



Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 16-Jan-2019 | Report No: PIDC26173

**BASIC INFORMATION****A. Basic Project Data**

Country West Bank and Gaza	Project ID P168295	Parent Project ID (if any)	Project Name Improving Early Childhood Development in the West Bank and Gaza (P168295)
Region MIDDLE EAST AND NORTH AFRICA	Estimated Appraisal Date Apr 05, 2019	Estimated Board Date May 16, 2019	Practice Area (Lead) Education
Financing Instrument Investment Project Financing	Borrower(s) Palestine Liberation Organization	Implementing Agency Ministry of Education and Higher Education	

Proposed Development Objective(s)

Improve the coverage and quality of early childhood development services for children from gestation until age 5 in the West Bank and Gaza.

PROJECT FINANCING DATA (US\$, Millions)**SUMMARY**

Total Project Cost	9.00
Total Financing	9.00
of which IBRD/IDA	0.00
Financing Gap	0.00

DETAILS**Non-World Bank Group Financing**

Trust Funds	9.00
Special Financing	9.00

Environmental and Social Risk Classification

Concept Review Decision



Moderate

Track II-The review did authorize the preparation to continue

B. Introduction and Context

Country Context

1. The West Bank and Gaza (WBG) or Palestinian territories have faced long-lasting political instability and periodic episodes of violence over the last two decades. WBG is a small open economy with lower-middle income status and a population of 4.8 million in 2016. It has experienced political instability (both regional and domestic) and a series of violent conflicts over the years.¹ After the 2007-08 conflict, the territories were under control of two different political parties: Fatah held control of the West Bank, while de facto authority in Gaza was taken by Hamas. Following the internal divisions and arrests of Members of Parliament by Israel, the regular legislative process was suspended as neither side is able to establish a necessary quorum. Instead, the Cabinet conducts necessary consultations and readings of proposed acts and the President signs them into law. Gaza's economy represents 1/3 of total GDP, and its borders are subject to highly restrictive controls by Israel and Egypt.

2. Driven by episodes of conflict, poverty rates in WBG have increased in the period from 2011-17, with nearly one in three persons living in poverty. Economic growth, social assistance and a well-targeted cash transfer program run by the Palestinian Authority have helped reduce poverty in WBG in the years following the second Intifada. However, political instability and multiple episodes of war in Gaza over the last ten years have significantly eroded these welfare gains. Following the 2007-08 and 2014 conflicts in Gaza, poverty increased significantly, pushing up the overall poverty rate in the Palestinian territories. Data from the Palestinian Central Bureau of Statistics (PCBS) shows that the overall share of population below the poverty line has increased from 26 percent in 2011 to 29 percent in 2017. This, however, masks a substantial divergence in trends between the West Bank and Gaza. The poverty rate in the West Bank declined from 18 to 14 percent in the same period, while poverty in Gaza increased dramatically from 39 to 53 percent, leaving every second Gazan below the national poverty line.

3. Poverty and conflict have particularly deepened the humanitarian crisis along the Gaza strip. The strip is one of the most densely populated areas in the world, housing 1.9 million people in a 400 square-kilometer area. As shown in panel A of figure 1 (see annex), access to electricity is severely constrained, averaging 4.8 hours a day in 2018, down from 5.6 hours in 2017, amid considerable sub-regional variations. Access to piped water is similarly limited, as evidenced by a 28-percentage point shortfall in May 2018 from the recommended World Health Organization (WHO) liters per capita per day (panel B). As many as 900,000 individuals lack consistent ability to source drinking water. Even amongst subpopulations with some level of access, concerns over suitability persist; wastewater dumping into the sea has led to pollution levels 308 percent above the international recommended standard (OCHA 2018).² In addition, nearly 50 percent of drugs typically sold in the Gaza strip are at zero-stock levels, forcing patients with more severe medical conditions to apply for exit permits; at an approval rate of just above 40 percent, however, even that option is fraught with difficulty.

¹ The series of conflicts include the first and second intifada during 1987-93 and 2000-05, respectively, the Fatah-Hamas conflict in 2007-08, and wars in Gaza in 2008-09, 2012, and 2014. Most recently, the coinciding of the Nakba day – which commemorates the 1948 relocation of the Palestinian people – and the movement of the United States embassy to Jerusalem in May 2017, sparked a period of renewed violence. The Palestinian Authority denounced the original announcement of the embassy move in December 2017, an event that has contributed to the faltering of negotiations for sustained peace as several Palestinians were killed in the ensuing protests.

² Pollution levels are measured by mg/l of Biological Oxygen Demand (BOD), where a high level indicates the absence (or limited efficacy) of wastewater treatment.



Nearly 23,000 people have been displaced and are living in UN Relief and Works Agency camps across the territories (UNRWA 2018).

4. Economic growth is subdued, and average figures underreport the economic contraction in Gaza. Real year-on-year economic growth in WBG fell by 1 percent in the second quarter of 2018 because of significant headwinds faced by the West Bank for the first time since the third quarter of 2017 (figure 2). Slower growth in the West Bank, which has maintained overall growth levels in the Palestinian Territories, has unmasked the significant economic difficulties in Gaza. Year-on-year growth in Gaza has declined in each of the last four quarters and is at its lowest level since Q1-2016. The disproportionate struggles of Gaza are also echoed in the labor market, with significantly higher unemployment rates despite near equivalent participation rates. As figure 3 depicts, from an 11-percentage point difference in unemployment rates in 2011, labor market participants have struggled immensely to maintain employment rates over the ensuing 5 years. By 2017, the gap grew to around 26 percentage points, and has resulted in one of every two Gazan residents out of work. As shown in figure 4, employment is significantly constrained for young women, with more than 90 percent out of work for all education levels. Those with a higher education degree perform slightly better at 53 percent, but many are forced to settle for positions below their achieved qualifications (PCBS 2017).

5. The fiscal deficit was contained in 2017 on the back of reduced public spending by the Palestinian Authority in Gaza. The overall fiscal deficit in 2017 was slightly reduced at 3 percent despite reduced revenues, due in large part to lower spending on wages for Gaza civil servants (IMF 2018). As depicted in figure 5, the government has run a budget deficit in each of the last 7 years and has managed to keep the budget deficit from further increasing with stronger Value Added Tax receipts. Maintaining the deficit at rates that do not require significant issuances of domestic debt, however, requires continued foreign aid flows, which have declined in each of the last three years (IMF 2018). The ability to finance the deficit via the international community and the banking sector, which remains heavily exposed to the government, underpins the fragility in the government's fiscal position.

Sectoral and Institutional Context

6. Despite political and economic challenges, WBG has prioritized human capital development with strong investments in education and health. At 5.7 percent, government spending on education as a share of GDP is comparatively high in WBG (World Bank EdStats).³ It ranks third in the Middle East and North Africa region (MENA) and is well above the OECD average of 4.4 percent (OECD 2017). WBG also displays high enrollment rates across all education levels. Most notably, with gross enrollment in secondary and tertiary education at 85 and 42 percent, WBG performs much better than the average for lower middle-income countries⁴ (UIS 2017, World Bank EdStats). A closer look at the Palestinian health sector paints a similar picture. In 2013, health spending in WBG accounted for nearly 13 percent of the GDP in 2013—a very high spending rate for WBG's level of income. Remarkable progress has been made in improving child and maternal mortality. In the past 15 years, the under-5 mortality rate decreased from 28.5 to 20.9 per 1,000 live births (World Bank HNPStats). Similarly, the maternal mortality ratio per 100,000 live births declined from 68 in 2002 to 45 in 2015. Several World Bank operations continue to support the Palestinian Authority's focus on human capital. In the education sector, the Teacher Education Improvement Project (TEIP) has strengthened pre-service and in-service teacher training, while the Education-to-Work Transition Project (E2WTP) continues to facilitate entry into the labor market for students from selected tertiary education institutions. In the health sector, the Health System Resiliency Strengthening Project secures continuity in healthcare service delivery and upgraded the quality of medical services provided by governmental hospitals (World Bank 2018).

