



1. Project Data:		Date Posted : 11/19/2004	
PROJ ID: P055495		Appraisal	Actual
Project Name: Child Welfare Reform	Project Costs (US\$M)	29.50	35.41
Country: Romania	Loan/Credit (US\$M)	5.00	4.66
Sector(s): Board: SP - Other social services (96%), Central government administration (4%)	Cofinancing (US\$M)	21.45	25.71
L/C Number: L4362			
	Board Approval (FY)		98
Partners involved : USAID, UNICEF, EU, NGOs	Closing Date	06/30/2002	09/30/2003
Prepared by :	Reviewed by :	Group Manager :	Group:
Howard Nial White	George T. K. Pitman	Alain A. Barbu	OEDSG

2. Project Objectives and Components

a. Objectives

The project development objective was to improve child welfare in Romania through (a) testing and promoting community-based child welfare approaches as sustainable and cost-effective alternatives to institutionalized child care, and (b) re-integrating street children in Bucharest more fully into society. The objectives were not revised, but the street children component was expanded to a further seven cities.

The project was a Learning and Innovation Loan (LIL) given the context of promoting the new policy of the deinstitutionalization of child care.

b. Components

The project had three components:

I Community-based Child Welfare Services (appraisal: US\$27.0 million; actual : US\$ 31.71 million)

This component supported the Romanian Government (GoR) in identifying, financing and monitoring sub-projects targeting prevention of abandonment and institutionalization of children, de-institutionalization and quality of residential care improvement through alternative community-based services such as: (i) Family counseling and support, (ii) Parental education, (iii) Mother and baby units, and (iv) Day care centers.

Sub-projects were identified through a competitive selection process. Judets (county) authorities were invited to respond with sub-project proposals submitted to the National Agency for Child Protection and Adoption (ANPCA) according to agreed selection criteria

II Street Children Initiative (appraisal: US\$0.7 million; actual : US\$0.85 million)

This component had two sub-components:

(i) Centers for Coordination and Information on Street Children which financed the ANPCA in conjunction with nongovernmental organizations (NGOs) and the judet-level Specialized Public Services for the Protection of Children's Rights (SPSPCRs), in adding six more information and coordination centers at approximately \$ 8,000 in Timisoara, Lasi, Constanta, Craiova, Brasov, Arad and Cluj. These centers were based on a model developed in Bucharest with the support of Save the Children Fund.

(ii) Strengthening Bucharest Street Children Services, which supported the ANPCA and the Municipality of Bucharest

In working in partnership with NGOs in identifying, financing and monitoring sub-projects targeting service provision for street children and reducing their number through family and social re-integration. This sub-component was subsequently expanded to cover another 7 large cities in Romania.

III Institution Building, Monitoring and Evaluation (appraisal : US\$1.8 million; actual : US\$ 2.85 million)

This component had four sub-components (most of which were financed by the various co-financing partners):

(i) Institution Building. This sub-component supported the ANPCA in overseeing the execution of the project, including monitoring and evaluation of all project activities. For this purpose the ANPCA assigned existing qualified staff and recruited 5 specialists, for the management of the reform program, who provided assistance both to the central ANPCA and to the SPSPCRs.

(ii) Training. The project provided for the training of ANPCA staff, as well as seminars and other training events for the SCSPCR and other operational staff at the Judet's level. Limited study tours abroad on child welfare management (principally to the USA and Western Europe) for key staff were included, together with local study tours in Romania to disseminate the best practice from one Judet to another.

(iii) Public Awareness Program. The ANPCA implemented a major public awareness campaign through newspapers, radio and television as part of the prevention strategy encouraging families to seek support and alternative services rather than abandoning children in institutions. The program was also used to inform NGOs and communities about the possibilities of support through sub-projects under this project and also to educate and re-orient the staff in those Judets which were less reform-minded.

(iv) Monitoring and Evaluation (M&E). A project-specific Management Information System (MIS) was developed. Other elements of the M&E program included annual technical audits, financial audits, periodic beneficiary assessments, and Bank supervision.

c. Comments on Project Cost, Financing and Dates

The higher total project cost of US\$35.4 million, compared to US\$29.6 million at appraisal, reflects the availability of increased resources from bilateral grants and government's own commitment to tackle child welfare issues. The Bank-financed components were fully implemented with (a) cost savings in civil works allowing a re-allocation for purchase of computer equipment under the institution building component, and (b) a final saving of US\$0.34 million, which was cancelled.

The project closing date was postponed by 15 months. The ICR does not explicitly address this issue, but it was presumably a consequence of financial constraints in the early days of the project (these constraints were subsequently overcome).

3. Achievement of Relevant Objectives:

The overall objective of the project was to improve child welfare. The ICR reports no data from the M&E system of welfare outcomes. Although the targets identified in the PAD were achieved, there is not clear evidence of the extent to which child welfare has improved as a result.

(a) Testing and promoting community-based child welfare approaches as sustainable and cost-effective alternatives to institutionalized child care

There has been a large reduction in the number of children in state-run institutions, which is believed to be more beneficial to child welfare on account of greater integration with families and the community and greater opportunities for re-integration into family life (which was usually not an option in the old system), and on account of the better facilities for children in the new centers. The community-based alternatives have substantially lower operating costs than the state-run institutions. Their sustainability has not been established. M&E was not adequate especially given the objective of testing approaches.

