

# NOTES

## CHILD & YOUTH DEVELOPMENT

Public Disclosure Authorized

Public Disclosure Authorized

Public Disclosure Authorized



## Children and Youth investments in the World Bank Portfolio, 2000-2010

The World Bank's children and youth development portfolio grew five-fold over the past decade, from \$949 million in fiscal year 2000 (FY00), defined as from July 1st 1999 to June 30th 2000, to over \$4.8 billion in FY10, with a sharp increase during the post-crisis years, FY09 and FY10. This trend supports the Bank's message that: "Allocating sufficient public resources to child and youth development, [...] is a *sine qua non* for a country's development and competitiveness".<sup>1</sup> All the regions that the Bank serves and the 16 thematic sectors include child or youth development projects in their portfolios. Investments by region, which include both Bank loans and grants, are the largest in South Asia and Latin America, totaling over half of the Bank's child and youth development investment. The education sector dominates through its portfolio on early child development, basic education and training. But while 80% of all investment is in the education sector, 60% of projects are managed by other sectors. This note presents a picture of World Bank investments targeted to children and youth for the period FY00 to FY10. It presents trends in lending and grant amounts and the number of projects across regions and sectors. It builds on a similar note published in 2007<sup>2</sup> by developing a standard methodology to collect and analyze data and by tracking trends for investments in children, as well as youth.



THE WORLD BANK

VOLUME IV, NUMBER 3  
MARCH 2011

*There are over 3 billion people under the age of 24 in the world today, comprising 47% of the world's population. Nearly 90% live in developing countries and the challenges they face—poor health, low quality education, lack of marketable skills, high rates of unemployment, early pregnancy, social exclusion, and the highest rates of new HIV/AIDS infections—are costly to themselves and to society at large. Country demand for policy advice on how to tap the enormous potential of the world's children and youth is large and growing. This series aims to share research findings and lessons from the field to address these important cross-sectoral topics.*

[www.worldbank.org/childrenandyouth](http://www.worldbank.org/childrenandyouth)

## The World Bank's investments in children and youth have increased continuously – especially in the post-crisis period

Since abilities and qualities built during childhood and youth largely determine their adult lives, effective investments in young people provide important returns not only to people themselves and their immediate families—but to societies as a whole. Country governments in all the regions are increasingly requesting Bank support in addressing issues facing young people.

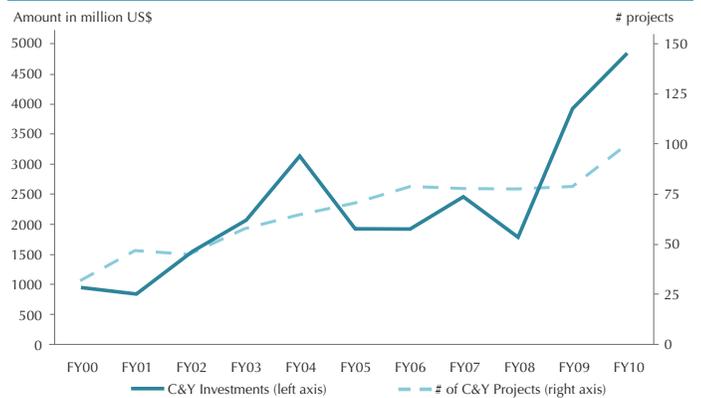
**In FY10, the Bank provided loans and grants to 55 countries for investments helping children and youth, totaling more than \$4.8 billion.** This is equivalent to 8% of total Bank investment in FY10. For example, projects with children, youth, or both children and youth components approved in FY10, include:

- In Kenya, a \$60 million Bank-financed project is increasing access to youth-targeted temporary employment programs and improving youth employability.
- In Mexico, a \$700-million loan is improving the internal efficiency of upper secondary education and its responsiveness to the labor market.
- In Laos, the Bank is financing nearly \$1 million (i.e. 12% of the entire loan) to develop the next generation of the PDR's hydropower and mining workforce.
- In Sierra Leone, a \$20 million grant project is increasing the utilization of a package of essential health services by pregnant and lactating women and children under the age of five.
- In Rwanda, the Bank is spending \$5.4 million (out of \$8 million for the entire project) for child ex-combatants. The project supports the effort to demobilize members of armed groups and members of the Rwanda Defense Force and provide them with socioeconomic reintegration support.
- In Nepal, the Bank is financing \$123.5 million (95% of the entire loan) to ensure equitable access and quality of basic education for all children in age group 5-12, prepare pre-school-age children for basic education, and improve equitable access for youth to secondary education.

