are vulnerable in areas of high poverty. Poor families are less able to purchase services and their children are also the ones at greatest risk, thus requiring greater financial support from the government.

*8.3.4 Monitoring and Evaluation.* Though inputs, process and outputs may be sufficient to measure for project monitoring, impact evaluation requires the measurement of outcome indicators (or if we are measuring proxies, their relationship to the desired outcomes should have been established beyond doubt). Significant investments in time and systems are therefore warranted at the development stage as well as throughout the project term. And M&E systems should not only include indicators and targets. Other essential parts of an effective M&E system would include the information systems, the data collection and reporting instruments, effective review mechanisms and assured effective utilization of the data that come out of such systems. Building a robust evaluation mechanism into the project is even more critical in the context of its several pilot components, which were in fact, as large as the core components, but the lack of adequate evaluation of these pilots makes it difficult to scale them up.

*8.3.5 Linkages with other HD activities.* While designed as an integrated ECD project, its linkages with other HD sector interventions were weak. How ECD fits into the overall HD strategy in terms of primary education, health and nutrition programs was unclear. This might have resulted in some of the problems of implementation faced by this project. An obvious example is the introduction of the policy of 'free primary education for all', on which the ECD program had little say, though it was directly affected by the new policy; it did not provide the necessary means to protect the ECD program from unintended consequences of such a policy. Similarly, the health sector program appeared to have little to do with the ECD program, though the Ministry of Health seconded one official to MOEST for the health and nutrition pilot.

#### **8.4 Lessons that may apply to most countries and most sectors:**

*8.4.1 Capacity issues.* One cannot assume the existence of adequate implementation capacity, or the effective strengthening of such capacity, if the initial conditions are so weak to begin with. Capacity building needs to be based on a detailed capacity analysis, focusing not only on training, but more comprehensively on systems, equipment, organizational structures and organizational culture. It is not limited to the Ministry level or the Government, but needs to be applied to sub-national levels, to the NGOs and to the local communities as well.

*8.4.2 Changing policy environments* are usually not within the control of projects and can significantly affect the outcome and/or sustainability of project activities or benefits. For example, the new policy on universal access to free primary education in Kenya, while laudable has had unintended consequences for ECD. While such policy changes cannot always be foreseen, it might be a good idea to provide for some funds within a project to finance unforeseen advocacy needs, to take appropriate actions as and when policy changes appear on the horizon.

*8.4.3* Capital investments in hardware components, especially civil works, should be only financed if clearly justified based on need, and should not be without appropriate linkages to the software components, or adequate resources for maintenance, supplies and other recurrent costs.

*8.4.4* If the project finances vehicles or expensive equipment, it may be preferable to buy those vehicles/equipment which are not perceived to be flashy status symbols, in order to avoid them being appropriated by higher level officials. For example, a low-end micro-bus with no frills is less likely to be usurped by powerful officials.

8.4.5 *Staff continuity* is important to the success of a project. High turnover rates of key staff positions responsible for the implementation of the project can adversely impact implementation. It is important to monitor and address inordinately high staff turn-over rates and develop contingency plans as necessary. This is true of the Bank as well as the borrower.

8.4.6 *NGO Contracting issues.* Contractual and financial accountability terms and conditions should be clearly developed and mutually understood by all partners early in the implementation. NGO selection is a critical issue and the traditional QCBS method may not be the most appropriate one for this; NGOs, being nonprofit institutions, are generally not geared towards tender processes and its bureaucratic requirements. Often NGO capacity is much less than the need, which means the demand outstrips the supply; in such situations, declaring just one winner from a bidding process may not be the best solution; a more effective utilization of capacity might be to select those NGOs which meet minimum criteria and divide the available tasks and corresponding resources amongst them. This calls for a very different procurement modality (perhaps something like an open Fund approach). Also, instead of QCBS, one might use a fixed-price procurement method, where the NGOs are competing purely based on track-record rather than on price.