³ Latest available data for 2016.

⁴ Gross enrollment for lower middle-income countries is at 69 percent in secondary education and at 24 percent in tertiary education as of 2016 (World Bank EdStats).



7. The strong investments made in the Palestinian people have yet to translate into high levels of human capital. Out of 157 countries, WBG only ranked 82nd in the recently released Human Capital Index (World Bank 2018). The index measures the amount of human capital that the average child born today is expected to achieve by age 18. It reflects information from five education and health indicators: the probability of survival to age five, a child's expected years of schooling, harmonized test scores as a measure of quality of learning, adult survival rate, and the proportion of children who are not stunted. Taking all these factors into account, a child born in WBG today will be 55 percent as productive when she grows up as she could be if she enjoyed complete education and full health. The low performance of WBG is particularly driven by the relatively low quality of education.⁵

8. Strengthening investments during children's early years is likely to enhance the impact of subsequent investments and improve human capital formation. Early Childhood Development (ECD) interventions have been shown to have high rates of return (Heckman 2018). The causal evidence for the impact of ECD on thinking, behaving and emotional welfare is well-established in the literature (Trawick-Smith 2014; Woolfolk and Perry 2012). ECD has also been shown to effectively improve equity. With vast disparities in the vocabulary of children appearing as early as at the age of 18 months, ECD programs that mitigate the impact of children's socioeconomic background on their developmental trajectory can level the playing field and dramatically increase human capital among the most vulnerable (Harvard Center on the Developing Child 2009). Evidence on long-term outcomes suggests that supporting the cognitive development of children in the formative 0-5 age bracket has significant impacts on subsequent educational attainment, earnings and adult health (Gertler et al. 2014, Tanner et al. 2015). Investment deficits in the early years can lead to human capital losses that perpetuate across generations (Addo et al. 2015). With approximately 14 percent of the Palestinian population under the age of five (UN Population Division 2017), WBG is presented with a unique window of opportunity to boost its human capital by re-defining the developmental trajectory of its children through smart investments in the early years.

9. Cognizant of this important opportunity, in 2017, WBG launched its National Early Childhood Development (ECD) Strategy—a pioneering document that prioritizes the holistic development of young children from gestation (pregnancy) until entry into primary education. The National ECD Strategy calls for a multisectoral service delivery system, led jointly by the Ministry of Education and Higher Education (MOEHE), Ministry of Health (MOH) and Ministry of Social Development (MOSD) to offer high-quality integrated services to children and their families.

10. The National ECD Strategy identifies a number of challenges that the Palestinian ECD sector is facing. While WBG offers a comprehensive set of ECD services to children from gestation until age 5 (see mapping of ECD services in Figure 6), key challenges persist. Chief amongst them are:

- (i) Inadequate quality of maternal and child health services;
- (ii) Persistent nutrition deficiencies in pregnant women and young children;
- (iii) Lack of early stimulation for children from birth to age 4;
- (iv) Insufficient access to high-quality kindergarten services; and
- (v) Absence of relevant data to enable multi-sectoral planning and coordinated service delivery for ECD.

11. During the first three years of life, most Palestinian children and their mothers receive a comprehensive package of maternal and child health services. Primary healthcare centers (PHCs) operated by MOH play an important role in the provision of these services. In 2017, around 44 percent of pregnant women's first antenatal health check-ups took place in a MOH-PHC (MOH Statistics 2018). As public healthcare is free for pregnant women and children until age 6, MOH-PHCs

⁵ When compared to all countries for which the index has been calculated, harmonized test scores and learning-adjusted years of schooling in West Bank and Gaza rank in the second-lowest quartile. The fraction of children under the age of 5 who are not stunted, on the other hand, lies in the top quartile of the global distribution, and the adult survival rate in the second-highest quartile.



are the predominant service providers for poor families. However, the quality of service delivery varies widely across PHCs due to different skill levels of staff, lack of adherence to clinical best practice guidelines issued by MOH, and lack of equipment. There is no adequate quality assurance system in place to monitor service delivery and identify relevant interventions to improve maternal and child healthcare. In particular, maternal and child health services have been struggling to address the high prevalence of anemia and low breastfeeding rates in WBG. As of 2016, a staggering 28 percent of pregnant women suffered from anemia, which increases the risk of pre-term delivery and abnormally low birth weights for children. The anemia rate is very high despite a massive expansion in the provision of micronutrient supplementation. While the share of pregnant women who received micronutrients increased by 19 percentage points between 2012 and 2016, anemia rates stayed constant over that period. To identify the underlying reasons for the persistent anemia challenge, an in-depth study will be conducted in 2019 under the Japan Trust Fund for Scaling Up Nutrition Investments. Apart from anemia, low breastfeeding rates and poor monitoring of the quality of baby formula add to the challenges in infant nutrition in WBG. In spite of the strong positive impact of breastfeeding on children's healthy growth, only 38 percent of Palestinian infants aged 0-5 months are exclusively breastfed (MICS 2014). Breastfeeding rates in WBG also rapidly decline with age. Only 12 percent of children between 20-23 months of age benefit from continued breastfeeding along with complementary food (MICS 2014).⁶ Anecdotal evidence suggests that women in WBG are discouraged by the physical difficulties and discomfort of breastfeeding, and likely underestimate the benefits of breastfeeding for their children (UNICEF 2015).

12. During these same years, little attention is given to children's early stimulation needs. In addition to early healthcare and nutrition, children need high-quality early stimulation to thrive. In the first three years of life, children spend most of their time with their caregivers. The extent to which parents engage effectively in stimulating their children will strongly determine the latter's cognitive function, language skills, and future educational and labor market outcomes. Yet, there is no systematic promotion of early stimulation through targeted parenting education⁷ in WBG, resulting in a lack of awareness among caregivers about the importance of actively engaging with their children. The low coverage⁸ of center-based early childhood care (i.e., nurseries) further decreases opportunities for early stimulation of children and awareness raising among parents.

13. By ages 4 and 5, only half of Palestinian children have the opportunity to attend Kindergarten (KG). As of 2017, gross enrollment in preprimary education was at 54 percent, with about 72 percent enrollment in KG2 and 40 percent enrollment in KG1 according to MOEHE estimates. With KG enrolment strongly associated with family income⁹, it is estimated that most children from the two bottom income quintiles are deprived from the benefits of an early childhood education. Far from leveling the playing field for all children, this enrollment structure is likely to widen the school readiness gap between socioeconomic lines in the first years of primary school.

14. In a significant development, a 2017 Education Law made KG2 enrollment compulsory in WBG, making the rapid expansion of KG2 a high priority for MOEHE. In WBG, KG is almost exclusively offered by private providers. MOEHE introduced public provision of KG2 in 2012 and has slowly expanded its market share to reach roughly 10 percent of total KG2 provision. KG1 continues to be provided only by the private sector. This public-private share poses challenges and opportunities to the universalization of KG2. Closing the enrollment gap through public provision alone will require an unprecedented investment in KG2 infrastructure, and a five-fold increase in the total salary outlay on KG teachers. The

⁶ The WHO recommends exclusive breastfeeding for the first 6 months of life and continued breastfeeding along with complementary food until the age of 2 years.

⁷ To date, parenting education and early stimulation programs are exclusively provided by NGOs and civil society. According to information obtained by MOEHE, parenting education programs implemented by various NGOs reached approx. 1,900 caregivers in 2016/17.

⁸ Nurseries fall under the oversight of MOSD, but there are only 163 officially licensed nurseries in the whole West Bank vis-à-vis a total population of roughly 700,000 children aged 0-4.

⁹ El-Kogali & Krafft 2015.



large and widespread private sector, however, provides an opportunity for MOEHE to explore partnerships through which provision could be expanded rapidly with little to no public capital expenditures.

