The World Bank is an important actor globally with growing influence in the field of early childhood development (ECD). In recent years, it has begun investing increasingly in ECD. There is also a strong investment focus on low-income countries in order to ‘bridge the gaps’ in financing.1

A review across 10 donors showed that in 2017 the World Bank was the:

- 4th largest contributor to early childhood development (ECD), relative to the overall overseas development assistance (ODA) portfolio (i.e. 4.3% of ODA is spent on ECD).A
- 4th largest contributor in terms of the proportion of education aid disbursed to early childhood education/pre-primary (i.e. 1.28% of education aid spent on pre-primary).B
- 1st largest contributor in terms of the quantity of education aid disbursed to early childhood education/pre-primary.B

Strategic commitment to early childhood development

Disability-inclusive early education investment commitments

A The table looking at the comparative levels of spending on ECD for the donors in this report can be found in the global report.

B In this report, two aspects were looked at in order to draw a comparison between the aid given to early education by various donors. Firstly, the total (quantitative amount) amount spent on aid to early education, and secondly, in an attempt to measure donor ‘effort’, the authors of this report compared the ratio of aid disbursed to the early education subsector to overall aid to the education sector. The comparative table can be found in the corresponding global report.
The World Bank’s approach to early childhood development

In October 2016, the World Bank Group launched the Investing in the Early Years (IEY) initiative. Two years later, it announced the Human Capital Project (HCP), which expands on and amplifies the early years’ work.2,3 As such, the World Bank’s approach is firmly rooted in its commitment towards evolving the organisation’s human capital approach: “…developing an individual’s potential and a country’s human capital is dependent on giving children the best possible start in life.”C Within this approach, the emphasis is on “improving skills, health, knowledge, and resilience – their human capital – so that people can be more productive, flexible, and innovative”.2 In the future, this approach to human capital will influence the World Bank’s decision-making around sectoral investments across the human development areas, and ultimately, it will replace the sector strategies.

The World Bank takes a multi-sectoral approach to the 2016 IEY agenda. Input into the agenda is gathered from across the Human Development themes, with pillars encompassing child health and nutrition, early learning and stimulation, and nurturing and protection from stress. These themes and pillars are underpinned by an enabling policy environment and the existence of basic services across sectors.

The initiative aims to:

• support early years’ investments across countries;
• expand the evidence base of what works, and how these investments contribute to eliminating extreme poverty and boosting shared prosperity; and
• build and strengthen advocacy and partnerships at country, regional and global levels.

The World Bank also has several related trust funds, or partnerships, which support scaling up ECD spending. For example, the Early Learning Partnership, a multi-donor trust fund managed by the World Bank, makes use of funds and technical capacity for country plans.4 While, the Systems Approach for Better Education Results (SABER) is a technical assistance programme for governments to scale up ECD.5

Supporting early education and pre-primary

This section examines more closely the World Bank’s ODA investments into education, and in particular, it seeks to identify aspects of inclusion within this sector. Without a doubt, the World Bank is scaling up in this area. Furthermore, the organisation is becoming much more influential at the country, regional and global level. Over the past five years, the World Bank has more than doubled investments into early childhood education.6 The World Bank was the largest single donor in terms of disbursements to early education in 2017. The amount of aid the World Bank disbursed to this subsector in 2017 equated to around half of all aid issued by multilaterals in this area, for the year, or one-quarter (26%) of all global aid. Due to the importance of the World Bank’s contribution, the size of the overall early education aid disbursed by the World Bank had a strong bearing on the total ODA disbursed globally (see Figure 1). That said, this still accounted for only around 2% of the overall education aid portfolio for the period from 2012 to 2017. Therefore, as a ratio of total ODA, the World Bank was ranked fourth among this report’s donors.


C World Bank internal note: Investing in the Early Years to Build Human Capital.
The World Bank’s portfolio differs significantly from those of other donors. For one, it supports large-scale interventions of sector-wide reforms or scale-up by recipient governments through loans and grants, and with a broad and wide reach of children. Other donors, by comparison, have programmes with limited reach. The World Bank’s project in Mozambique is expected to reach approximately 84,000 children, for example. This reflects the scale of the disbursements that the World Bank makes. The vast majority of these contributions are in the form of loans and grants to governments, driven by country demand.

Early childhood development features prominently within the World Bank’s Education Strategy 2020, which sets the goal of Learning for All through three pillars: Invest Early, Invest Smartly, Invest for All. The World Bank also works to ensure that children are “off to a good start” by means of its early childhood efforts aimed at three-to-six-year olds. As countries expand their early childhood education systems, the World Bank prioritises areas in which resources may be spent effectively and efficiently. In addition to its core efforts in financing, policy guidance, technical support, and partnership activities, the World Bank is scaling up investments in early childhood education by focusing on capacity building, ECD measurement, research and implementation of innovative approaches, and improvement of the quality of services.