## **9. Partner Comments**

*(a) Borrower/implementing agency:*

### **COMMENTS ON ECD IMPLEMENTATION COMPLETION REPORT (ICR)**

The ICR looks at the performance of the project according to each component. It is our feeling that the report is quite objective in terms of performance and challenges thereof. There are however several issues that we thought are necessary to be included in the report as follows:

1. The terms that were used from the staff appraisal and other project documents were 3 co-components and 3 pilot components. These should have been kept in the ICR that calls them sub-components (3.3 page 2).
2. Based on the money spent and targeted groups in the field it is our feeling that the target of 8,500 teachers trained in the short courses was reached (ICR 4.1 page 6).
3. The number of communities mobilized is captured within the pilot 9 GOK support grant districts. It leaves out the non-pilot districts and NGOs (ICR 4.1 page 6 and 4.2 page 8).
4. The communication advocacy strategies should have been built within the project. Its absence has caused some of the challenges during the implementation process.
5. If 2 years of ECD (2 – 6) is incorporated in the FPE policy, it would be 10 years and not 8 years programme as indicated in ICR (5.2 page 13).
6. The report does not discuss the plight of ECD teachers' terms and conditions of service which is the main weakness in ECD quality service delivery. The government should come up with legal policy framework to employ ECD teachers.
7. The ECD/VU support is missing in the report which is considered key in the capacity building at top level (ICR 6.1(a)).

8. This could have been demonstrated with better data collection and analysis, it is believed that achievements could be higher than reflected in the report. An impact study could give a clearer picture of the actual project impact.

9. It is too early to come to a conclusion that there are no benefits gained from the resource centre. Several meetings have already been hosted there, which benefit ECD, e.g. the recent ECD stakeholders meeting.

10. Finally, there were many lost opportunities for staff development for national level staff. It should be noted that the staff worked under very difficult circumstances and without motivation, but in spite of all these hardships, they did their best to ensure the success of the project.

### **Issues on coordination of the project**

#### **1. Training of Project Coordinating Team**

There should have been a more in-depth training of the project team before the effectiveness date. This would have allowed the coordinating unit to understand the Development Credit Agreement (DCA) and understand clauses that later brought implementation problems e.g. the requirement that the project's financial threshold was dependent on a level of expenditure before additional funds. The training of support departments such as accounts and procurement was also lacking. As a result, bureaucratic delays in procurement and disbursement affected project implementation e.g. in procurement of vehicles and drugs.

#### **2. Contracts with NGOs**

a) Contracts with NGOs were not originally understood and the PCO had no prior experience on this issue. Hence original contracts were reviewed to ensure that NGOs provide guarantees for any prior to the release of funds. This and other issues caused conflict with NGOs.

b) The contribution was not as forthcoming as expected. The PCO felt that the project only allowed to sustain NGOs management costs at the expense of implementation of project activities. For some 90% of the funds released were spent on personal emoluments. In the future, agreements should specify the contributions of each partner.

#### **3. The inclusion of Civil Works**

Based on the slow disbursement of funds, there was every justification for construction of the NACECE Resource Centre and the 14 DICECE centres. Funds accrued from the NACECE Resource Centre would be put to support the ECD program. The DICECES would get more decent accommodation as opposed to the poor working conditions previously witnessed. The report's contention that there was very little direct benefits to the ECD program is therefore erroneous.

#### **4. Outputs by components**

The improved Teacher Performance was successful due to the fact that the infrastructure and modalities were already in place before the start of the project. Its success can largely be attributed to additional resources from the project.

Other components were largely affected by problems in procurement and financial flow.

**5. Effects of Free Primary Education (FPE) policy**

The FPE policy has negatively affected the ECD program particularly the community initiative. Any support to ECD now should focus on a vigorous advocacy campaign to re-engage community support. However due to increased poverty of the population (56%) their level of contribution should be minimal. Assistance to the very poor is the way forward.

**6. Staff Turn Over**

At Ministry Headquarters an officer is expected to acquire various exposures in various departments to acquire more capacity and increase chances for upward mobility. A specialized program such as ECD or Special Education is therefore likely to suffer as staff rotate to other programs.

**Conclusion**

The Project provided invaluable lessons on ECD which can guide future interventions. The advocacy it provided within the Ministry and amongst communities will be useful for future investments..