**Despite yearly fluctuations, child- and youth-specific investments increased continuously during the period FY00-FY10, to become 5 times higher in 2010 than in 2000 (Figure 1).** The Bank has invested \$25.4 billion in children and youth development over this period. The big jump in investment in FY09 and FY10 reflects the Bank's post-crisis investment trends, with a steep increase in the value of loans and grants rather than in the number of projects. Overall, children and youth as share of total Bank investment remained constant during the period FY00-FY10, at approximately 8% on average.

Reflecting a steadily growing client demand, the past decade has also seen a tripling in the number of projects targeting children and youth, from 32 projects in FY00 to 100 in FY10 (Figure 1).

Figure 1: World Bank Investments and projects in children and youth, FY00-10

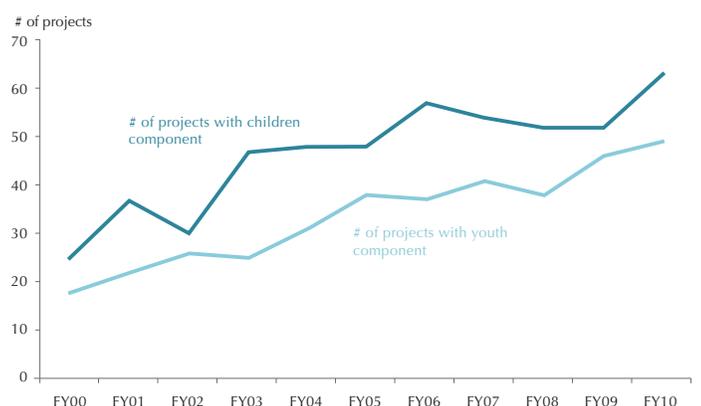


Note: Numbers reflect the fiscal years when projects are approved. The lumpy nature of Bank investments - one or two big projects approved in one year - can lead to big swings in investment levels. For example, in FY04 the Bank approved the *Bolsa Familia* project in Brazil, of which \$551.5 million is dedicated to children through a conditional cash transfer program. This project value caused a big jump in investment amount for that year.

**Investments targeted toward children, in terms of both value and number of loans and grants, has consistently been greater than investments in youth.** In FY10, child-specific investments reached over \$2.6 billion, spread across 63 projects; investments targeting youth amounted to \$2.2 billion, with 49 projects (Figure 2). During the past decade, an average of 70% of all projects dedicated to children and youth had a child-specific component while half of them included a youth-specific component. In terms of investment, however, the gap has been decreasing, with youth specific investment reaching 46% of the total child and youth portfolio in FY10 (up from 16% in FY00).

**Grant-funded investments directed toward children and youth consistently increased over the decade.** While investments toward children and youth are largely covered by Bank loans, over 92% in FY10, the share of grants increased from 1.3% in FY00 to 7.4% in FY10. This development reflects the increased use of Trust Funds, such as the Education Fast Track Initiative (FTI), or the Japan Social Development Fund (JSDF).

Figure 2: Number of World Bank projects with Children and/or Youth components – FY00-10



Note 1: Numbers reflect the fiscal years when projects are approved.

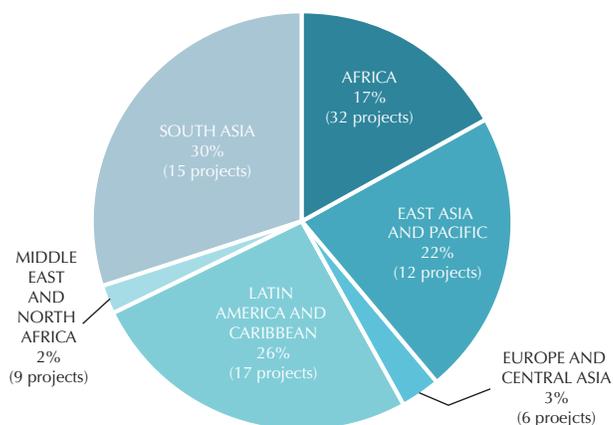
Note 2: A project can include both children and youth components. It is therefore double counted: as "project with children component" and as "project with youth component".

