



1. Project Data:		Date Posted : 01/13/2005	
PROJ ID: P006196		Appraisal	Actual
Project Name: Bo- Integrated Child Dev	Project Costs (US\$M)	140.2	60.6
Country: Bolivia	Loan/Credit (US\$M)	50.7	25.5
Sector(s): Board: ED - Other social services (89%), Central government administration (11%)	Cofinancing (US\$M)	68.5	16.4
L/C Number: C2531			
	Board Approval (FY)		93
Partners involved : WFP, EC, UNICEF, USAID	Closing Date	12/31/1999	03/31/2004
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2. Project Objectives and Components

a. Objectives

Overall objectives :

1. Contribute toward poverty alleviation and human capital development
2. Establish a basis for development of long-term policies

Specific objectives :

1. Improve children's readiness to succeed in school and beyond by facilitating their physical, emotional, social and cognitive development;
2. Enhance the status of women by increasing their employment opportunities and expanding their knowledge of education, health and nutrition; and,
3. Increase community and private sector participation in the social development process .

b. Components

Original components

Component 1. Sector Policy Development and Management Strengthening . (US\$4.0 million, 2.8 percent of total project costs) .

a) Sector Policy Development: studies and technical assistance in the areas of early child development, food security and nutrition. During the first three years of the project, it would also finance select operating costs to conduct pilot projects to test alternative delivery models .

b) Management Strengthening: (i) oversee the modernization process in the implementing agency, the National Organization of Children, Women, and Family (Organización Nacional del Menor, Mujer, y Familia, ONAMFA) and its incorporation in the Civil Sector Reform Program (CSRP); (ii) implement its information systems; (iii) carry out a mid-term technical and administrative evaluation of this institution and a mid -term evaluation to assess progress in implementation of its information systems; and (iv) create a permanent division in ONAMFA to implement the project .

Component 2. Service Delivery Support . (US\$133.6 million, 95.3 percent of total project costs) .

Support ONAMFA's efforts to deliver integrated child development services to the poor urban and peri-urban areas by implementing an early child development model in 34 cities, providing care through approximately 8,600 non-formal home-based day care centers (PIDIs) (about 15 children per center with two or three caregivers selected from the local community and trained through the project).

The project offered funds via a mixed grant-loan basis to the caregivers' homes to bring the day care center to minimum standards of safety, hygiene, etc. It also provided funding for caregivers' stipends, on a declining basis. Food for the children was to be supplied by WFP and cooked by caregivers. This model was based on a pilot experience with these types of day care centers carried out during 1992-93.

Specific activities included:

- a) Further develop and strengthen the project's operational structure by financing vehicles, equipment and supplies for central and regional ONAMFA's teams administering and executing the project;
- b) Refine the mechanisms for targeting beneficiaries and selecting caregivers;
- c) Provide initial and in-service training for, and supervision of, caregivers, and financing of vehicles and salaries for incremental supervisor positions (on a declining basis);
- d) Promote the development and build the capacity of parents' associations to assume selected administrative functions within the program.
- e) Finance the rehabilitation of the caregiver's home as the day care site, on a mixed grant-loan basis.
- f) Provide children with nutritional supplementation and access to key health and early education services. Food (not IDA-financed) would be supplied. ONAMFA and the Ministry of Social Assistance and Public Health (Ministerio de Previsión Social y Salud Pública, MSPPS) would enter into a cooperative agreement specifying a minimum package of curative and preventive services to be delivered at preferential fees to PIDI children. A Health Fund administered by ONAMFA would finance the health expenditures of those unable to afford fees. The fund was to be financed in part from IDA Credit proceeds (on a declining basis) and from municipal or parent's associations funds.
- g) Increase access for "project women" to maternity care and family planning services. The agreement between ONAMFA and the MSPPS included preferential fees for services for mothers and pregnant women who are either caregivers or have children participating in the project.

Component 3. Monitoring and Evaluation . (US\$2.6 million, 1.9 percent of total project costs)

- (a) Create a management information system to monitor timeliness in meeting programmed targets, as well as the overall technical quality, administration and financing operations under the project; and
- (b) Establish an impact evaluation system, including the addition of special modules to the annual Integrated Household Survey and carrying out special longitudinal studies and sociological surveys .