15. Even when Palestinian children attend KG, challenges in the quality of services limit the benefits of an early childhood education on their learning and development. KG teachers in WBG are often underqualified to engage children in age-appropriate, play-based learning activities that develop their early cognitive and socio-emotional skills. While a national KG1-2 curriculum was developed in 2017 to help address this challenge, a World Bank study¹⁰ found that the curriculum is too broad, vague at times, and lacks supplementary teaching and learning materials to guide classroom instruction. Pedagogical challenges are coupled with the lack of an effective quality assurance system for KGs. Even though MOEHE has established quality standards for KG1-2, these standards are mostly geared towards the infrastructure of facilities and the curriculum, leaving behind critical dimensions of quality. With a ratio of 1 supervisor for every 150 KGs, performance against quality standards is only monitored for public KGs, and collected data is not acted upon to incentivize continuous quality improvement. For private provision, more than 90 percent of the market share, quality is not monitored, let alone acted upon. With the expected growth of KG services, strengthening the quality assurance function of MOEHE becomes critical.

16. Beyond early health, nutrition and education challenges, multisectorality in ECD planning and service delivery is still very nascent in WBG. In 2017, the WBG developed its first National ECD Strategy—a high-level political endorsement aimed at ensuring the prominence of ECD on the national development agenda. That same year, a defined institutional anchor was created—the Palestinian National ECD Committee—bringing together members from MOEHE, MOSD and MOH. Yet, planning and, consequently, delivery of ECD services in WBG take place in sectoral silos. A main roadblock for multisectorality is the lack of relevant data. Data on the utilization and quality of ECD services, and on the development of children remains fragmented across ministries. In the absence of a complete picture of what services are provided to children and their families between pregnancy and age 5, and how children develop in these early years, policymakers in WBG are unable to plan for and address all children’s early developmental needs.

Relationship to CPF

17. With its aim to establish a child-centered approach in ECD service delivery, the proposed project is well aligned with the Assistance Strategy FY 18-21 for the West Bank and Gaza. The proposed project falls under the Assistance Strategy’s objectives of pillar 3, ‘Addressing the needs of the vulnerable and strengthening institutions for improved citizen-centered service delivery’.¹¹ This pillar explicitly mentions early childhood education as a priority area for future engagement. The project is also in line with the Assistance Strategy’s strong focus on promoting and leveraging the private sector. The imminent expansion of KG services in WBG opens a window of opportunity to incentivize increased private sector investment. Informed by MOEHE’s priorities and the estimated cost-effectiveness of different expansion strategies, the proposed project may include a component on setting the right conditions for increased private sector investments in KG.

C. Proposed Development Objective(s)

Improve the coverage and quality of early childhood development services for children from gestation until age 5 in the West Bank and Gaza.

¹⁰ World Bank. 2018. The Palestinian Kindergarten Curriculum Framework: A Review of the Mathematics Development Progression.

¹¹ The Assistance Strategy is centered around three pillars: (1) Setting the conditions for increased private sector investments and job creation, (2) Launching a new Private Sector Enhancement Facility to realize private sector investments, and (3) Addressing the needs of the vulnerable and strengthening institutions for improved citizen-centered service delivery.



Key Results

PDO Indicator	Baseline (Y0)	Proposed Target (Y5)
Percentage of caregivers receiving parental education on early stimulation	0%	TBD during project preparation
KG2 enrollment rate	72%	TBD during project preparation
Percentage of teachers with improved teaching practices in KG classrooms	0%	TBD during project preparation
Percentage of children of relevant age whose development is being monitored through the multi-sectoral information and management system	0%	TBD during project preparation

The direct beneficiaries of the project would be children from gestation to age 5 and their caregivers.

D. Concept Description

Three components are proposed to achieve the PDO (see figure 7 for theory of change).

Component 1. Strengthening Early Healthcare, Nutrition and Stimulation (\$3 million).

18. This component aims to strengthen early healthcare, nutrition and stimulation services provided across WBG to Palestinian mothers and their children from pregnancy until 48 months of age.

Subcomponent 1.1 Enhancing the quality of early healthcare and nutrition

19. This subcomponent will focus on improving nutrition for expecting mothers and young children. To this end, the subcomponent will finance activities under the following three areas:

- **Reducing the risk of anemia:** Building on the results of the anemia study conducted under the Japan Nutrition Trust Fund, the subcomponent will design and implement an intervention to address the root causes of the persistent anemia challenge among pregnant women and infants. Depending on the results of the anemia study, the intervention could, for example, aim to improve nutrition counseling by doctors and nurses during health check-ups, or focus on behavioral nudges to increase women’s compliance with nutrition recommendations. The intervention will initially prioritize areas with the highest prevalence of anemia and - if proven successful - be rolled out across all of WBG.
- **Increasing breastfeeding:** The subcomponent will finance an in-depth review of breastfeeding practices and existing breastfeeding promotion activities in WBG. Based on this review, the subcomponent will design and roll out a national breastfeeding campaign to promote exclusive breastfeeding of children until six months of age, and complementary breastfeeding until 2 years of age.
- **Monitoring quality of baby formula:** The subcomponent will fund a review of the regulations and procedures in place to monitor the quality of baby formula in WBG. The review will analyze to what extent these regulations are being monitored, followed, and enforced. The results will be benchmarked against international best practices,



and the review will provide recommendations on how to monitor the quality of baby formula in WBG more effectively.

20. The subcomponent will also finance activities and procurement of selected equipment and inputs aimed at improving the overall quality of maternal and child healthcare services provided in MOH-PHCs and selected MOH obstetric and pediatric inpatient and outpatient facilities (targeting those serving the poorest households in WBG). Specifically, the subcomponent will finance the development of monitoring tools to assess the quality of services provided to mothers and children. It will also fund training for MOH staff on (i) how to use these tools to identify key shortcomings in service delivery and (ii) how to translate monitoring results into concrete action to improve service delivery. Based on the piloting results of the monitoring tool, the subcomponent may also finance essential equipment for selected MOH-PHCs lacking key inputs to serve mothers and children.

Sub-component 1.2 Introducing parental education to promote early stimulation

21. In addition to early healthcare and nutrition, children need high-quality early stimulation in order to thrive. The objective of this sub-component is to introduce parental education on early stimulation as a key ECD service offered in WBG. Given the constrained financial environment, strategic delivery channels will need to be identified through which parental education can be introduced at a low cost (by relying on existing infrastructure, services, and human resources), while also reaching the most vulnerable families. During project preparation, four delivery channels will be examined in-depth and based on the above cost and equity criteria, one or more of them will be selected for financing under this sub-component:

- **Health center waiting rooms:** While parents wait to receive care, information about the early stimulation of their children can be provided to them. The subcomponent could potentially finance the development of didactic materials for caregivers that model good parenting behavior including talking, singing, reading and playing with young children.
- **Regular health-checkups:** MOH's strong focus on strengthening maternal and child health care services at the primary health care level provides an opportunity to embed parental education sessions within regular health-checkups, such as antenatal controls, the first pediatric check post-delivery discharge, and child growth monitoring visits. Under this delivery channel, the subcomponent could finance the delivery of didactic materials for caregivers, as well as training on early stimulation for primary healthcare staff.
- **Household visits by social workers:** Under MOSD's case management system (CMS), social workers conduct home visits to extremely poor households. These home visits provide yet another opportunity to introduce parental education on early stimulation. This subcomponent could finance the development of a protocol (and a corresponding training session) for social workers to embed parental education on early stimulation into their home visit schedule. The subcomponent could also finance the development of kits with picture books and stimulating toys, that social workers could hand out during their home visits.
- **Nurseries:** Under MOSD's oversight, nurseries in WBG provide center-based care for children aged 0-4. The subcomponent could finance the development of awareness materials that staff could share with parents when they drop off or pick up their children from nurseries. Staff could also be trained to provide weekly demonstrations of early stimulation practices as a group intervention to all parents that have enrolled their children.

Component 2. Improving Access to High-Quality Kindergarten Services (\$4.7 million).

Subcomponent 2.1 Expanding Access to Kindergarten 2 (KG2).



