Considerations and Recommendations for
the World Bank Group and Other Investors

Executive Summary

Children are some of the most vulnerable among the forcibly displaced, representing 50% of the world’s refugees. With the average duration of displacement being 10 to 26 years, children often spend the bulk of their childhood and youth—including their critical learning years—without access to nutritious foods, access to healthcare or quality schooling, clean water, and safe spaces. Studies show that the early years of life is the most effective and cost-efficient time for interventions to ensure all children develop to their full potential. This window for influence, known as early childhood development (ECD), encompasses several developmental stages from conception to age eight during which a child acquires important cognitive, language, motor, social and emotional skills. However, chronic stress due to severe and prolonged exposure to adversity such as forced displacement, can disrupt healthy brain development and have damaging short- and long-term effects on learning, behavior, and physical and mental health.

Humanitarian actors and development institutions like the World Bank Group (WBG), which is increasingly engaging in humanitarian contexts, have not
sufficiently prioritized support for policies and programming to meet the unique learning and development needs of crisis-affected children. In 2018, less than 2% of humanitarian funding explicitly targeted the early years, of which a mere 5% was allocated to education. Of official development assistance (ODA), 3.3% went to early childhood development in emergencies, of which 1% went to education. While components of ECD can be found in nearly half of the IDA18 Regional Sub-window for Refugees and Host Communities (RSW) projects, the programming approach is often too fragmented to effectively address the interrelated risks that threaten children’s long-term development, learning and well-being. This ultimately presents a threat to the future stability and economic development of not just individual children but of entire societies.

The WBG is uniquely positioned to help expand services for young children in displacement contexts by supporting policies that create an enabling environment for young refugee children’s development, health, learning, productivity, and wellbeing. As it has already shown under the IDA18 RSW/IDA19 Window for Host Communities and Refugees (WHR), the WBG’s direct relationships with governments, including line ministries, presents an opportunity for the WBG to leverage its financing and provide technical support to help end poverty, boost shared prosperity, and build human capital in countries in an evidence-based, cost-effective way: by investing in the early years.

InterAction, the United States’ largest alliance of international NGOs and partners, strongly recommends the WBG support government clients who have prioritized early childhood development in fragile, conflict and violent settings (FCV). Specifically, it should:

**Policy and Funding**

- Work with governments to provide ECD in FCV settings through technical assistance and by identifying best practices, where there is demand. The WBG can provide long-term, dedicated financing to governments to support the development of or reforms to national ECD policies and plans and to help coordinate ECD governance structures.

- Include ECD policies and the disaggregation of population cohorts by age in the Refugee Policy Review Framework (RPRF).

- Work with government partners to include refugees in national COVID-19 response activities that address children’s needs, including access to quality education.

**Evidence Generation and Knowledge Sharing**

- Generate evidence on ECD in FCV settings to better understand how national ECD policies, strategies, and institutions can be more inclusive of refugee populations or how FCV settings can benefit from investing in refugees’ ECD.

- Evaluate existing ECD and education projects financed by the IDA18 RSW/IDA19 WHR and Global Concessional Financing Facility (GCFF) to generate evidence on what approaches to programs and policies can improve learning and development outcomes for children.
Coordination

- Identify shared goals and metrics for strengthening outcomes among the WBG's ECD and FCV teams to provide robust technical assistance and adequate investments.
- Consult and coordinate with humanitarian and ECD NGOs and U.N. agencies with technical expertise on early years in FCV settings on the above actions.

THE ISSUE:
Investing in children’s early years is critical to more stable economies

Low Investments, High Risks

As articulated by the Human Capital Project and the Nurturing Care Framework, ECD sits at the center of the humanitarian-development-peacebuilding nexus. Investing in the early years represents the critical foundation, allowing children to achieve necessary skills and future income and enabling countries to have stable economies. Investing in ECD policies and programs amid the uncertainty and instability of crises and displacement can lay a foundation for life-long success and resilience, social cohesion, and sustainable and peaceful societies. Early years investments can produce up to 13% return per year by improving health outcomes, boosting salaries, improving the economy, and reducing a country’s budget deficit.

Yet an estimated 43% of children under five in low- and middle-income countries, including in humanitarian contexts, are at risk of not reaching their developmental potential. Refugee children are among the highest risk given their experiences and prolonged exposure to poverty, violence, deprivation and malnutrition. All of these factors can trigger a toxic stress response that disrupts healthy brain development, potentially leading to life-long problems in learning, behavior, and physical and mental health. Learning Poverty is also a substantial concern, as without a strong education base, students do not acquire the human capital they need to power their careers or the skills that will help them become engaged citizens and nurture healthy, prosperous families.

