Increasing recognition that investments in early childhood development (ECD) are essential for children to reach their full potential has led development agencies – including the World Bank – to place a higher priority on young children in their partnership with countries. A recent review of the World Bank’s experience in ECD suggests rapidly increasing commitments and provides selected lessons from operations and documents promising new initiatives (Sayre et al., 2014). The review considered ECD activities for the period June 2000 to July 2013 within the Education (ED), Health, Nutrition, & Population (HNP), and Social Protection & Labor (SP) Global Practices. This brief summarizes key findings and messages from the review:

**Overall ECD Portfolio**

In the 13 years from June 2000 to July 2013 (fiscal 2001 to fiscal 2013), the World Bank three Global Practices invested $3.6 billion in 273 activities in real terms (in 2013 U.S. dollars). In nominal terms, the amount invested was $3.3 billion, but the analysis in this note was carried out to analyze trends over time and assess whether commitments have increased after controlling for inflation. A total of 166 operations (IBRD/IDA grants or loans, as well as trust-funded projects) and 107 analytical and advisory activities were implemented in this period. Table 1 disaggregates the overall amounts in terms of commitments (for operations) and expenditures (for analytical, advisory, and partnership activities) by category.

**Operational Commitments**

All six World Bank regions have been investing in ECD through both operational and analytical work. As shown in Figure 1, the Africa (AFR) and Latin America and the Caribbean (LAC) regions have been leading the way with the largest operational investments from IBRD and IDA. The cumulative IBRD/IDA operational portfolio for LAC over the period reaches $1.3 billion invested through 37 projects. Globally, more than half of the operational commitments for ECD were implemented by the Health, Nutrition, & Population Global Practice, which accounted for $2.2 billion of the IBRD/IDA portfolio through 59 operations.

**Table 1: Summary Data on the ECD Portfolio, FY01-FY13**

<table>
<thead>
<tr>
<th></th>
<th>Number of Projects</th>
<th>Financing (in nominal US$, millions)</th>
<th>Financing (in 2013 US$, millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operations (component and self-standing)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IBRD-IDA</td>
<td>116</td>
<td>$3,087.5</td>
<td>$3,352.2</td>
</tr>
<tr>
<td>Trust Funded</td>
<td>50</td>
<td>$205.5</td>
<td>$216.9</td>
</tr>
<tr>
<td><strong>Analytical, Advisory, and Partnership Activities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Economic and Sector Work</td>
<td>32</td>
<td>$6.6</td>
<td>$7.1</td>
</tr>
<tr>
<td>Global Programs &amp; Partnerships</td>
<td>8</td>
<td>$11.9</td>
<td>$13.7</td>
</tr>
<tr>
<td>Technical Assistance</td>
<td>44</td>
<td>$18.0</td>
<td>$19.5</td>
</tr>
<tr>
<td>Impact Evaluation</td>
<td>16</td>
<td>$13.1</td>
<td>$13.2</td>
</tr>
<tr>
<td>Programmatic Approach</td>
<td>3</td>
<td>$1.0</td>
<td>$1.0</td>
</tr>
<tr>
<td>Knowledge Products</td>
<td>4</td>
<td>$0.8</td>
<td>$0.9</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>275</td>
<td>$3,344.5</td>
<td>$3,624.5</td>
</tr>
</tbody>
</table>

Source: Authors, based on World Bank data.
This is substantially more than Education, which invested $935 million through 42 operations, and Social Protection & Labor, which invested $241 million in ECD through 15 projects during the same period.

In real terms, World Bank funding for ECD operations increased over time. As shown in Figure 2, between fiscal 2001 and fiscal 2011, commitments remained fairly flat, but they increased sharply in the last two years (fiscal 2012 and fiscal 2013). Between 2001 and 2011, operational investments averaged $211 million per year (in 2013 U.S. dollars). However, in 2012 and 2013, investment dramatically increased. In 2012, the three Global Practices invested $524 million in ECD operations, and in 2013, their operational investments reached $707 million.

The increase of IBRD/IDA investments in ECD in recent years may be related in part to sectoral policy statements made by the World Bank on the importance of ECD. In 2010, through the Scaling Up Nutrition (SUN) initiative, the World Bank, along with international partners—including the European Commission, the United Nations Standing Committee on Nutrition, the U.S. Agency for International Development, the World Food Programme, and World Health Organization—set forth priorities for action to address undernutrition. In 2011, the Bank’s Education Global Practice put forth its Education Strategy 2020, Learning for All, where investing early is one of the three pillars. The new social protection strategy adopted in 2012 emphasizes the need to invest in stronger systems to protect the health and well-being of young children. The more detailed analysis available in Sayre et al. (2014) suggests that Health, Nutrition, & Population investments dramatically increased since the SUN initiative was launched, with investments in Education also increasing after the release of the education strategy. Investments in Social Protection & Labor operations have not yet increased, but in the next few years, this trend can be reassessed.

The period from fiscal 2001 to fiscal 2013 was not homogenous in terms of economic conditions in developing countries. The first

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**Box 1: Methodology**

To track the World Bank’s ECD activities in a consistent and comprehensive manner, 3,681 activities implemented by the three Global Practices between June 2000 and July 2013 were screened. These activities included operations (loans or grants given to client countries), as well as analytical, advisory, and partnership activities that help improve the effectiveness of the Bank’s work and country systems, policies, and programs related to ECD. Due to the diversity of projects and tasks targeting young children, all activity documents related to the three Global Practices sectors were first reviewed electronically for keywords. Activities with matching keywords were then reviewed manually to identify activities focusing entirely or partially on ECD. When estimating funding commitments for ECD projects and activities, investments committed specifically to ECD were calculated from the information available in the documents (for projects with ECD components, only commitments for those components were included in the estimates of investments in ECD).