22. This sub-component aims to support MOEHE to increase KG2 enrollment, from a base of 72 percent. A mapping exercise and a costing analysis are being conducted to identify the most cost-effective model(s).¹² Based on preliminary findings from these analyses (figure 8) and discussions with MOEHE, the subcomponent could potentially finance a hybrid expansion model. Specifically, financing could include:

- **Refurbishment and/or construction of additional KG2 classrooms:** Preliminary findings from the costing exercise suggest that the cost of expanding public provision far exceeds that of the other expansion models. However, public provision could be a reasonable option in remote and poor areas where private sector penetration is limited. The ongoing mapping exercise is examining the size of the private sector in remote communities with unmet KG2 demand. In light of this exercise, this subcomponent could finance refurbishing and/or constructing additional KG2 classrooms in select communities.
- **Public-private partnership (PPP) modality with registered private providers:** The private sector offers 90 percent of KG2 services, with approximately 1,116 licensed private providers spread across all governorates. MOEHE could leverage the installed capacity of these providers by partnering with them. Through a PPP modality, MOEHE could collaborate with private providers that meet certain quality and price criteria. For every additional child that these providers enroll, MOEHE could transfer (via vouchers to families or transfers to providers) the full or partial cost of the child's tuition, conditional on providers allowing regular inspections and meeting defined quality standards. The PPP modality could have a strong equity focus, by targeting vouchers or transfers to the most vulnerable families.¹³ In addition to financing the technical design of the PPP modality, the subcomponent could finance a share of the transfers given out to families or providers via MOEHE.
- **PPP modality with unregistered private providers:** In addition to the widespread formal private sector, preliminary findings from the mapping exercise indicate that there are many unregistered providers operating in the informal economy, which amount to 165 in West Bank alone.¹⁴ These providers have some type of infrastructure and human resources capacity and are providing services similar to KG2 services. As such, working with them might be a cost-effective option to expand access to KG2. The subcomponent could support MOEHE in designing a PPP modality whereby unregistered providers are offered a pathway to registration that allows them to obtain a license even though they do not meet certain criteria (e.g., space requirements), as long as they agree

¹² A Joint MOEHE-WB Task Force has been formed to conduct (a) a mapping exercise to determine KG supply, demand, and gaps in KG2 service provision across WBG; and (b) a costing exercise to estimate the cost of different models for KG2 expansion. **The mapping exercise**, currently under work, uses the location and capacity of existing public and private KG2 classrooms to construct the supply. It then uses demographic data and population growth forecasts to estimate the demand for KG2 services. Comparing both estimates, the exercise yields the unmet demand of KG2 services at the governorate level. This is overlaid with a poverty map, providing additional information on how best to target the most vulnerable populations. The exercise has been conducted at the governorate level, and is currently being refined to provide disaggregated information at the community level—the smallest geographic unit for which education data is available in WBG. The **costing exercise**, also under work, estimates the fixed, recurrent and total costs for three expansion models:

- (1) Increasing public provision by exhausting the following strategies: (1.1) Constructing a KG2 classroom (and accompanying amenities) in public primary schools that have available land to do so. As per MOEHE's standards, KG2 classrooms need to be accompanied by child-size bathrooms, a small kitchen, and a child-appropriate playground; (1.2) Refurbishing existing classrooms/spaces in public primary schools, turning them into KG2 classrooms, and adding the accompanying amenities; (1.3) Constructing additional KG2 classrooms in public primary schools that have the available land/space to do so. In these schools, there is already one KG2 classroom and its accompanying amenities.
- (2) Increasing private provision by incentivizing licensed private providers to expand their capacity. The private sector is the sole provider of KG1 in WBG and operates more than 90 percent of KG2 classes.
- (3) Licensing unregistered private providers who are currently operating in the informal economy, and support them to meet minimum quality standards. Anecdotal evidence suggests the existence of a large informal KG2 sector in the West Bank and Gaza. This is consistent with survey data in neighboring countries (such as Jordan), where the informal KG2 sector covers roughly 25% of children in that age group.

¹³ The Palestinian National Cash Transfer Program provides a platform to target the most vulnerable families.

¹⁴ This is most likely an underestimation of the true number of unregistered providers.



to (i) a schedule in which they gradually meet more criteria every year and (ii) allow quality inspections. By the end of a certain period (e.g., 5 years), they should meet all official criteria¹⁵.

23. The specifics of this hybrid model are still under discussion with MOEHE and will be refined during project preparation, informed by the final results of the mapping and costing exercises.

Subcomponent 2.2. Enhance quality of Kindergarten (KG) services.

24. This subcomponent aims to enhance the learning experience in KG1-2 classrooms in WBG. To this end, the subcomponent will finance three areas:

- **Strengthening the quality assurance (QA) system for KG:** While MOEHE has established quality standards for KG1-2, these standards are mostly geared towards the infrastructure of facilities and the curriculum, leaving behind critical dimensions of quality. Performance against these standards is only monitored for public KGs, and data collected is not acted upon to incentivize continuous quality improvement. The subcomponent will support the development and implementation of a robust QA system (for both public and private providers) that incentivizes progress of KGs along a quality continuum. The QA system will include enhanced quality standards for KG1-2, tools to monitor compliance against those standards, and an incentives system to promote continuous quality improvement.
- **Supporting the development of teaching and learning materials (TLMs) aligned with the new KG curriculum:** In 2017, MOEHE developed the first KG1-2 curriculum in WBG. A World Bank study¹⁶ found that the curriculum is too broad, vague at times, and provides little guidance for teachers in their classroom instruction. To make this curriculum more relevant and operational, the subcomponent will support the development of accompanying TLMs that provide specific guidance for teachers to structure their classroom instruction around age-appropriate and play-based activities.
- **Developing and rolling out a KG teacher professional development program:** Constrained resources have limited MOEHE's capacity to provide professional development opportunities to KG teachers. In addition, with most KG services being private, many teachers are excluded from professional development programs or receive *ad hoc* trainings delivered by different civil society organizations. The subcomponent will support the design and rollout of a KG teacher professional development program for all public and private KG teachers. An extensive body of research has shown that KG teacher professional development is most effective when combining didactic components and in-class coaching (Yoshikawa et al. 2015, Weiland et al. 2018, Wolf et al. 2018). Determining the adequate duration and intensity of professional development cycles is also key to ensure lasting impact. The Palestinian KG teacher professional development program will build on these insights and provide face-to-face sessions on specific classroom practices as well as hands-on support to KG teachers to bridge the gap between theory and practice. The content of the professional development program will be informed by a diagnostic study of teaching practices and cover methods such as learning through play and activities to enhance socioemotional skills. The professional development program could potentially be delivered by staff that already gained experience in professional development for primary school teachers under the Bank's Teacher Education Improvement Project (TEIP). Preliminary discussions with the National Institute of Education Training (NIET) on

¹⁵ To provide incentives to unregistered providers to join such an initiative, the PPP modality could include direct or indirect incentives (e.g., direct: payment of teachers' social security payments for 2 years; indirect: training for teachers). The subcomponent, however, would only finance the design of the PPP modality.

¹⁶ [World Bank. 2018. The Palestinian Kindergarten Curriculum Framework: A Review of the Mathematics Development Progression.](#)



coaching models also included a potential twinning approach where high-performing KG teachers would support KG teachers who struggle to support children's learning. This would require a well-designed matching mechanism adapted to the Palestinian context. To determine the best delivery mode for the teacher professional development program, NIET will conduct a comprehensive analysis of current teacher training activities and infrastructure during project preparation to identify feasible, cost-effective ways to roll out the new program.

Component 3. Establish a Multi-Sectoral Information Management System for ECD (\$0.5 million)¹⁷.