However, more work is required on reaching the most marginalised children, including those with a disability, as there is very little explicit focus on this in their recent ODA commitments. However, as expressed in its commitments to Education 2030 and its 10 commitments at the Global Disability Summit, the World Bank shows significant promise to ensure children with disabilities are included in early childhood education in the future. These commitments clearly link disability and ECD and sets targets for achieving inclusion by 2025.

Moreover, the World Bank is also an active participant and leader in the global conversations around disability-inclusion in education and ECD. In June 2018, the World Bank launched its Disability Inclusion and Accountability Framework outlining its approach to including disability in the World Bank’s policies and operations, and build capacity for supporting clients in implementing disability-inclusive development. At the Global Summit on Disability in July 2018, the World Bank Group announced 10 commitments to disability inclusion, one of which commits to ensuring that “all World Bank-financed education programmes and projects are disability-inclusive by 2025.”

The World Bank is by far the largest international funder of early childhood education, with a current portfolio totalling more than one billion US dollars across 50 projects around the world. In 2017, the World Bank disbursed more than 130 million dollars for early childhood education through the IDA and IBRD, of which 15 million dollars is counted as ODA. More recently, in the 2017 and 2018 fiscal years, health and nutrition, and population had the biggest share of commitments. Health and nutrition are categorised under the same sector in this study’s data. This is different from how it is presented in Figure 1.

**BOX 1 World Bank early education data**

The World Bank provided data on early childhood education, but only for current commitments. This data is based on commitments across 50 active projects with early childhood education activities in 39 countries (International Bank for Reconstruction and Development (IBRD) and International Development Association (IDA), ODA/ Other Official Flows (OOF)).

The data shows that the World Bank is by far the largest international funder of early childhood education, with a current portfolio totalling more than one billion US dollars across 50 projects around the world. In 2017, the World Bank disbursed more than 130 million dollars for early childhood education through the IDA and IBRD, of which 15 million dollars is counted as ODA. More recently, in the 2017 and 2018 fiscal years, health and nutrition, and population had the biggest share of commitments. Health and nutrition are categorised under the same sector in this study’s data. This is different from how it is presented in Figure 1.

“... the World Bank is by far the largest international funder of early childhood education, with a current portfolio totalling more than one billion US dollars across 50 projects around the world.”

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° The project is called Additional Financing (AF) for Early Childhood Development (ECD) and has objectives around support of the government delivery of services, includes recruitment of early childhood development facilitators, setting up of committees, training, and construction.

° Data retrieved from OECD’s database on the World Bank portfolio.
World Bank data on early childhood development spending

The assessment of World Bank spending, comparative to other donors in this study (above and in the Global Report), is based on the World Bank’s reporting into the Organisation for Economic Co-operation and Development’s (OECD) Development Assistance Committee (DAC) Creditor Reporting System database, using the report’s methodology.

However, the World Bank has also carried out their own estimates for ECD spending, which are included below (see more information in Box 2 and Table 1 for the actual figures).

The World Bank estimates are higher than the calculations based on the spending data used for the rest of this report, partly because the World Bank includes spending beyond ODA, and includes additional sector commitments to social protection not included in the reports methodology. The World Bank, at present, is the only donor able to provide estimates of its own spending on ECD across sectors and, therefore, deserves to be recognised for taking the first steps among its peers in devising a methodology to track spending.

INFOBOX Making comparisons in spending across different donors

In order to be able to make comparisons in spending across different donors, this report uses the figures that donors report into the OECD DAC Creditor-reporting system – according to the agreed classifications for the database. The data in this report shows actual disbursements made to countries based on each donor’s reporting. Independent of this, the World Bank has prepared a publication which they shared with Light for the World. In the publication, the estimated spending for the early years is broken down. This provides a recent portfolio review of all the World Bank Group’s disbursements, using a methodology which allows for these activities to be counted across slightly differently to how the present report has done. The figures include allocations beyond ODA. Moreover, they are commitments rather than disbursements (i.e. allocations rather than actual expenditure). To keep estimates across donors comparable within the global report, authors of the report have not included these World Bank figures. Rather, they have used the (comparable) figures using the reports methodology.

BOX 2 World Bank estimates of their spending under the Early Years Initiative

The World Bank’s own calculations of its allocations take into account the health and nutrition, social protection, and early education sectors, as identified within their Human Development Pillar. Included within its calculations are all of the World Bank’s commitments (allocations), across both ODA and OOF. According to these calculations for the fiscal years of 2016 to 2018 (1 July 2015 to 30 June 2018), the World Bank committed more than 4.9 billion US dollars to IDA and IBRD countries, which went to ECD activities worldwide. Sectors that benefited were education, health and social protection, which target pregnant women, young children, and their families.