*(b) Cofinanciers:*

*(c) Other partners (NGOs/private sector):*

**10. Additional Information**

## Annex 1. Key Performance Indicators/Log Frame Matrix

### Outcome / Impact Indicators:

Indicator/Matrix	Projected in last PSR <sup>1</sup>	Actual/Latest Estimate
1. Number of children reached by ECD inputs from the project.	800,000 children	Not measured
2. Increase in enrollment in ECD centers as a result of the project.	200,000 children	Not available (difficult to assert how much of the increased enrollment is attributable to the project)
3. Reduction in school repetition from class 1 to class 3 primary by 25% below 1997 level.	Reduce repetition by 25%	15% reduction (from 13% to 11%)
4. Reduce school drop out rate between class 1 and class 3 primary by 20% from 1997 level.	Reduce school drop out by 20%.	baseline value n/a. Drop out rate in 2003 was 2.5%
5. Number of children reached by health and nutrition input from the project.	60,000 children	45,201
6. Number of children reached by community grants component.	57,000 children	Not specifically measured

### Output Indicators:

Indicator/Matrix	Projected in last PSR <sup>1</sup>	Actual/Latest Estimate
1. Number ECD centers established.	5,000 ECD centers	3,355
2. Number of ECD teachers trained using the 2-year residential course for ECD.	13,000 ECD teachers at end of project	18,732
3. Number of ECD teachers trained on the short course on ECD.	8,500 ECD teachers	7,900
4. Number of new DICECE trainers post filled.	138 posts to be filled	138
5. Number of ECD centers covered by health and nutrition interventions.	4,314 ECD centers.	829
6. Number of ECD parents committees trained on management and accounting.	2,000	720
7. Number of ECD centers covered by grants component.	1,480 ECD centers	90
8. Number of communities reached by NGOs contracted by the project to implement pilots.	(a) Aga Khan Foundation---115 centers (b) CARE Kenya--250 centers (c) AMREF Kenya--512 centers	(a) Aga Khan Foundation - 67 (58%) (b) CARE Kenya - 201 (80%) (c) AMREF - 417 (82%)

<sup>1</sup> End of project

## Annex 2. Project Costs and Financing

### Project Cost by Component (in US\$ million equivalent)

Component	Appraisal Estimate US\$ million	Actual/Latest Estimate US\$ million	Percentage of Appraisal
1 (a) Improved Teacher Training	4.93	3.88	0.79
1 (b) Community Capacity Building & Mobilization	3.58	3.19	0.91
2 (a) Health and Nutrition Pilot	4.48	2.64	0.59
2 (b) Community Grants	5.00	3.74	0.75
2 (c) Transition to Primary Schools	0.81	0.65	0.81
3 (a) Institutional Strengthening	8.74	3.60	0.42
3 (b) Monitoring and Evaluation	1.02	1.00	0.98
<b>Total Baseline Cost</b>	28.56	18.70	
<b>Physical Contingencies</b>	1.42		
<b>Price Contingencies</b>	5.14		
<b>Total Project Costs</b>	35.12	18.70	
<b>Total Financing Required</b>	35.12	18.70	

### Project Costs by Procurement Arrangements (Appraisal Estimate) (US\$ million equivalent)

Expenditure Category	Procurement Method <sup>1</sup>			N.B.F.	Total Cost
	ICB	NCB	Other <sup>2</sup>		
<b>1. Works</b>	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
<b>2. Goods</b>	5.62 (5.16)	4.53 (4.07)	0.21 (0.19)	0.00 (0.00)	10.36 (9.42)
<b>3. Services</b>	0.00 (0.00)	0.00 (0.00)	8.88 (8.88)	1.23 (0.00)	10.11 (8.88)
<b>4. Miscellaneous Community Grants</b>	0.00 (0.00)	0.00 (0.00)	3.69 (3.69)	1.29 (0.00)	4.98 (3.69)
<b>5. Recurrent Expenditures</b>	0.00 (0.00)	0.00 (0.00)	9.67 (5.81)	0.00 (0.00)	9.67 (5.81)
<b>6. Miscellaneous</b>	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
<b>Total</b>	5.62 (5.16)	4.53 (4.07)	22.45 (18.57)	2.52 (0.00)	35.12 (27.80)

### Project Costs by Procurement Arrangements (Actual/Latest Estimate) (US\$ million equivalent)

Expenditure Category	Procurement Method <sup>1</sup>			N.B.F.	Total Cost
	ICB	NCB	Other <sup>2</sup>		
<b>1. Works</b>	0.00 (0.00)	2.01 (1.17)	1.61 (0.94)	0.00 (0.00)	3.62 (2.11)
<b>2. Goods</b>	1.63	2.81	0.00	0.00	4.44