## The South Asia and Latin America regions lead investment for children and youth development

South Asia (SAR) and Latin America and Caribbean (LAC) each invested, on average, more than \$1.1 billion annually in FY09/FY10, equivalent to 56% of total Bank investment amount on children and youth. East Asia and the Pacific (EAP) and Africa follow; sharing 22% and 17% of children and youth oriented investments. The Middle East and North Africa (MENA) and Europe and Central Asia (ECA) represent only a very small share of overall investment (Figure 3).

In terms of number of projects, however, Africa leads with an average of 32 projects in FY09/FY10. LAC and SAR follow, with

Figure 3: World Bank Investment in Children and Youth by Regions – Average FY09 and FY10



Note 1: Numbers reflect the fiscal years when projects were approved.  
Note 2: Average FY09-FY10 is to account for lumpiness of numbers.

about half the amount. MENA and ECA represent a fair share of the number of projects with respectively 9 and 6 projects in FY09/ FY10.

The past 10 years saw a shift in the regional composition of child and youth investments. While the Latin America region was leading investments during the first half of the decade, it was overtaken by the South Asia region in the most recent years. This is mainly driven by large child-focused loans that have increased substantially in South Asia since 2007. For example, in FY09, the Bank spent almost \$350 million to improve availability of Polio vaccine for children in India (out of a \$520 million project). In FY10, a \$35 million project is reducing the number of out-of-school children through improved access, quality and efficiency in primary education in Bangladesh.

## Children and Youth investments are spread across multiple sectors

More than a dozen World Bank sectors support child and youth development. In FY10, while 80% of investment for child and youth development, in value, was done by the education sector, the other 20% was shared by health, nutrition and population; social protection; social development; agriculture and rural development; urban development; public sector governance; poverty reduction; economic policy; financial management; energy and mining and environment sectors (Table 1).

This multi-sectoriality is even stronger when looking at the number of projects per sector: In FY10, only 40% of the total number of projects toward children and youth were in the education sector. Almost 18% fell under the health, nutrition and population sector and another 18% in social protection. Moreover, 16% of projects were in the World Bank Sustainable Development Network (SDN) and 7% in the Poverty Reduction and Economic Management (PREM) Network.

Table 1: Projects with Children and Youth components (FY00-FY10): Summary by sectors (investments in million US\$)\*

Sector	FY09		FY10		Bank Network
	Investment	# of Projects	Investment	# of Projects	
Education	1943.2	34	3896.3	40	HDN
Social Protection	1043.2	13	332.5	18	HDN
Health, Nutrition and Population	597.3	13	326.9	18	HDN
Economic Policy	242.7	5	11.7	3	PREM
Social Development	3.6	3	179.8	6	SDN
Agriculture and Rural Development	38.0	3	48.6	4	SDN
Financial and Private Sector Development	38.5	2	0.0	0	FDP
Poverty Reduction	10.0	1	13.5	1	PREM
Public Sector Governance	3.4	1	17.5	3	PREM
Urban Development	0.0	0	20.0	1	SDN
Gender and Development	5.2	2	0.0	0	PREM
Financial Management	0.0	0	3.6	1	OPCS
Environment	0.0	0	1.9	2	SDN
Energy and Mining	0.2	1	1.0	1	SDN
Operational Services	0.5	1	0.0	0	OPCS
Transport	0.0	0	0.1	2	SDN
<b>Total</b>	<b>3925.8</b>	<b>79</b>	<b>4853.2</b>	<b>100</b>	

\* Sectors sorted by accumulated investment, FY09 and FY10

## Conclusion

The World Bank is on the right path to effective child and youth development, both in terms of increased commitment and in terms of reaching across the many actors, markets, and institutions to give young people the opportunities to become skilled, healthy, and productive members of society. The Bank

increasingly understands that quality investment in an early age generates returns to society through higher economic growth, reduced social costs, and increased quality of life for all. Child and youth development is therefore a crucial ingredient for effective development strategies and a good use of the Bank's investment resources to help governments achieve their development goals.

