The World Bank Group (WBG) engages with the Global Early Childhood Development (ECD) community, which includes partner organizations such as UNICEF, UNESCO, WHO, the IDB, the GPE, the Institute of Medicine, bilateral donor agencies, foundations, and international NGOs, to move the ECD agenda forward.

Investing in Young Children: An An Early Win

Research has shown that the first five years of life are the most important period for brain development, including acquiring cognitive, social and emotional skills.

A big disadvantage

39% of all children under five in the developing world are stunted, living in poverty, or both.

Early childhood development improves primary school learning

Rigorous studies show that children benefiting from quality early childhood development programs learn better when they enter primary school and earn higher wages as adults.

More investment needed in lower income countries

Investing early through these programs—which cover the physical, socio-emotional, language and cognitive aspects of development—has disadvantaged children a chance to succeed. It is therefore one of the highest return investments a country can make and is being recognized within the Sustainable Development Goals.


Many lower-income and middle-income countries spend only 0.2% of their GDPs on pre-school education.

A study in Jamaica shows that children who benefited from quality early childhood programs earn 25% higher as adults.

FIGURE 1. Increasing Access to Pre-primary School Worldwide (developing countries only)

SNAPSHOT
Improving Learning Outcomes through Early Childhood Development

Overview

A child’s earliest years present a window of opportunity to address inequality. The potential benefits from supporting early childhood development (ECD) range from healthy development to greater capacity to learn while in school and increased productivity in adulthood. In fact, investing in young children through ECD programs—ensuring they have the right stimulation, nurturing and nutrition—is one of the smartest investments a country can make to address inequality, break the cycle of poverty, and improve outcomes later in life. Evidence from both developed and developing countries suggests that an additional dollar invested in high quality preschool programs will yield a return of anywhere between US$6 and US$17. A 20-year follow-up study of children in Jamaica by Nobel laureate James Heckman, Paul Gertler and others showed that combining health and education interventions in early childhood increased future earnings by 25 percent. This finding has profound significance in a world where nearly a billion people live in extreme poverty.

Developing countries have expanded access to preschool provision in the past decade, with all regions of the world increasing pre-primary enrollment. Yet, today, far too few children, especially those from the poorest families, benefit from this critical service:

- Across the world, nearly half of all three to six year olds (159 million children) are deprived of access to pre-primary education (UIS, 2012). In Sub-Saharan Africa, 40% of children are not enrolled in pre-primary programs, while 45 percent lack access in South Asia.
- A quarter of all children under age five worldwide (i.e. 162 million children) are physically stunted, which harms brain development and delays school enrollment.
- Countries under-invest in ECD. One percent of GDP is the minimum public investment required to ensure provision of quality ECD services, and average government spending for children aged 0-6 years across OECD countries is estimated at 2.36 percent of GDP. While comparable data are not readily available across LICs and MIDs, many governments spend only between 0.1 and 0.2 percent of GNP on preschool education, which likely leaves them far below the 1 percent benchmark for overall ECD funding.

Key Issues

Improving basic learning outcomes across the world, especially among children from poor families, requires investing in quality early childhood programs that support physical growth and overall development (including cognitive, linguistic, and socio-emotional) skills from a very early age.

Low levels of school readiness

From an education perspective, early gaps in cognitive, linguistic,
and socio-emotional skills jeopardize a child’s capacity and intention to learn upon entering primary school. Low levels of school readiness can lead to costly inefficiencies in the education system as these children are more likely to have poor academic performance, repeat grades, and drop out of school before they complete the primary cycle. This reality is particularly likely for disadvantaged children.

**Stunted growth**

Poverty and nutritional deficiencies are among the leading reasons that 162 million children suffer from stunted growth in the developing world, which compromises their physical capabilities and cognitive development.

**Lack of quality care**

Research shows that early nutrition and well-designed parenting programs (e.g. through home visits or community-based services) can be very effective in preventing stunting and improving the interaction between caregiver and children, especially under the age of two. Quality, center-based care, such as in preschools, for children aged three to six has also shown positive impacts in a number of settings. Cash transfers have been documented as having significant positive impacts in a child’s development, particularly when cash grants are paired with parenting information.

**Knowledge**

ECD features prominently within the World Bank Group’s (WBG) Education Strategy 2020, which sets the goal of Learning for All through three pillars: Invest Early, Invest Smartly, Invest for All. ECD is also a strong component of the WBG’s health and nutrition, and social protection strategies. The WBG is expanding its global ECD knowledge through strong research and impact evaluations.