Added in 1997: Component 4: Community Participation and Organization

- (i) Implement a system of technical and organizational support that encouraged the participation of the community, parents, and neighbors in PIDI activities; and
- (ii) Develop and institutionalize social communications and adult education programs in the areas of education, health, reproductive health, nutrition and family strengthening .

New components in restructured project, 2002-03

Component 1: Initial Education Component (US\$7.0 million)

Increase the coverage of formal education for children ages 4-6, and raise awareness among parents and the community

on the importance of child development/education for 0-6 year olds in poor peri-urban area, by: (i) integration of PAN's day care centers within the education system; (ii) expansion, rehabilitation and equipping of preschool classrooms; (iii) training of preschool teachers, directors and teacher's assistants on the new preschool curriculum;

and (iv) the implementation of a communication campaign on the importance of early childhood development through radio and television, printed materials and training of parents in schools and school boards .

Component 2: Early Childhood Development for Children Under Six (US\$3.0 million)

This component aimed to increase financial sustainability and the long -term impact of early childhood development activities by using indirect methods and contracting out ECD services, and encouraging behavioral changes in parents. Although the component was to cover children under six, it focused mainly on children under age three as the most vulnerable. This component was designed to improve child development through an indirect modality, concentrating its efforts on counseling and educating parents on child nutrition, basic health and early stimulation . Counseling, follow-up and support programs were to be delivered through NGOs, or other institutions with experience in the delivery of these services, hired by the MSPPS .

c. Comments on Project Cost, Financing and Dates

There were four amendments to the loan agreement during the project (although the objectives remained unchanged), two of which entailed project restructuring . Changes to dates etc. were as follows:

1. First amendment (July 1995): one year extension to closing date (to 12/00)
2. Second amendment/first restructuring (July 1997): reduction of project costs to \$111.6 million
3. Third amendment (March 1999): Cancellation of US\$20 million of the loan. By this stage planned closing date is put back one more year (til 12/01), but not clear from ICR when this change occurred . As this date approached US\$10 undisbursed, which it was agreed to cancel and close as planned . However, start of economic crisis changed this plan.
4. Fourth amendment (2001): extension for two more years (til 12/03), with the \$10 million allocated to two new components (existing components to be completed by 12/01).

The ICR does not give data on actual expenditure by the original components .

3. Achievement of Relevant Objectives:

Some context is needed to understand the discussion of objectives :

- The implementing agency for this project changed four times . The initial organization was weak and unable to implement a complex multi-sectoral project and eventually closed down . Each time the project changed hands, the new agency had its own ideas about scope and implementation .
- The political context was unfavorable from the onset . The government changed just as the project started . The new government put into affect a Decentralization and Popular Participation Act, which moved responsibility for many project functions to the district level .
- The project had an extremely high unit cost per child assisted . Government was sceptical about sustainability on these grounds and, partly as a result, counterpart financing fell short of that anticipated in the early years of the project. As a response, there was a search for cheaper models (mainly using indirect approaches toward child development, i.e. behavior change of carers, rather than direct, i.e. providing food and subsidized health care).
- The project design had a large financing gap, which it was assumed would be filled by WFP food aid . However, the gap was not entirely filled, which of course caused problems .

Finally, since the two new components added in 2001 (see above) were essentially new a project, the objectives are discussed separately.

Overall objectives

1. Contribute toward poverty alleviation and human capital development (moderately unsatisfactory)

The following are listed in the ICR:

- By the end of the project 150,000 additional children had access to preschool education .
- Improvements in child development (which contribute to better education learning outcomes)
- Health improvements recorded from some interventions

However, as noted below, improvements were achieved at a very high cost . Data on targeting are not provided, although it is mentioned that the poorest could not participate .

2. Establish a basis for development of long -term policies (unsatisfactory)

The main approach adopted by the original project design was rejected by the government after a few years as unsustainable. Other approaches have been piloted. There was considerable institutional instability during implementation which undermined the establishment of long-term policies.