### Methodology to create the database of children and youth investments

Since no Bank sector or thematic code allows generating automatic reports on the Bank's investments dedicated to children and youth (C&Y), the objective of our methodology is to (i) track the Bank's investments in children and youth with as much consistency as possible with portfolio monitoring of other HDN units, and (ii) be able to reproduce the report easily in future years. Because of the diversity of projects targeting children and youth - stand-alone projects, projects with one or several components dedicated to children and youth, their multi-sectoriality - the methodology requires the combined use of several internal World Bank tools.

#### Data collection and definition of the USD amounts dedicated to children and youth, for each project:

**Step 1** ♦ In the Operations Portal (OP): Search for projects with specific children and/or youth-related words or expressions as part of their title: "child(ren)", "youth", "young people", "young men", "young women", "adolescen(ce/t)", "ECD", "maternal" and "orphan". These projects are considered as stand-alone children and youth projects (100% dedicated to C&Y) and we assign the amount of the loan or grant for C&Y as equal to the total commitment amount for the project. Since most projects are not stand-alone children and/or youth projects, and many projects include children and/or youth components, additional criteria were established to identify and select these components within larger projects.

**Step 2** ♦ In the Business Warehouse (BW): Every project with components in specific Education subsectors - pre-primary education, primary education, secondary education, tertiary education and vocational training - or in the "child health" theme, are included in the C&Y database. For each project, the USD amount dedicated to C&Y is equivalent to the amount dedicated to these education subsectors or to the "child health" theme.

**Step 3** ♦ In the OP: The list of "Education projects" for C&Y is completed by including projects with "basic education", "primary education", "secondary education", "literacy", "school" as part of their title name. These additional education projects targeting children and/or youth may have been missed because they were classified in the "General Education" subsector (too broad to be entirely included in our database). Using the same method, we complete our list with projects including "nutrition" as part of their title – as we consider these projects as targeting infants and children (*here again, there is no subsector/theme, narrow enough to consider using BW*).

**Step 4** ♦ In the OP: The rest of the data on children and youth is obtained using the following key word search: "conditional cash transfer" and "child soldiers". Because the "search by keyword" in the Operations Portal can sometimes be misleading, we check Project Appraisal Documents (PADs) manually, to confirm that the selected projects do have a child or youth component and evaluate its amount.

**Step 5** ♦ Finally, the database is completed with the list of children and youth related projects identified by the Regional Focal Points.

#### Share between child and youth investments:

- i) Projects counted as targeting children: Projects including the following expressions as part of their title are considered child-focused: "child(ren)", "ECD", "maternal", "nutrition" and "orphan". Projects with pre-primary or primary education, "child health", or child soldiers components are also counted toward children.
- ii) Projects counted as targeting youth: Projects with "youth", "young people", "young men", "young women", "adolescen(ce/t)" as part of their title name are considered youth-focused projects. Projects classified in secondary, tertiary and vocational training subsectors are also considered to target youth.

Conditional Cash Transfer projects, as well as additional projects listed by regional focal points are checked carefully using PADs to determine their respective target group.

### References

- <sup>1</sup>Hempel, K. and Cunningham, W. (2010), *Investing in your country's children and youth today: Good policy, smart economics*; Child and Youth Development Notes, World Bank
- <sup>2</sup>Semlali, A. and Osika, T. (2009), *Youth Investments in the World Bank Portfolio*; Child and Youth Development Notes, World Bank
- Naudeau, S. et al. (2010), *Investing in Young Children: An ECD Guide for Policy Dialogue and Project Preparation*, World Bank
- World Bank (2005), *Children and Youth: A Resource Guide for World Bank Staff*, Washington DC
- World Bank (2006), *World Development Report 2007: Development and the Next Generation*, Washington DC



THE WORLD BANK

Children & Youth Unit, Human Development Network, The World Bank  
[www.worldbank.org/childrenandyouth](http://www.worldbank.org/childrenandyouth)

This note was prepared by Ingrid Lefebvre-Hoang (Consultant, HDNCY) and Wendy Cunningham (Coordinator, HDNCY). The authors wish to thank Kevin Hempel (Consultant, HDNCY) and Antony Thompson (Sector Manager, HDNGA) for their valuable comments. Photo credit: Dominic Sansoni. The views expressed in this note are those of the authors only and do not necessarily reflect the view of the World Bank.