25. While WBG has some of the most robust health, education and social protection information and management systems in the region, these systems have thus far operated in sectoral silos.¹⁸ The opportunities missed from the lack of information integration are manifold, but nowhere are they as apparent as in ECD. This component aims to establish a multi-sectoral information management system (MIMS) for ECD to (a) enhance the government's ability to plan and coordinate amongst relevant sectors, and (b) provide timely ECD services that are responsive to children's needs in WBG. The MIMS will be designed for use by all sectors involved in ECD service delivery (education, health, social development), thus promoting system integration. It will have three key functionalities:

- **Registration:** Every child will be registered in the system at the earliest point of contact with the service delivery system (for example, during the first pre-natal visit of the pregnant mother to a healthcare facility or at birth). At registration, each child and primary caregiver (mostly the mother) will be assigned a unique national ID number¹⁹ to track her path over time and allow for linkage to existing data repositories, such as the Ministry of Social Development's Cash Transfer Program.
- **Monitoring:** Using the unique identifier, every subsequent point of contact between the child and the ECD service delivery system from registration until age 5 will be captured through MIMS. Effectively, this will allow to monitor:
 - a. **Utilization and quality of ECD services:** MIMS will track whether, when and where a child is receiving ECD services. It will also track key quality indicators for each of these services.
 - b. **Child development outcomes:** In addition to monitoring the experience of children with the ECD service delivery system, MIMS will also track the development path of each child from gestation to age 5 (prior to entry into primary school).
- **Referral:** By tracking the development outcomes of children, MIMS will also identify risk factors and trigger alerts for referrals to other ECD services and/or specialized services (e.g., protection from abuse program, speech therapy, etc.). Specialized services in WBG are generally limited. The referral functionality of MIMS will improve the targeting for these services, while also providing valuable information about the size of the demand for these services.

26. During project preparation, the National ECD Committee, with support from the Bank team, will develop a framework of relevant indicators to be captured through MIMS (including key service delivery indicators and child development outcomes). In light of this framework, a needs assessment will be conducted to identify those indicators that are already collected through one or more of the sectoral information systems, and highlight those that are not being

¹⁷ Through the TF for Statistical Capacity Building, the team has secured a \$200,000 Recipient-executed grant to complement the financing for this component.

¹⁸ Together, MOH, MOSD and MOEHE's information and management systems collect rich data on the services that children and their families receive and key developmental outcomes of children between gestation and age 5.

¹⁹ MOSD has a system in place to assign unique national IDs to beneficiary households—but not to individuals—as part of the Palestinian cash transfer program. The project will ensure interoperability such that IDs assigned to individuals under MIMS can be linked to relevant household IDs assigned by MOSD.



collected and require support under this component in the form of development/strengthening of tools for their measurement at the appropriate service delivery point.

27. MIMS will be constructed gradually. The construction of MIMS could potentially follow a cohort approach, where each year a new cohort of children is monitored through MIMS. Using this gradual approach, the component will also support the training of frontline service providers and key government staff on data entry, management, usage, privacy and maintenance as it relates to MIMS. MIMS will be jointly owned by the three line Ministries, with clearly defined responsibilities for operation and maintenance. As the first point of contact for pregnant women and infants with the public service delivery system, MOH will take the lead to ensure a smooth registration process for MIMS. Building on its rich experience with the management system for the Palestinian cash transfer program, MOSD has the capacity to coordinate maintenance activities for MIMS. Finally, MOEHE will provide the missing link to the education sector and ensure that children’s case files are continuously updated regardless of whether they attend a public or private KG.

28. The design of MIMS will be aligned with MOSD’s efforts to develop a social registry for WBG. Under the Social Protection Enhancement Project (P160674), WBG is planning a new social registry that will be the gateway to be considered for inclusion in any social program targeted to the poor. During project preparation, the team will explore how the architecture of the social registry can inform the development of the ECD MIMS. The team will further determine how to ensure interoperability and maximize synergies between the two systems.

Component 4. Project Management and Implementation Support (\$0.8 million).

29. This component will provide project management and implementation support to MOEHE—the implementation agency of the project—and the Project Coordination Unit (PCU) responsible for performing the fiduciary functions of the project including procurement and financial management. This component will fund operational costs associated with consultant fees of a PCU coordinator, a procurement specialist, a financial management specialist, an environmental and social safeguards specialist, and administrative support. It will also fund procurement and financial management training for MOEHE staff; operating costs related to site visits to supervise implementation activities; communication and dissemination activities; and office supplies.

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No



Summary of Screening of Environmental and Social Risks and Impacts

The project is classified as Moderate Risk, given the combination of environmental and social impacts of the project activities in the education and health sectors. The environmental impacts are related to the construction of new KG classrooms within the existing footprint of selected schools in West Bank and Gaza, rehabilitation of existing classrooms, possibly installation of furniture and play equipment, the occupational health and safety for the operation of supplied medical equipment (mainly monograms and general stats monitoring equipment), minimal medical waste is expected to be generated. All these aspects will be examined in detail during project preparation and confirmed at the appraisal stage. Given the above-mentioned moderate impacts and the limited existing capacity for environmental and social risk management within the existing PIU and the concerned ministries., the combined ES risk rating is moderate.

Note To view the Environmental and Social Risks and Impacts, please refer to the Concept Stage ESRS Document.

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APPROVAL

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Approved By

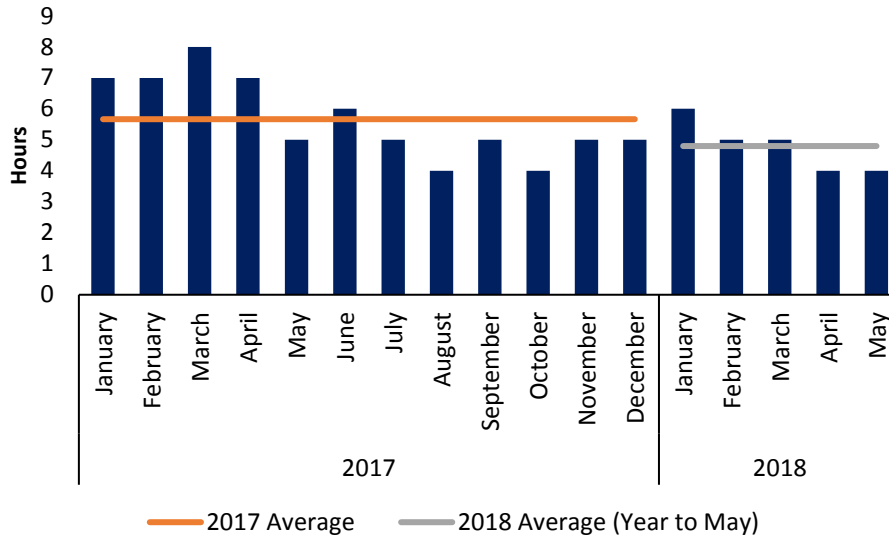
Practice Manager/Manager:		
Country Director:		



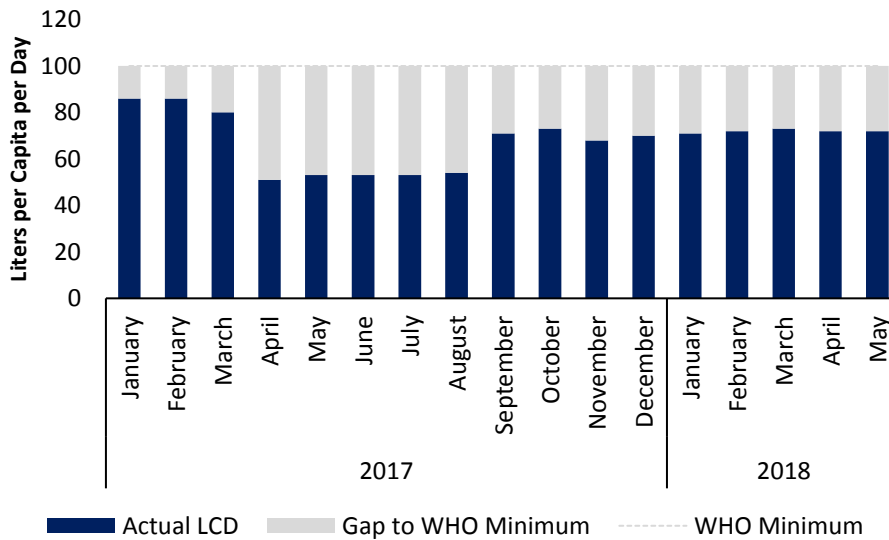
Annex

Figure 1: Average Hours of Electricity, 2017-2018 (Panel A) and Access to Piped Water (Panel B), 2017-2018