(b) Re-integrating street children in Bucharest more fully into society

Centers (night and day shelters) for street child have been opened in Bucharest and seven other cities providing various support services to facilitate the reintegration of the children into society. Although there are some steps toward reintegration, such as better education and making longer term plans, it is reported that children end up on the street on leaving the shelters.

4. Significant Outcomes/Impacts:

- Reduction in number of children entering large state -run institutions by 43% (target 35%)
- Number of children leaving large state-run institutions increased by over 50% (target 35%)
- Cost of community-based care less than half that of state institution costs (target 50%)
- Number of street children in Bucharest with secure shelter rose by over 60% (but low base)
- Substantial government commitment to new policy, ensuring its sustainability

The experience of the move to community-based care (for a range of services) in many countries has been that residential institutions have been closed prior to community-based systems being in place, with the results that coverage of those in need is reduced and great strain placed on community-based carers, usually families of those in need. The ICR suggests that these problems have been avoided in Romania child welfare .

5. Significant Shortcomings (including non-compliance with safeguard policies):

As a LIL, the project should have had a strong M&E system to provide evidence of the success of the approach . Such a system appears to have been lacking . The ICR provides a beneficiary assessment and a qualitative stakeholder analysis. Both of these documents give undue weight to the voice of officials and too little to the intended beneficiaries and their carers (care-takers). Where the voices of children and parents are heard they list both positive and negative aspects of the experience, so that what evidence there is suggests, at best, a satisfactory outcome rather than a highly satisfactory outcome .

6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
Outcome :	Highly Satisfactory	Satisfactory	Available evidence does not suggest a Highly Satisfactory rating . See Sections 3 and 5 above.
Institutional Dev .:	Substantial	Substantial	
Sustainability :	Likely	Likely	
Bank Performance :	Satisfactory	Satisfactory	But weak M&E despite project being a LIL.
Borrower Perf .:	Satisfactory	Satisfactory	
Quality of ICR :		Satisfactory	

NOTE: ICR rating values flagged with '*' don't comply with OP/BP 13.55, but are listed for completeness.

7. Lessons of Broad Applicability:

a) Community-based child welfare services can work : The sub-projects supported under the CWR project made a substantial impact on the thinking of what is feasible, which once having been proven to work, have formed the basis for subsequent scaling-up by both the EU and Government's own resources. Prior to the LIL, there was great skepticism as to whether the NGO activities undertaken could make any substantive contribution to dealing with institutionalized children on a large (national) scale rather than a purely local NGO scale .

b) Child welfare services require addressing the whole needs of the family and form the basis in Romania for the development of modern social services : Prevention services and reintegration services need to deal with the whole issues of the family, and not just the specific issues of the particular child concerned if they are to be effective . The types of services developed under the CWR have thus formed the foundation for modern social services in Romania, almost completely lacking hitherto .

c) A LIL can be an effective instrument for scaling -up local level initiatives : There have been questions in the Bank as to whether LILs are an effective instrument in scaling -up what were incipient positive instruments from a variety of NGO interventions over a number of years . The CWR was able to pick up on the best of these interventions, replicate and scale them up for a larger impact. The CWR sub-projects in turn became demonstration models for the much larger subsequent EU grant financing which continued and scaled up even further the impact of the Bank 's CWR project.

d) The Bank can be an important player in an area such as CWR : The Romania CWR project was the first Bank intervention in the field of CWR in ECA. Nobody had believed that the Bank had any real contribution to make in this area. The success of the CWR project demonstrates that when Bank management takes the bold step to embark in a new area, hires appropriate specialized staff, and combines this with the inherent managerial and economic management experience of the Bank, positive results and real value -added will ensue. This success includes the role

of the Bank in leveraging impact with a variety of donor parties . The success of the CWR project was in large part due to the collaborative arrangements between the parties concerned .

e) Lending buys a seat at the table for policy dialogue : The Bank was able to be continuously involved in issues of CWR in the High-level Policy Group, the CWR Executive Committee and make worthwhile contributions to the CWR over the life of the project going far beyond the initial project objectives as the CWR project bought the Bank a seat at the policy table.

f) High profile political focus can magnify action : When the Bank first engaged in CWR in Romania, there was international media attention on the plight of institutionalized children, which gave an initial external impetus to the reforms. However, from 2000 onwards, the whole CWR received a major political boost as a result of the EU making dealing with the problem of institutionalized children Romania's main criterion requirement for EU entry .

g) Competitive grant -making approach provides incentives for the local level to implement national policy : The CWR project embodied a social fund approach of competitive grant making, rather than choosing particular Judets based on need or political lobbying . This procedure provided incentives to bring the Judets into line with national policy.

8. Assessment Recommended? Yes No

Why? (1) To validate the case made in the ICR, (2) Further investigation of the questions raised in section 9, and (3) since similar approaches are being adopted elsewhere in the region .

9. Comments on Quality of ICR:

The ICR is clear and contains relevant information, but, importantly, also lacks the most relevant information on child welfare. There are some other unanswered questions, e .g., it is not possible to say exactly what has happened to all those displaced from closed institutions . As a crude estimate from the data provided, many have been absorbed in family type care, foster homes and private institutions . But there is a gap of around 6,000 children. This gap may be explained by children staying in their own families, but the data are not clear .