Financial Constraints Create Obstacles for ECD Services

Due to the threat that forced displacement poses to young children's learning and development, there is a significant gap in the delivery of quality early childhood interventions in crises. Many of the obstacles to better ECD outcomes in low- and middle-income countries can be directly traced to domestic public financial management constraints. These financial constraints are amplified by the fact that ECD interventions often require a number of line ministries--spanning the health, nutrition, education, child protection and water, sanitation and hygiene sectors--to contribute from their budgets to ECD programming and coordinate on delivery. Without clear budget authority or oversight, governments often are unable to maximize outcomes or efficiently allocate limited funding. And even when ECD financing is prioritized and coordinated, dedicated support for crisis populations is often left out altogether. As a result, there is typically an inadequate provision of critical ECD services for refugee and displaced populations, further cementing development barriers, particularly for education, protection, and responsive caregiving.
Limited Funding in Global Aid and National Budgets for ECD

National budget gaps for ECD are mirrored in global and national humanitarian response plans and donor funding towards those plans. An April 2018 review of 26 active Refugee Humanitarian Response Plans (HPRs) found that only 58% mentioned nutrition interventions, fewer than 25% mentioned safety and security or health interventions, and even fewer mentioned interventions to support responsive caregiving or early learning. A 2020 analysis of international aid levels for early childhood services in crisis contexts demonstrated that of the $25.2 billion humanitarian aid flow reported by the U.N. OCHA Financing Tracking System in 2018, less than 2% (US$463 million) explicitly targeted the early years, of which a mere 5% ($23 million) was allocated to education. This is similarly reflected in official development assistance (ODA). Of the $192 billion total international assistance in 2017 reported by the OECD Creditor Reporting System, 3.3% ($6.3 billion) went to early childhood development in emergencies, of which 1% ($63 million) went to education.

Consequently, there is only nascent rigorous evidence of what interventions actually improve development outcomes for forcibly displaced children. In addition, practitioners, policymakers, and donors do not have comprehensive information about how to invest the limited resources available, nor how much investment is truly required to meet needs. When evidentiary studies are conducted, research has found that it is possible for innovative low-cost programs to demonstrably improve a range of outcomes related to ECD and parenting behaviors.

Ultimately refugee children’s learning, development, and well-being falls through the cracks. The lack of funding from national budgets and humanitarian responses, in addition to the limited evidence of what interventions produce efficient outcomes, means too little funding is allocated to ECD programming. Thus, there are insufficient resources or incentives to hire enough qualified workers to deliver early learning, maternal and child health programs, and provide parenting support and counselling to caregivers for displaced and refugee populations. A full set of integrated crisis-sensitive services across health, nutrition, education, sanitation, and child protection sectors are needed. These services must be designed, planned, and costed to be adaptable when preventing and responding to emergencies.

CONSIDERATIONS:

WBG uniquely positioned to improve ECD policies, plans, and programming

The Value of Prioritizing ECD Interventions in Humanitarian Settings

Increased WBG leadership on supporting young children in displacement contexts would align with the institution’s priorities and financing. In a 2016 document, Snapshot: investing in the early years for growth and productivity, the WBG recognized the importance and value of investing in early years, specifically that “investing in the early years is one of the smartest things a country can do to eliminate extreme poverty, boost shared prosperity, and create the human capital needed for economies to diversify and grow.”

A 2018 paper, Maximizing the Impact of the World Bank Group in Fragile and Conflict-Affected Situations, concluded “in emergency situations, through to recovery, quality education is considered to provide physical, psychosocial, and cognitive protection that can sustain and save lives, contributing
directly to the social, economic, and political stability of societies.” The Bank’s recent COVID-19 Crisis Response Approach Paper and joint UNHCR-World Bank study, Forcibly displaced in the COVID-19-induced recession, acknowledge urgent action is needed to address the impacts of the pandemic on vulnerable households, including displaced populations, and across a range of vulnerabilities including malnutrition, education, and diminished early childhood development.

Support Governments to Strengthen Policy Changes and Expand ECD Services

The WBG is uniquely positioned to support governments to expand services for young children in displacement contexts by supporting policies that create an enabling environment for young refugee children’s learning and development. As it has already shown under the RSW/WHR, the WBG’s direct relationships with governments, including line ministries, presents an opportunity for it to leverage its financing and provide technical support to help improve access to and the quality of education and ECD programming for both national and refugee populations.