Panel A



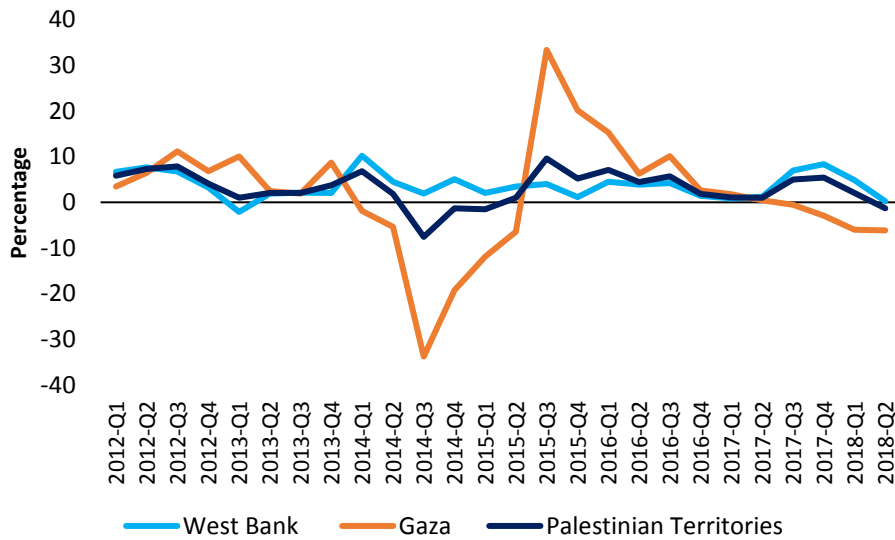
Panel B



Source: United Nations Office for the Coordination of Human Affairs, 2018.

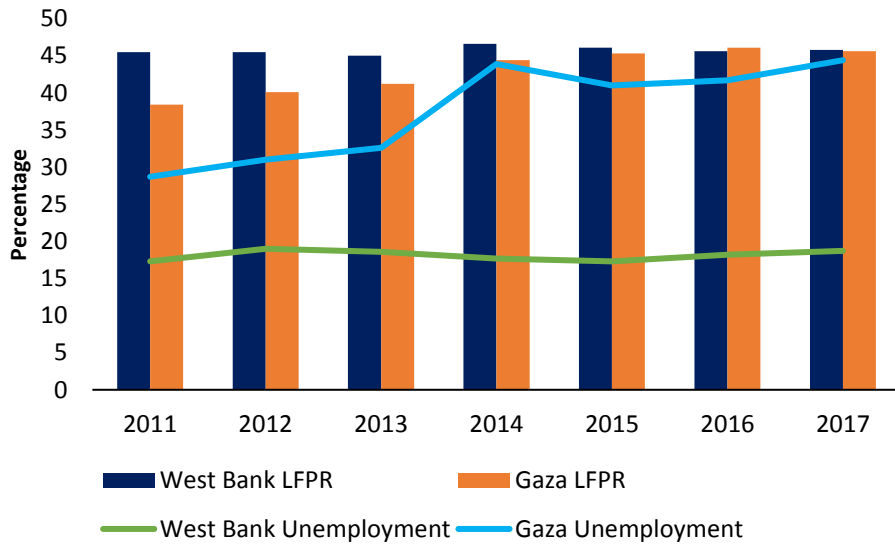


Figure 2: Real GDP Growth Rate West Bank and Gaza, 2012-2018



Source: Palestinian Central Bureau of Statistics, 2018.

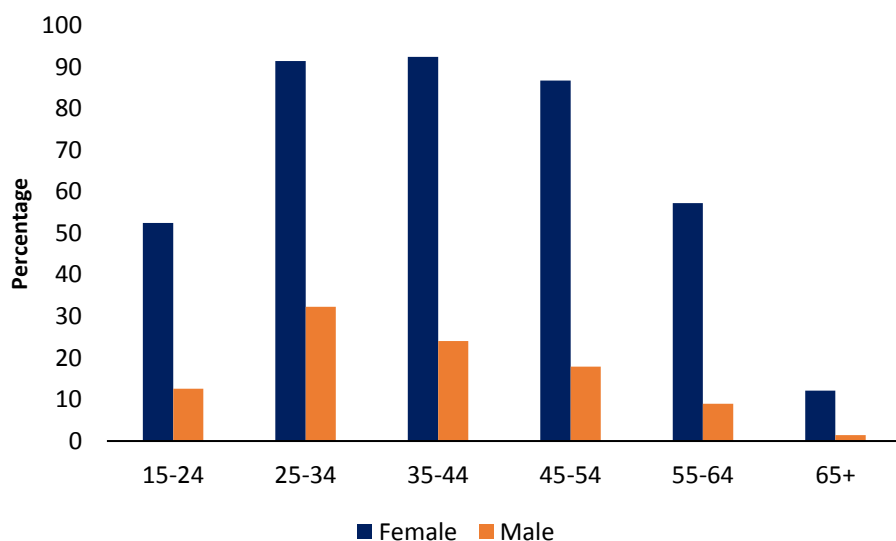
Figure 3: Labor Force Participation and Unemployment Rates in West Bank and Gaza, 2011-2017



Source: Palestinian Central Bureau of Statistics, 2018.

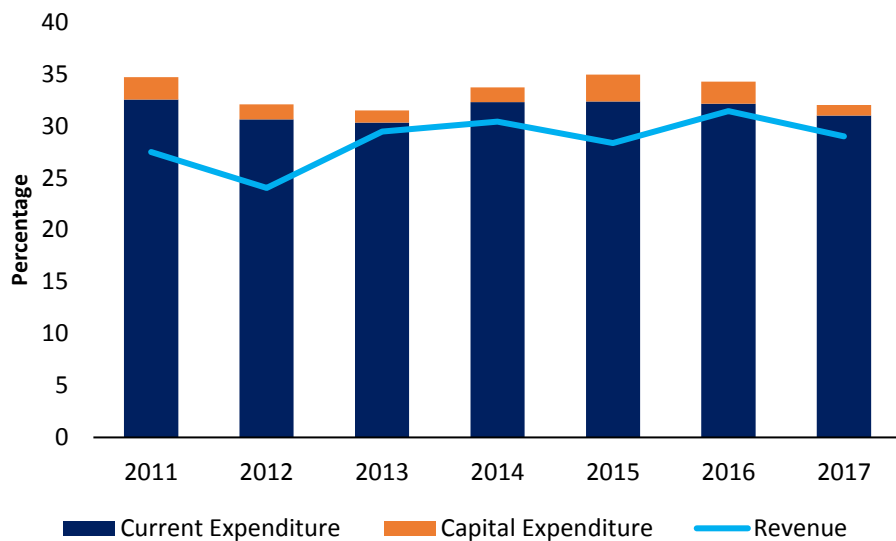


Figure 4: Unemployment Rate by Gender and Age Group in Palestinian Territories, 2017



Source: Palestinian Central Bureau of Statistics, 2018.