In addition to direct ECD investments that are the focus of the review, 232 activities were identified that did not explicitly focus on ECD but were very likely to benefit young children. These projects include 152 projects in Health, Nutrition & Population, 59 projects in Social Protection & Labor, and 21 projects in Education. Examples of areas of focus included health sector reforms resulting in improved maternal and child health services, HIV/AIDS interventions including the prevention of mother-to-child transmission, safety net projects targeting poor mothers to address food insecurity, and education sector reforms designed to improve basic education, including preschool (but with no direct investment in a preschool component). While these 232 projects in all likelihood resulted in significant benefits for young children, they were not included in the analysis for this note.

It is also important to emphasize that other areas of World Bank investments benefiting young children were excluded from the analysis because the review focused on investments managed by the three Global Practices — Education; Health, Nutrition, & Population; and Social Protection & Labor. The review did not include operations in, for example, agriculture or water and sanitation, even though children are among their main beneficiaries.

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**Figure 1: ECD IBRD/IDA operations by region and sector (FY01-FY13)**

![Figure 1: ECD IBRD/IDA operations by region and sector (FY01-FY13)](source: Authors, based on World Bank data.)
few years witnessed high rates of economic growth in many countries, while the period from fiscal 2008 to fiscal 2011 was characterized by a severe recession in OECD countries that led to downturns in many developing countries as well. During that period, lending related to human development, and especially to safety nets, increased substantially. This increase in the overall size of the three Global Practices portfolio led to a decline in the share of ECD operations in the human development portfolio. But after the recession, as overall commitments to operations in the three practices receded from their peak during the crisis, and as the ECD portfolio increased substantially, the share of the commitments allocated to ECD grew rapidly. Overall, for the period as a whole, there has been a clear increase over time in the share of the portfolio allocated to ECD.

Lessons from Operations

To gain an understanding of which operations worked well, or in some cases required improvements, seven operations were selected for more detailed analysis. The selected operations were mostly funded through IBRD and IDA, but some also benefited from trust funds. Most of the operations were substantial in size but not necessarily the largest ones. The seven case studies were the Bulgaria Social Inclusion Project, the Eritrea Integrated Early Childhood Development Project, the Indonesia Early Childhood Education and Development Project, the Jamaica Early Childhood Development Project, the Jordan ECD component of the Education Reform for Knowledge Economy Project, the Mexico ECD component of the Compensatory Education Project, and finally the Senegal Nutrition Enhancement Project. The portfolio review highlights six lessons from those case studies:

• Designing ECD projects, due to their complexity and the time lag between investments and impacts on children’s development, requires careful attention to results frameworks, M&E, and a clear definition of roles and responsibilities of all actors within the project.

• Commitment from all levels of government as well as local communities is crucial.

• Parents are key stakeholders who should be included in ECD project design and implementation, as they can maintain and improve upon the gains from traditional ECD services delivered through a project.

• Coordination across sectors and levels is essential. The strategy for inter-sectoral coordination and identification of an institutional anchor depends on an individual country context. Existing ministerial and stakeholder relationships specific to the country context play a considerable role in affecting a project’s success.

• Projects should be designed to ensure that quality interventions are accessible and culturally relevant to all children, particularly those who face the most obstacles.

• Knowledge exchange (e.g., South-South activities) of positive project experience can be a valuable strategy to motivate governments to improve ECD systems as well as strengthen existing and future World Bank-supported ECD projects.

Analytical, Advisory, and Partnership Activities

The budget for analytical, advisory, and partnership activities and the number of such activities also increased over the period under review, especially in the last fiscal year from June 2012 to July 2013 (see Figure 3). Between June 2000 and July 2012, funding for analytical and advisory activities each year averaged $3.3 million with an average of six activities per year. By contrast, in 2013 there were 31 analytical activities, with a total budget of $15 million.

As part of analytical, advisory, and partnership activities, a number of recent initiatives have been implemented at the World Bank. The review briefly discusses these initiatives, several of which are also summarized in the Education Notes series. A
first initiative is the ECD module of the Systems Approach for Better Education Results (SABER) framework that aims to provide a holistic multi-sectoral (including education, health, nutrition, and social protection) assessment of programs and policies that affect young children’s development. A second initiative is the eLearning ECD module of the World Bank’s Education Staff Development Program (ESDP), which brings together theory, practice, and shared experiences so that ECD policymakers and practitioners can engage in informed policy dialogue and decision making; analyze, formulate, critique, and evaluate projects and activities to support ECD; become familiar with good practices in ECD; and learn how and when to seek technical support and resources. A third initiative is the World Bank’s Investing in Young Children for High Returns guidance note, which outlines 25 essential ECD interventions as well as principles that countries can adopt for their ECD strategies. A fourth initiative is the Early Learning Partnership (ELP), a regional program in the Africa region to promote scalable, sustainable, and impactful approaches to supporting young children’s development and early learning. The World Bank, with support from partners, including the Children’s Investment Fund Foundation, launched the ELP in October 2012 to provide targeted technical assistance and funding to support ECD and early learning across Sub-Saharan Africa. These and other initiatives are discussed in the review.

Conclusion

The evidence in the literature on the returns to investments in ECD is clear. Investing in ECD has high potential to help achieve the World Bank’s twin goals of eliminating poverty and increasing shared prosperity. The demand for investments in ECD is rising within client countries and, as a result, within the World Bank’s portfolio. In recent years, operational as well as analytical commitments to ECD work have increased dramatically in the World Bank portfolio for Education; Health, Nutrition, & Population; and Social Protection & Labor Global Practices. The Bank has also developed a series of new tools and initiatives to support ECD through analytical work, project preparation, new partnerships, and innovative approaches.

Reference