Specific objectives :

1. Improve children 's readiness to succeed in school and beyond by facilitating their physical, emotional, social and cognitive development (moderately satisfactory)

1993-2001: Impact evaluations found a positive impact on a range of child development outcomes . However, the fiscal study found the cost to be very high, at \$ 22 per child per month, which was not financially sustainable . It also lacked 'institutional sustainability' in that the approach did not change parents' behavior .

2002-2003: An indirect approach was used during this period, which greatly increased coverage . Good outcomes are reported from these interventions (though it is not clear that they were obtained from such rigorous evaluations as those in the earlier period).

2. Enhance the status of women by increasing their employment opportunities and expanding their knowledge of education, health and nutrition (moderately satisfactory)

Workshops gave women skills which enabled them to start microenterprises . No data are provided on whether these enterprises were profitable or sustainable .

3. Increase community and private sector participation in the social development process (moderately satisfactory)

The original top down design seems not entirely consistent with this objective . However, decentralization created a context for greater participation, as did changes which allowed contracting out to NGOs, and the new component added in 1997 to encourage participation of communities and parents . In consequence, participation increased during the course of the project.

4. Significant Outcomes/Impacts:

1. Although the project achieved some notable outcomes, this was only at considerable cost and not in a sustainable manner. The new components from 2002 is recorded as having reached a far larger number of children, although these outcomes were not evaluated with the same rigor as the components from the first period.
2. The project had a strong M&E component, which produced apparently good quality impact evaluations .

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

The project had a number of clear shortcomings :

1. The original project design proposed an excessively costly approach, which was not able to achieve the desired coverage nor prove sustainable, and excluded children of poorer families .
2. The organization chosen for implementation did not have the necessary capacity
3. There was considerable institutional instability, with four different implementing agencies during the life of the project
4. The political environment became unfavorable very early on in the project, so perhaps might have been anticipated.
5. The project was approved with a large financing gap, which proved a problem

6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
Outcome :	Unsatisfactory	Moderately Unsatisfactory	MU rating not available for ICR
Institutional Dev . :	Modest	Modest	

Sustainability :	Unlikely	Unlikely	
Bank Performance :	Unsatisfactory	Unsatisfactory	
Borrower Perf .:	Unsatisfactory	Unsatisfactory	
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:

Carry out in -depth institutional analysis . A thorough institutional analysis is key to the future success of a project . An institutional analysis can help to focus a project and avoid a project that can be proven to be overly optimistic . This project had a very complex design from an institutional point of view since, in addition to trying to improve the nutritional status and early development of children, the project planned too many tasks for the implementing agency .

Consider sustainability of project activities . It is important to assess the sustainability and cost of project activities, particularly in terms of the burden it may create on the country in the medium and long term . If this aspect is not estimated appropriately and the project actions end, the disappointment from the beneficiary population can be very difficult to overcome .

Designation of appropriate implementing agency . The designation of the implementing agency is important from the very beginning, but it is also crucial to consider the most appropriate institution when changes are proposed by the Government during implementation . From an institutional perspective, it is important where the implementing agency is located . In the case of this project, the agency initially chosen to execute the project lacked the institutional history and standing to provide strong leadership in an unstable institutional context . The designation of a Ministry as the implementing agency would have provided more legitimacy and advocacy to the PIDI Program . It is important that the implementing agency has enough built-in capacity to carry out the project implementation, even if it might need support and technical assistance .

Effects of the political context . The political environment in a country can affect the outcome and outputs of a project . For project success, both political support and good governance are crucial for achieving the development objectives . In this project, political support wavered during the length of the project, and it seems that it was never a priority in the political agenda .

Complexity of multiple donor commitments . While the involvement of multiple donors, such as international donors and relief agencies, may bring a substantial amount of resources to support a country 's program, the financing and implementation can be very challenging and complicated for a country like Bolivia, particularly if the commitments do not materialize .

8. Assessment Recommended? Yes No

Why? Assessment of direct versus indirect (behavior change) approaches to child development, which is an important debate also for nutrition projects .

9. Comments on Quality of ICR:

The ICR is satisfactory. Specific comments are that:

1. The ICR gives a good account of the project and its problems . The ICR does not list the two overall objectives which are clear from the SAR (but does contain sufficient information to evaluate these) .
2. Data are not provided on actual costs for the original components .