Recently, the WBG published a new guide for policy makers and practitioners about how to invest in young children titled Stepping up Early Childhood Development. This guide identifies 25 essential interventions that span the education, health, nutrition, water, sanitation, and social protection sectors. It also launched an eLearning course on strategies to help children get a head start.

Impact evaluations of ECD programs in low- and middle-income countries are already influencing the policy dialogue. Interventions focusing on center-based care (day care or preschools) or early stimulation at home (through parenting group sessions or home visits, sometimes together with nutritional interventions) have shown positive short-term impacts on children’s development in many countries, including Bangladesh, Indonesia, South Africa, China, Turkey, Argentina, Colombia, Ecuador and Mozambique, among others, as well as significant long-term labor market returns in Jamaica. In several cases, the poorest tend to benefit the most.

In Indonesia, the WBG’s impact evaluation of an integrated ECD project implemented through the Government showed that children who participated in community-based ECD programs had higher levels of physical well-being and socio-emotional and cognitive competence compared to other children, with the most vulnerable benefiting significantly more.

In Mozambique, the WBG’s evaluation of a community-based preschool program run by Save the Children showed that children enrolled in preschool were better prepared for the demands of schooling than children who did not attend preschool, and that they were more likely to start primary school by age six. The Government of Mozambique is now investing significantly more in young children from disadvantaged families.

Recent comprehensive reports on ECD have been published for the Middle East and North Africa (MENA) Region, as well as on China.

Through its Systemic Approach for Better Education Results (SABER) initiative, the WBG is expanding global knowledge by bridging research and policy. To date, more than 43 countries have used SABER tools to assess ECD policies and inform policy dialogue. For example, SABER helped to identify gaps in the equitable provision of Early Childhood Education services, which informed the design of a Global Partnership for Education project to improve access to quality early childhood education opportunities.

**Results**

In response to convincing evidence on the benefits of investing in young children, as well as demand from client countries, the WBG is increasingly supporting ECD around the world. It does so through financing, policy advice, technical support, and partnerships at the country, regional, and global levels. Since 2000, the WBG has invested US$6.5 billion dollars in early childhood development programs, including US$3.1 billion dollars over the last two years alone.

Haiti: About 1.8 million pregnant women, children under the age of 5, and vulnerable families benefit from increased access and use of maternal and child health, nutrition, and other social services.

Mozambique: 84 young children in 600 rural communities benefit from the extension of community-based programs that focus on early attention to cognitive, linguistic, socio-emotional, and physical skills aimed at increasing chances of success in primary school and beyond.

**New World Bank Group ECD projects**

**Burkina Faso Education Access and Quality Improvement Project (FY15-FY19):** Together with support to other levels of education, this project aims to increase access to pre-school education in the country’s two poorest regions, benefiting a total of 15,000 children of pre-school age.

**China Yunnan Early Childhood Education Innovation Project (FY16-FY22):** This US$50 million project aims to support the Yunnan Province in increasing access to quality ECD services for disadvantaged children aged 3-6.

**Lao PDR Early Childhood Education Project (FY14-FY20):** With a total project cost of US$28 million financed through IDA, 3 to 5-year-olds in disadvantaged districts will benefit from increased access and improved quality of early childhood education services.

**Sri Lanka Early Childhood Development Project (FY15-FY20):** This US$50 million project supports Sri Lanka’s National Plan for Early Childhood Care and Development. It aims to enroll 150,000 more children in ECD centers, while enhancing 2,500 such centers to meet national quality standards. By the end of the project, 5,000 ECD centers would have conducted annual child development assessments.

**Uganda Teacher and School Effectiveness Project (FY15-FY18):** This US$100 million project financed through the Global Partnership for Education and supervised by the World Bank Group includes several ECD-specific activities, particularly through the training of 4,000 ECD caregivers and improvements in the overall enabling environment for the provision of quality ECD.

**Partners**

The WBG continues to foster global partnerships to improve children’s development around the world. In August 2015, the World Bank and the Novak Djokovic Foundation launched a new partnership to promote early childhood development, including global advocacy on the importance of investing early in the lives of children as well as investments to help disadvantaged children in Serbia, the tennis star’s home country.