The World Bank has more than 100 projects, which form part of their 2015 to 2017 commitments on ECD.

A detailed analysis of the entire World Bank portfolio commissioned initially by the organisation itself, and later replicated by the Results Education Fund, showed 131 ECD projects could be potentially coded to ‘early childhood development’ for the World Bank fiscal period, 2014 to 2017 (1 July 2013 to 30 June 2017). Within these, Results Education Fund reports that nutrition and pre-primary education (both chronically underfunded areas globally) were mentioned often. However, only 11 projects had project documents specifically mentioning childcare, parental support, cognitive stimulation, or child protection components in any specific way (with protection usually amounting to civil registration and vital statistics, rather than prevention of violence). Three additional projects integrated water and sanitation with other components of ECD.

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G Personal communication, May 2019.

H The World Bank’s data on investments in early childhood development from Fiscal Years 2016 to 2018.

I See the World Bank Support to Early Childhood Development study for an understanding of the methodology used to classify “ECD”, as well as the Results report on the World Bank Contribution to ECD.
TABLE 1 Financial Year 2017 (1 July 2016 – 30 June 2017) IDA/IBRD project commitment for the early years’ sector in the Human Development Portfolio (data supplied by the World Bank to report authors)

<table>
<thead>
<tr>
<th></th>
<th>Education</th>
<th>Health, nutrition &amp; population</th>
<th>Social protection and labour</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early years-specific amount (US$ million)</td>
<td>139.49</td>
<td>1,113.59</td>
<td>184.95</td>
<td>1,438.03</td>
</tr>
<tr>
<td>Total IDA/IBRD amount (US$ million)</td>
<td>452.33</td>
<td>1,929.02</td>
<td>907.8</td>
<td>3,289.15</td>
</tr>
<tr>
<td>Number of projects</td>
<td>7</td>
<td>17</td>
<td>12</td>
<td>36</td>
</tr>
</tbody>
</table>

Conclusions
The World Bank is an important actor globally in the field of ECD, and has begun investing greater amounts in ECD in recent years. The commitments made as part of the IEY initiative, and more recently the HCP, situate the World Bank as a continuing leader in the field. However, within this, a sharper focus on supporting the most marginalised, including children with a disability, is required. The World Bank should use their own ODA, and use their influence within the development assistance community, to help to encourage increasing investments in ECD for the most marginalised children in many low-income countries. This could help to transform the development opportunities for millions of the world’s most marginalised young children. It is hoped that the commitment to ensure all World Bank-financed education programmes and projects will be disability-inclusive by 2025, and that this means that the organisation is working towards this.

Recommendations
The World Bank should:

- Play a leading role in scaling up funding to early education, aiming towards achieving the 10% of the total education aid sector budget by 2021.
- Lead the charge to develop an agreed method to track ODA spending on ECD.
- Become a leader among donors in inclusive ECD, which explicitly targets the most marginalised and vulnerable children, including children with a disability.
- Incentivise equity in country funding, by ensuring that early years’ allocations target the most marginalised, including children with disabilities.
- Prioritise ECD in the Inclusive Education Initiative – hosted in the World Bank – to fast-track implementation of disability-inclusive education.
- Deliver on their commitment to disaggregating funding data by disability, including in their early years’ portfolio.

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2 Report on IDA and IBRD commitments to early childhood development in the Human Development (HD) Unit, which includes Education (EDU), Health Nutrition Population (HNP), and Social Protection and Labour (SPL) Global Practices, for Fiscal Years 2016 to 2018 (1 July 2015 to 30 June 2018).
This Donor Profile is one of 10 advocacy briefs for ODA advocacy. There are also four recipient country profiles for national advocacy, as well as a Global Report and a user-friendly checklist to support the design of inclusive ECD programmes which seek to support the most marginalised children.

A Methodology Note providing more information on the process of analysis along with all the tools may be accessed at: www.light-for-the-world.org/inclusive-ecd-investment

ABOUT THE RESEARCH REPORT AND DONOR PROFILES
Light for the World and their partners conducted a detailed analysis of the aid disbursements, which 10 donors have committed to support early childhood development. Belgium, Canada, France, Germany, UK and USA are the six bilateral donors reviewed for this report together with four multilateral donors namely, the European Union, World Bank, UNICEF and the Global Partnership for Education. Particular attention is paid in the research to donors’ commitments towards children who are vulnerable or at risk of being marginalised or delayed in learning due to a disability. For this reason, donors’ strategic frameworks were also analysed, in addition to their aid spend.

Light for the World and their partners have provided input to the donor profiles.