	(1.25)	(2.16)	(0.00)	(0.00)	(3.41)
<b>3. Services</b>	0.00	0.00	4.23	0.00	4.23
	(0.00)	(0.00)	(4.01)	(0.00)	(4.01)
<b>4. Miscellaneous Community Grants</b>	0.00	0.00	2.63	0.00	2.63
	(0.00)	(0.00)	(2.63)	(0.00)	(2.63)
<b>5. Recurrent Expenditures</b>	0.00	0.00	3.78	0.00	3.78
	(0.00)	(0.00)	(2.44)	(0.00)	(2.44)
<b>6. Miscellaneous</b>	0.00	0.00	0.00	0.00	0.00
	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
<b>Total</b>	1.63	4.82	12.25	0.00	18.70
	(1.25)	(3.33)	(10.02)	(0.00)	(14.60)

<sup>1/</sup> Figures in parenthesis are the amounts to be financed by the IDA Credit. All costs include contingencies.

<sup>2/</sup> Includes civil works and goods to be procured through national shopping, consulting services, services of contracted staff of the project management office, training, technical assistance services, and incremental operating costs related to (i) managing the project, and (ii) re-lending project funds to local government units.

### **Annex 3. Economic Costs and Benefits**

Not Feasible to Assess. See Section 4.3 of the main text.

## Annex 4. Bank Inputs

(a) Missions:

Stage of Project Cycle	No. of Persons and Specialty (e.g. 2 Economists, 1 FMS, etc.)		Performance Rating		
	Month/Year	Count	Specialty	Implementation Progress	Development Objective
<b>Identification/Preparation</b>					
	08/1993	6	TTL (1); Operations Officer (1); HD Economist (1); Nutrition Specialist(1); Consultants (2)	S	S
	11/1993	6	TTL (1), ED.Specialist (1); Consultants (2); HD Economist (1); Nut. Specialist (1)		
	02/1995	4	TTL (1); Co-TTL (1); Consultant (1); ED. Specialist (1)	S	S
	06/1995	9	TTL (1); ED. Specialist (1); HD Economist (1); Consultant (1); Representatives CARE (1), The Aga Khan Foundation (1); Public Health Specialist (1); Disbursement Officer (1); Proc. Specialist (1)		
<b>Appraisal/Negotiation</b>					
	05/1996	7	TTL (1); Human Resources Economist (1); ED. Specialist (1); Sr. Counsel (1); Disburse. Officer (1); Accounting Officer (1); Proc. Specialist (1)	S	S
	9/1996	9	TTL (1); Co-TTL (1); ED. Economist (1); Consultant (1); ED. Specialist (1); Fin. Specialist (1); Accounting Specialist (1); Proc. Specialist (1); NGO Specialist (1)	S	S
<b>Supervision</b>					
	09/1997	8	Disbursement Officer (1); Procurement Specialist (1); Task Team Leader (1); Education Specialist (2); Consultant--Training (1); NGO Specialist (1); Education Economist (1)	S	S
	02/1998	8	Disbursement Officer (1); Procurement Specialist (1); Task Team Leader (1); Education	S	S

		Specialist (1); Consultant--Training (1); Health Specialist (1); Finance Specialist (1); Education Economist (1)		
09/1998	7	Task Team Leader (1); Education Specialist (1); Education Economist (1); Consultant-Training (1); Finance Specialist (1); Procurement Specialist (1); NGO Specialist (1)	S	S
03/1999	8	Task Team Leader (1); Sr. Education Specialist (1); Education Economist (1); Procurement Specialist (1); Disbursement Officer (1); NGO Specialist (1); ECD Consultant (1); Financial/MGT Spec. (1)	S	S
06/2000	8	Education Specialist (1); Education Economist (1); Procurement Specialist (1); Financial MGT Spec. (1); Nutrition/Training Specialist (1); Disbursement Spec. (1); Operations Analyst (1); Team Assistant (1)	S	S
06/2000	9	Task Team Leader (1); Education Economist (1); Education Specialist (1); Procurement Spec (1); Financial MGT Spec. (1); Nutrition-ECD Spec. (1); Disbursement Assistant (1); Task Team Assistant (1); Operations Officer (1)	S	S
06/2001	8	Task Team Leader (1); ECD Implementation spec. (1); Health Specialist (1); Social Development Spec. (1); Financial MGT Spec. (1); Procurement Spec. (1); Disbursement Spec. (1); Team Assistant (1)	S	S
10/2001	9	Task Team Leader (1); Co-Task Team Leader (1); ECD Implementation Spec. (1); Lead HD Economist (1); Procurement Spec. (1); Financial Management Spec. (1); Operations Officer (1);	S	S