There are several major challenges with ECD policies that governments need to overcome. First, many low-income countries do not have an ECD policy or coordinated national framework for children. New policies and programs would have to be developed, or existing ones reformed, to ensure there are accessible, quality public ECD services. Even when policies exist, they seldom include refugee or displaced populations. Second, ECD policies can be expressed in a number of ways and across various sectors (education, health, protection, etc.) as the WBG has already acknowledged. There is no one established approach to governance of ECD systems, which typically require coordination across sectors and an adequate legal and regulatory environment. The WBG has proposed a framework for systematically examining national ECD policies, but more work is needed to ensure this framework is available to and used by national policy makers in humanitarian contexts.

The WBG’s deeper engagement on ECD in humanitarian contexts can help generate change within the humanitarian response system. For example, the WBG could generate greater awareness among national policy makers on the need to embed ECD in needs assessments, response plans, programming, and monitoring and evaluation. A helpful first step would be increased coordination and collaboration among WBG staff (including FCV and Early Years teams, Country Directors, etc.) and U.N. Humanitarian and Resident Coordinators, U.N. lead agencies, education and protection cluster leads, and NGOs.

There are a number of relevant and useful models for ECD policies that can be built upon. For example, Uganda has a National Integrated Early Childhood Development Policy (2016), Education Strategy (2017-2020), and Education Response Plan for Refugees and Host Communities (2018) that address the needs of refugees and host communities to access early childhood interventions but which it lacks the financial support to fully implement. Kenya has an ECD Policy Framework (2006) that addresses the fragmentation of ECD initiatives, which could be expanded to include refugee populations.

The Jordanian Human Resources Development (HRD) National Strategy 2016–2025, overseen by the Jordanian cabinet, positions early childhood education and development as one of its four central pillars. The HRD Strategy calls for a “comprehensive approach to policies and programs for children from birth to eight years of age.” While a holistic, cross-sectoral plan provides an excellent starting point, lessons can be learned from its poor implementation. For example, accountability has been inhibited by a lack of performance indicators, annual monitoring, and aligned financing. Cabinet ownership, a positive indication that ECD is a national priority, has ultimately led to a deflection of ownership and poor-quality
management by the ministries. Another missed opportunity is the disconnection between the HRD Strategy and the Jordan Response Plan for the Syria Crisis (JRP); despite the national strategy, a holistic approach to ECD is absent in the JRP. While some ECD services, such as early education and vaccinations, are provided to Syrian refugees through the humanitarian system, other services such as psycho-social support are not.

Evaluate Existing Financing Mechanisms and Investments for ECD Interventions

In addition to engaging with ministries and other policymakers, the WBG also provides funding on a longer time horizon—often three to five years—than many other donors in displacement settings. Several World Bank financing mechanisms already offer this support for the design and implementation of ECD projects in low- and middle-income countries. Financing specifically dedicated to refugee contexts, however, does not prioritize ECD, and funding specifically for ECD does not prioritize fragile and displacement situations.

- **IDA18 RSW** projects address some components of ECD. In a preliminary analysis of how RSW projects have incorporated ECD, the International Rescue Committee found 8 out of 18 projects either directly identify ECD and education within the project goals or include ECD interventions, but do not identify them as specific to ECD (e.g., in Bangladesh's Additional Financing for Health Sector Support Project [P167672]). The fact that nearly 45% of projects include ECD interventions indicates that host countries are at minimum recognizing early childhood needs. WBG instruments, including the next IDA replenishment document and the Refugee Policy Review Framework (RPRF), should name ECD as an explicit priority and offer it as a tool in its solutions toolbox.

- **The Global Concessional Financing Facility** (GCFF) also supports ECD in an ad hoc manner. Signature projects such as the Jordan Education Reform Support Program-for-Results names Early Childhood Education and Development as a primary strategic objective. Similarly, the Jordan Emergency Health Project allows the Government of Jordan to foster human capital outcomes, introducing activities to improve primary health care, with an emphasis on early childhood development. Yet, it is unclear whether or how the GCFF is working with governments to integrate investments across all five components of ECD (education, health, nutrition, child protection and water and sanitation).

- **The Early Learning Partnership** (ELP) Trust Fund provides grants to Bank teams to work with governments on analysis, project design, and evaluation related to ECD, with the goal of expanding ECD investments in the future. This trust fund is not explicitly linked with funding through the IDA18 RSW, IDA19 WHR or the GCFF; however, it could ostensibly support projects funded by these mechanisms. For instance, the trust fund could support governments to identify gaps and opportunities in ECD programming and provide additional funding for ECD programs in FCV contexts.