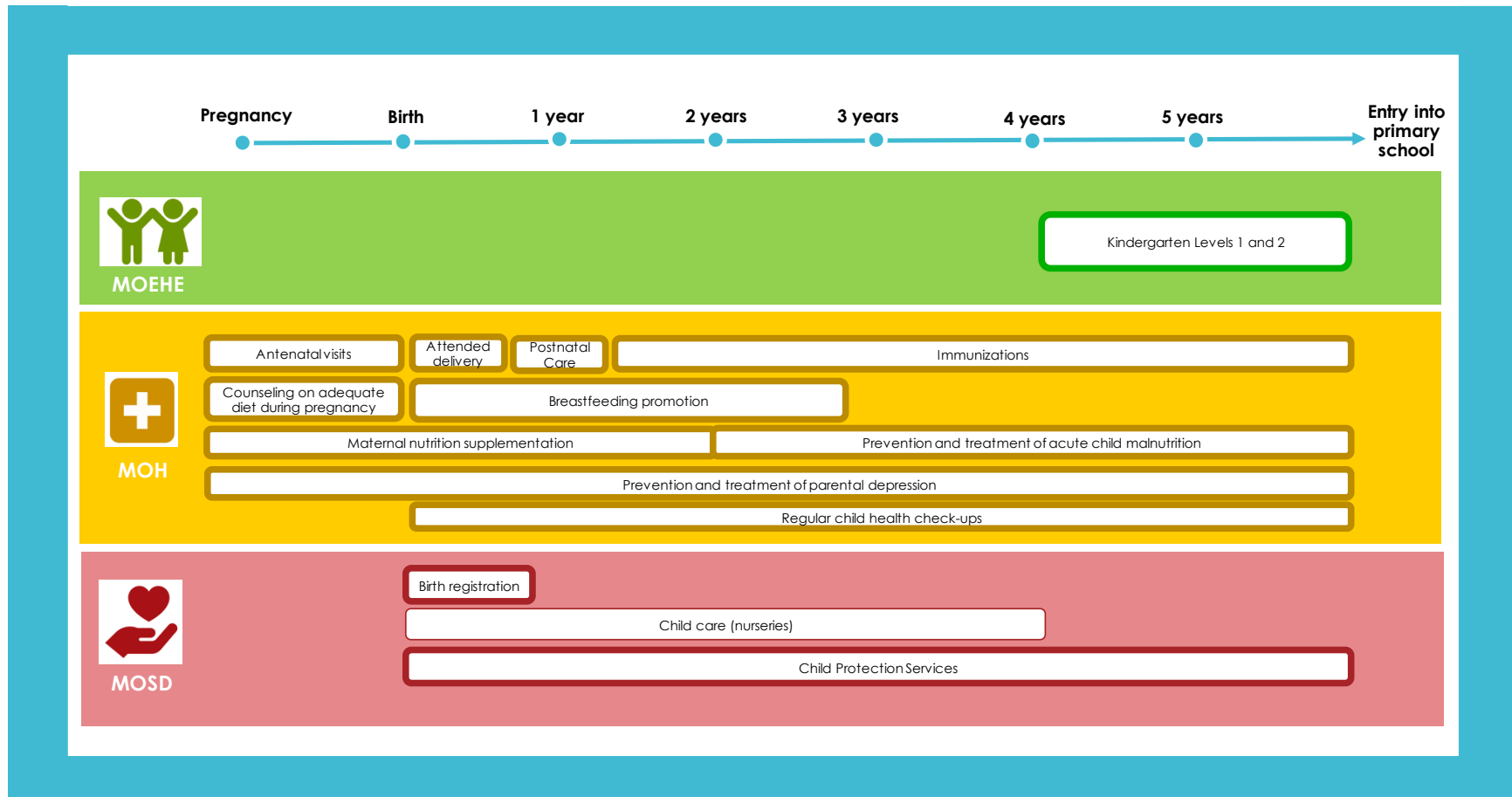
Figure 5: Central Government Revenues and Expenditures in Palestinian Territories, 2011-2017



Source: Palestinian Central Bureau of Statistics, 2018.



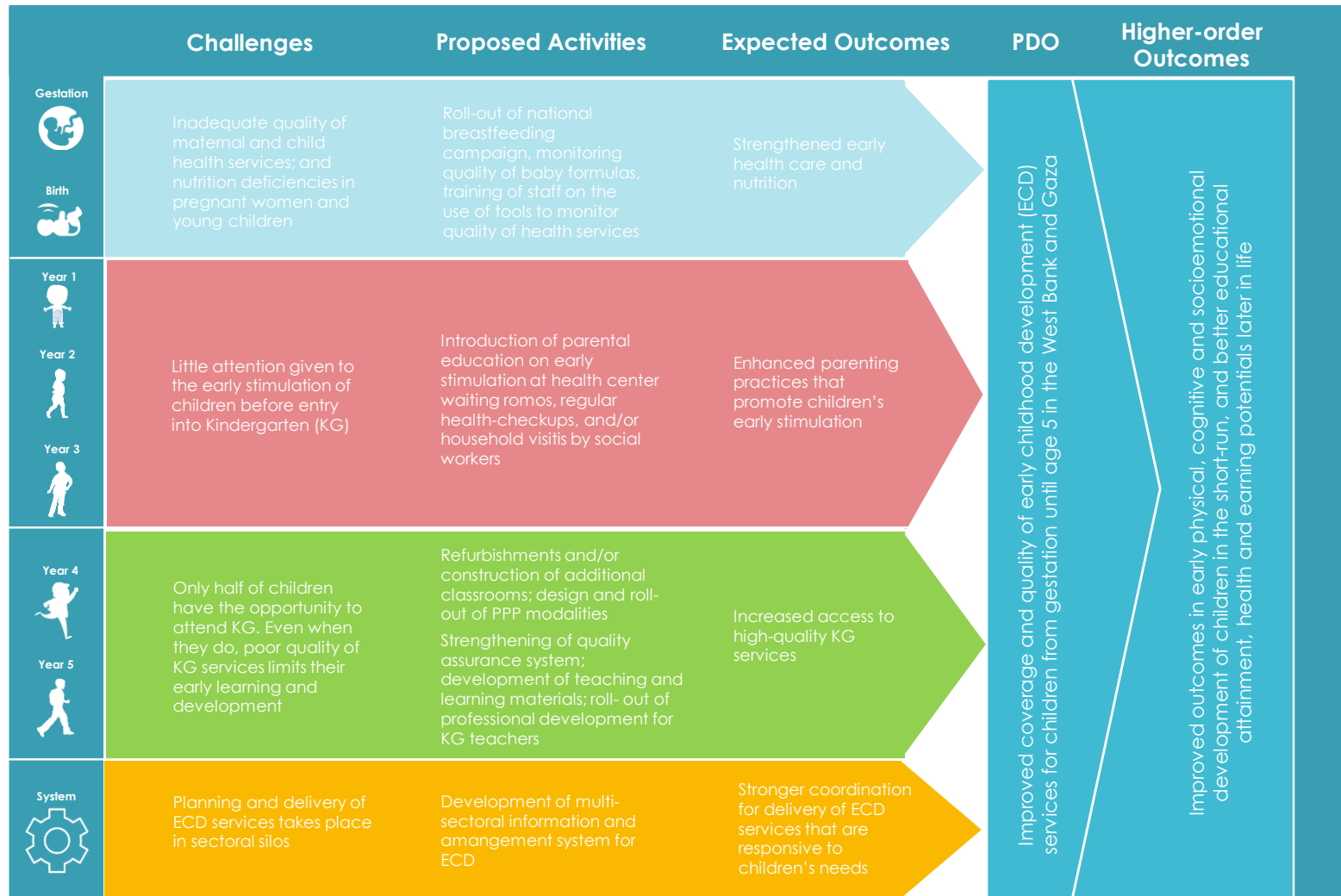
Figure 6: Mapping of ECD Services Offered to Children from Gestation to Age 5 in WBG by Line Ministry, 2018



Source: World Bank.