			Disbursement Spec. (1); Team Assistant (1)		
	10/2001	6	Co-TTL (1); TTL (1); FM (1); Procurement Spec. (1); Implementation Consultant (1); Disbursement Spec. (1)	S	S
	01/2003	5	TTL (1); Education Specialist (1); ECD Specialist (1); Procurement Specialist (1); Disbursement Assistant (1)	S	U
	10/28/2003	7	co-TTL (1); TTL (1); Procurement Specialist (1); FM Specialist (1); Implementation Spec. (1); Sr. Education Spec. (1); Lead SP Economist (1)	U	U
	06/04/2004	8	TTL (1); CO-TTL (1); FMS (1); Procurement Specialist (1); Disbursement Assistant (1); ECD Consultant (1); Education Consultant (1); Team Assistant (1)	U	U
<b>ICR</b>	06/11/2004	7	TTL (1); Co-TTL (1); Principal Author; Financial. MGT Spec. (1); Procurement Spec. (1); Consultant (2); Procurement /Fin. Assistant (1)	U	U

(b) Staff:

Stage of Project Cycle	Actual/Latest Estimate	
	No. Staff weeks	US\$ ('000)
Identification/Preparation	200.4	524.7
Appraisal/Negotiation	79.6	174
Supervision	102.6	159.3
ICR	26.97	68.6
<b>Total</b>	<b>409.57</b>	<b>926.6</b>

## Annex 5. Ratings for Achievement of Objectives/Outputs of Components

(H=High, SU=Substantial, M=Modest, N=Negligible, NA=Not Applicable)

	<u>Rating</u>				
<input type="checkbox"/> <i>Macro policies</i>	<input type="radio"/> H	<input type="radio"/> SU	<input type="radio"/> M	<input type="radio"/> N	<input checked="" type="radio"/> NA
<input type="checkbox"/> <i>Sector Policies</i>	<input type="radio"/> H	<input checked="" type="radio"/> SU	<input type="radio"/> M	<input type="radio"/> N	<input type="radio"/> NA
<input type="checkbox"/> <i>Physical</i>	<input type="radio"/> H	<input type="radio"/> SU	<input checked="" type="radio"/> M	<input type="radio"/> N	<input type="radio"/> NA
<input type="checkbox"/> <i>Financial</i>	<input type="radio"/> H	<input type="radio"/> SU	<input type="radio"/> M	<input checked="" type="radio"/> N	<input type="radio"/> NA
<input type="checkbox"/> <i>Institutional Development</i>	<input type="radio"/> H	<input type="radio"/> SU	<input checked="" type="radio"/> M	<input type="radio"/> N	<input type="radio"/> NA
<input type="checkbox"/> <i>Environmental</i>	<input type="radio"/> H	<input type="radio"/> SU	<input type="radio"/> M	<input type="radio"/> N	<input checked="" type="radio"/> NA
<i>Social</i>					
<input type="checkbox"/> <i>Poverty Reduction</i>	<input type="radio"/> H	<input type="radio"/> SU	<input type="radio"/> M	<input checked="" type="radio"/> N	<input type="radio"/> NA
<input type="checkbox"/> <i>Gender</i>	<input type="radio"/> H	<input type="radio"/> SU	<input type="radio"/> M	<input checked="" type="radio"/> N	<input type="radio"/> NA
<input type="checkbox"/> <i>Other (Please specify)</i>	<input type="radio"/> H	<input type="radio"/> SU	<input type="radio"/> M	<input type="radio"/> N	<input type="radio"/> NA
<input type="checkbox"/> <i>Private sector development</i>	<input type="radio"/> H	<input type="radio"/> SU	<input type="radio"/> M	<input checked="" type="radio"/> N	<input type="radio"/> NA
<input type="checkbox"/> <i>Public sector management</i>	<input type="radio"/> H	<input type="radio"/> SU	<input type="radio"/> M	<input checked="" type="radio"/> N	<input type="radio"/> NA
<input type="checkbox"/> <i>Other (Please specify)</i>	<input type="radio"/> H	<input type="radio"/> SU	<input type="radio"/> M	<input type="radio"/> N	<input checked="" type="radio"/> NA