Expand the Evidence Base on ECD Interventions

More evidence of what works to improve children’s development and learning in fragile and displacement contexts is needed—as noted in a 2015 independent evaluation of the WBG’s support to ECD. Several existing WBG mechanisms and technical guidance provide a solid foundation for pursuing a robust ECD agenda in fragile and displacement contexts. However, the WBG should consider going even further to...
better understand needs and to evaluate the impacts and implementation of interventions, including by supporting new Advisory Services and Analytics (ASA) on ECD in FCV contexts. The WBG could build on several existing efforts:

- The WBG-WHO-UNICEF Nurturing Care Framework (NCF) and related Guidelines provide a foundation for understanding ECD, and establishing guidance about effective ECD policy and intervention outcomes. The Nurturing care for children living in humanitarian settings brief summarizes actions that program planners and implementers should take to minimize the negative impact crises can have on young children and their families. The brief identifies actions that can be taken at different phases of an emergency, with interventions adjusted based on the length and type of humanitarian, security, or displacement factors.

- The WBG’s Systems Approach for Better Education Results (SABER)-Early Childhood Development initiative is designed to provide policymakers with the tools and analysis to identify areas in need of policy attention to promote healthy and robust development for all children. SABER is useful for fragile and displacement contexts in that it provides an accessible, objective country snapshot of ECD systems. This tool allows WBG staff and partners to evaluate countries’ existing ECD policies and can help identify objectives for WBG assistance. However, the majority of these evaluations focus on stable settings and further work is needed to draw out similar conclusions for fragile and crisis settings as has been done in Yemen.

- Lessons learned through the WBG’s operations and partnerships with governments can inform implementation by other stakeholders working on early childhood in humanitarian settings. As a leader in the field of early childhood development and education, and its growing expertise in FCV settings, the WBG’s knowledge and support is a critical asset for bringing development, humanitarian, and government actors together to achieve shared goals. The WBG’s experience can help demonstrate what working with bilateral and multilateral donors as well as host governments to prioritize investments in ECD realistically entails.

**RECOMMENDATIONS:**
*Prioritize early childhood development for displaced children*

The WBG should expand its engagement and investment in ECD in fragile and displacement settings in the following ways:

**Policy and Funding**

- **Work with government clients to provide ECD in FCV settings through technical assistance and by identifying best practices** where there is demand. The WBG can support the development of or reforms to national ECD policies and plans and help improve the coordination of ECD governance structures.

- **Provide long-term, dedicated financing to host countries’ national ECD systems, including for pre-primary and primary education** to both improve quality of services and support the inclusion of refugee populations. Invest IDA WHR, GCFF and ELP Fund resources in ECD
programs and policies as a way to reduce poverty, grow economies and build more peaceful societies. This should include an ELP-FCV financing round.

- **Include ECD policies and the disaggregation of population cohorts by age in the Refugee Policy Review Framework under the Access to National Services section** as well as in other FCV guidance and analysis.

- **Support government partners to include refugees in national COVID-19 response activities that address early childhood needs, including access to a quality education.**

**Evidence Generation and Knowledge Sharing**

- **Generate evidence on ECD in FCV settings** to better understand how national ECD policies, strategies, and institutions can be more inclusive of refugee populations and how FCV settings can benefit from investing in ECD. The WBG’s comparative advantage in quality research and analytics would fill evidence gaps vital for supporting government response and policy dialogue.

- **To generate this evidence,** building on the analytical repository established for the Mashreq countries, **conduct an Advisory Services and Analytics (ASA) and broadly disseminate ELP-FCV funding round impact evidence** and implementation lessons.

- **Conduct rigorous evaluations of IDA18 RSW/IDA19 WHR and existing GCFF funded ECE and ECD projects**—or components of projects—to identify what is working and at what cost to improve outcomes for refugees. Refugees should be consulted throughout the evaluation.

**Coordination and Stakeholder Engagement**

- **Identify shared goals and metrics for strengthening outcomes among the WBG’s ECD and FCV teams to provide robust technical assistance and adequate investments.**

- **Consult with ECD and humanitarian actors, including NGOs and U.N. agencies, on the above actions to better ensure ECD policies and programs are appropriately tailored for and have a positive impact on refugee populations.** For example, engagement with humanitarian needs assessment, planning, and response, which can be aligned with development practice as a means of ensuring coherence with overall national strategies.