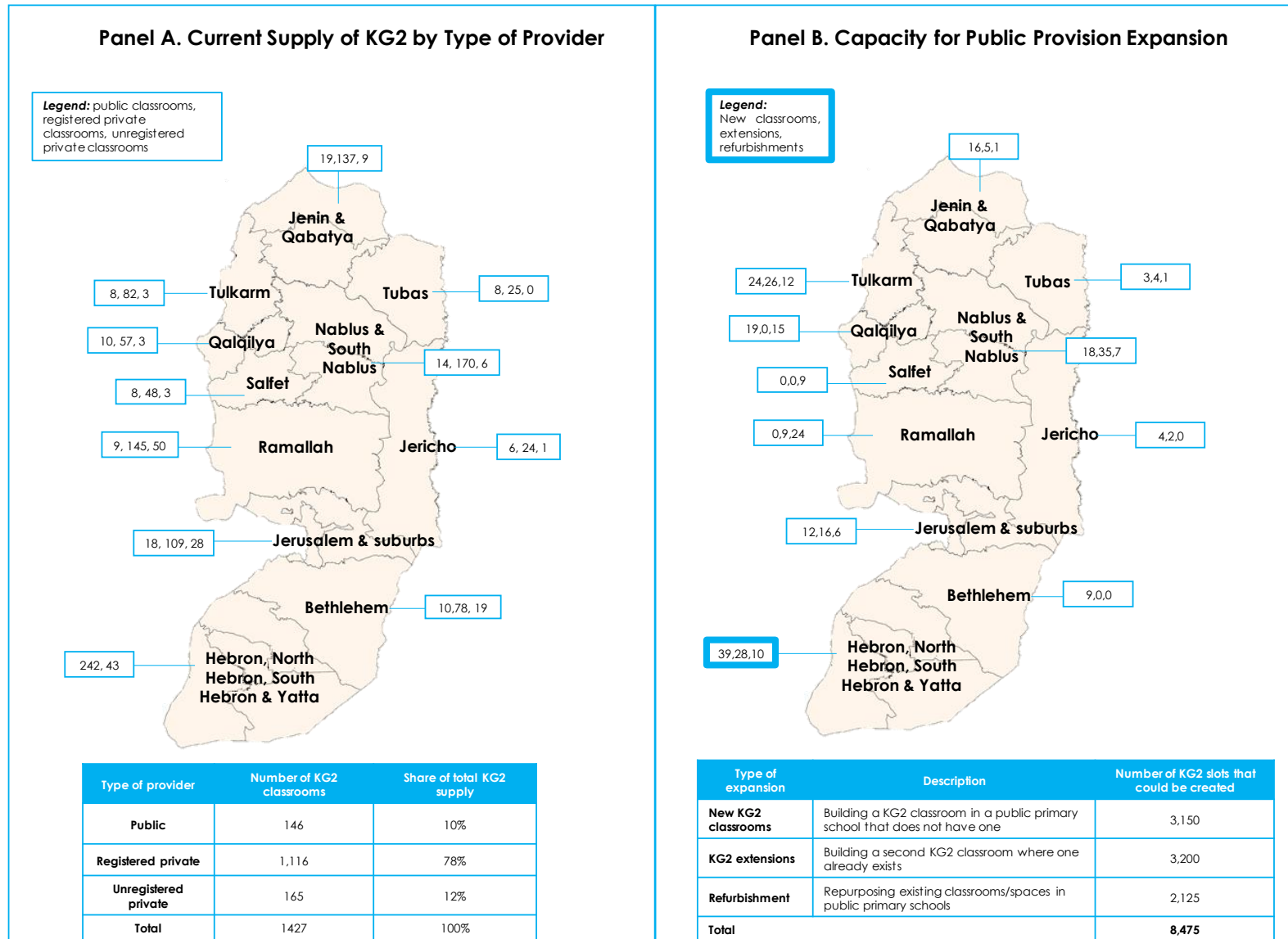
Figure 7: Theory of Change



Source: World Bank.



Figure 8: Preliminary Findings from the Kindergarten Mapping Exercise

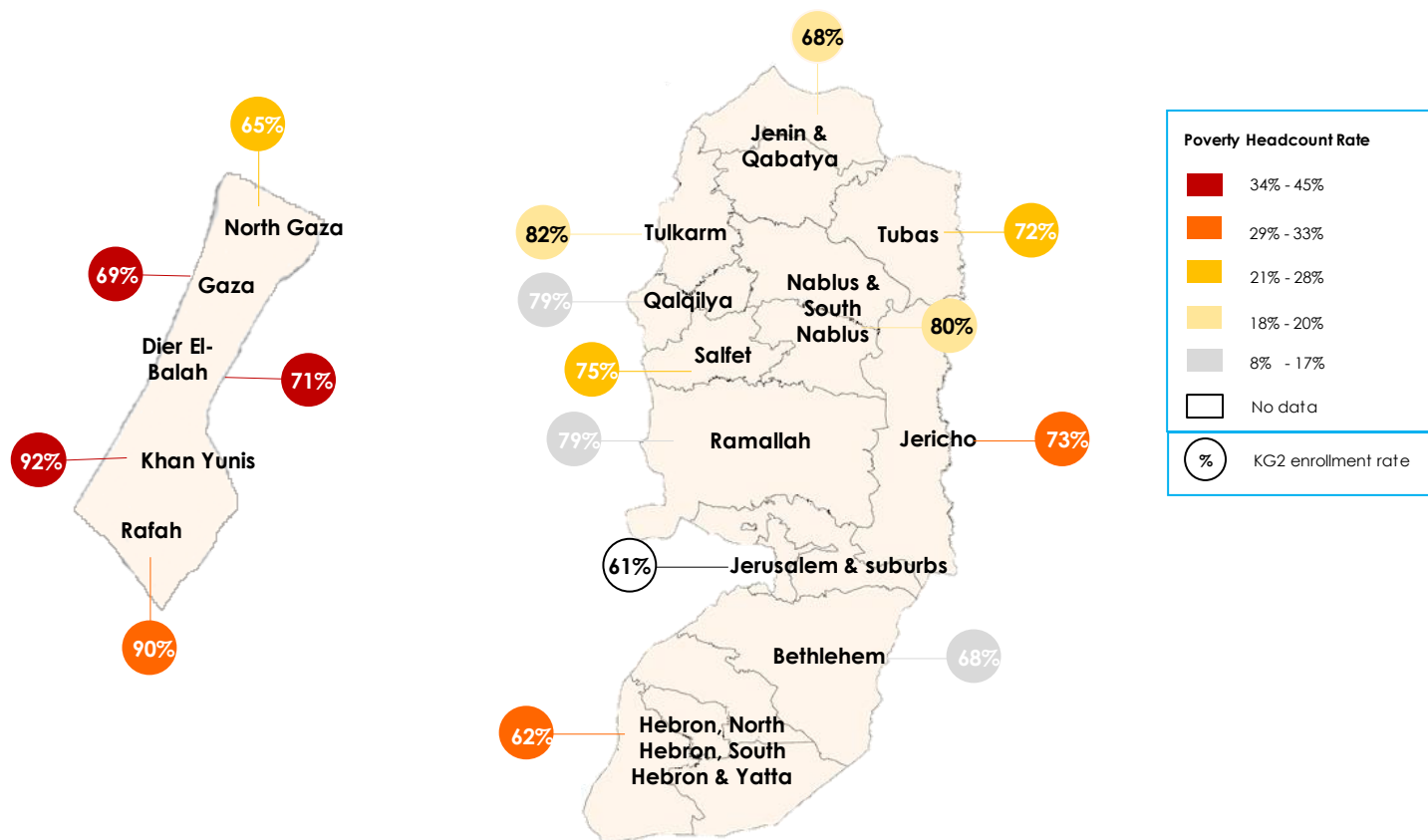


Source: MOEHE 2018.

Note: The Team is currently refining this mapping exercise to include Gaza and provide disaggregate estimates at the community-level.



Panel C. Unmet KG2 Demand and Poverty Headcount Rates, by Governorate



Governorate	Jenin	Tubas	Tulkarm	Nablus	Qalqilya	Salfit	Ramallah	Jericho	Total
# of 5-year-old children out of KG2	2,381	424	762	1,839	592	475	1,563	330	32,945
Governorate	Jerusalem	Bethlehem	Hebron	North Gaza	Gaza	Dier El-Balah	Khan Yunis	Rafah	
# of 5-year-old children out of KG2	3,303	1,691	7,138	3,569	5,291	2,073	853	661	

Source: Enrollment estimates were made using latest PCBS population data (2017) and MOEHE enrollment data (2017). Poverty Headcount Rates are from latest available PCBS estimates (2009).