## Annex 6. Ratings of Bank and Borrower Performance

(HS=Highly Satisfactory, S=Satisfactory, U=Unsatisfactory, HU=Highly Unsatisfactory)

### 6.1 Bank performance

#### Rating

- |                                      |                          |                                    |                                    |                          |
|--------------------------------------|--------------------------|------------------------------------|------------------------------------|--------------------------|
| <input type="checkbox"/> Lending     | <input type="radio"/> HS | <input checked="" type="radio"/> S | <input type="radio"/> U            | <input type="radio"/> HU |
| <input type="checkbox"/> Supervision | <input type="radio"/> HS | <input type="radio"/> S            | <input checked="" type="radio"/> U | <input type="radio"/> HU |
| <input type="checkbox"/> Overall     | <input type="radio"/> HS | <input type="radio"/> S            | <input checked="" type="radio"/> U | <input type="radio"/> HU |

Unfortunately, the rating system does not provide a category called "partially satisfactory". So, if we In the ICR team's assessment, the Bank performance

### 6.2 Borrower performance

#### Rating

- |  |                          |                                    |                                    |                          |
|--|--------------------------|------------------------------------|------------------------------------|--------------------------|
| <input type="checkbox"/> Preparation                           | <input type="radio"/> HS | <input checked="" type="radio"/> S | <input type="radio"/> U            | <input type="radio"/> HU |
| <input type="checkbox"/> Government implementation performance | <input type="radio"/> HS | <input type="radio"/> S            | <input checked="" type="radio"/> U | <input type="radio"/> HU |
| <input type="checkbox"/> Implementation agency performance     | <input type="radio"/> HS | <input type="radio"/> S            | <input checked="" type="radio"/> U | <input type="radio"/> HU |
| <input type="checkbox"/> Overall                               | <input type="radio"/> HS | <input type="radio"/> S            | <input checked="" type="radio"/> U | <input type="radio"/> HU |

## **Annex 7. List of Supporting Documents**

1. Pre-Appraisal mission terms of reference, Aide-Memoire and Back to Office reports.
2. Appraisal mission terms of reference, Aide-memoire and Back to Office report.
3. Staff Appraisal Report of the Project (Report No. 15426-KE of the World Bank)
4. Legal Documents and amendments
5. Project Implementation Manual
6. Project Status Reports (PSRs) - 18 archived during the life of the project
7. Supervision mission Aide-Memoires and the Management Letters sent while forwarding them to the Government
8. Report of the Quality Assurance Group (QAG) Panel which reviewed the project's supervision in the year 2000
9. Periodic Project Progress Reports by the Ministry of Education, Science and Technology, Government of Kenya
10. Quantitative Study of the Kenya Early Childhood Development Project, Ministry of Education Science and Technology
11. Qualitative Evaluation of the Kenya Early Childhood Development Project, Ministry of Education Science and Technology, August 2004
12. Report of The ECD Baseline Survey on Teacher Education, Community Support Grants and Mobilization, Health and Nutrition, and Transition from Pre-School to Primary School, Ministry of Education Science and Technology, August 2000
13. Quality of Training and Attrition of Early Childhood Development Teachers in Kenya, Ministry of Education Science and Technology, May 2002
14. Field Monitoring Report of Community Support Grants, Ministry of Education Science and Technology, February 2004
15. Learning Together: Lessons from Gok/NGO Partnership in Early Childhood Development (ECD), World Bank, May 2000
16. Strategic Study on Development and Sustainability of District Centres for Early Childhood Education (DICECES), Ministry of Education, Science and Technology, June 2000
17. The Effect of Early Childhood Development Programs on Women's Labor Force Participation and older Children's Schooling in Kenya, World Bank, April 2000
18. Guidelines for Early Childhood Development in Kenya. National Centre for Early Childhood Education, Kenya Institute of Education, 5th reprint, 2003.
19. Early Childhood Development Teacher's In-Service Education Syllabus's (Regular and Alternative Courses) National Centre for Early Childhood Education Kenya Institute of Education, 2000.
20. Guidelines for Training of Early Childhood Development Trainers in Kenya, National Centre for Early Childhood Education Kenya Institute of Education, May 2001.
21. Transition Guidelines for Pre-School and Lower Primary Teachers Ministry of Education, Science and Technology, 2003.

