



Report Number: ICRR0024835

1. Project Data

Project ID P165737	Project Name UZ Promoting ECD Project (UPEP)		
Country Uzbekistan	Practice Area(Lead) Education		
L/C/TF Number(s) IDA-64180,WBTF-B0057,WBTF-B0058	Closing Date (Original) 31-Dec-2024	Total Project Cost (USD) 63,623,151.89	
Bank Approval Date 29-May-2019	Closing Date (Actual) 30-Apr-2025		
	IBRD/IDA (USD)	Grants (USD)	
Original Commitment	59,500,000.00	14,350,000.00	
Revised Commitment	55,741,697.79	9,500,000.00	
Actual	55,720,125.84	7,903,026.05	
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2. Project Objectives and Components

a. Objectives

According to the Financing Agreement (page 5) and the Project Appraisal Document (PAD, page 17), the project objectives were as follows:

- **To increase access to early childhood education, improve the quality of learning environments in selected public preschools, and enable a systematic measurement of education quality for informed decision-making.**



b. Were the project objectives/key associated outcome targets revised during implementation?

No

c. Will a split evaluation be undertaken?

No

d. Components

1. Improving Quality of Preschool Education (Approval: US\$ 5.3 million; Actual: US\$ 5.2 million): This component aimed to improve teacher quality and sector capacity and governance. Activities included: technical assistance to define teacher competencies and requirements; development of in-service teacher training content; development of a framework for continuous professional development; capacity building for monitoring and evaluation (M&E) and operations of the preschool information management system; evaluation studies; awareness raising campaigns; and review of regulations for inclusive education.

2. Increasing Access to Quality Early Learning Environments (Approval: US\$ 50.1 million; Actual: US\$ 54.1 million): This component aimed to provide child-friendly classrooms and alternate models of service provision. Activities included: provision of modern child-friendly and age-appropriate play equipment, furniture, and learning materials; purchase of technology for internet connectivity for staff; development of non-center-based alternative models of service provision; establishment of two early learning hubs in the Samarkand and Namangan regions to oversee the alternative models; and citizen engagement in early childhood development.

3. Partnering with the Private Sector through a Social Impact Bond (Approval: US\$ 11.35 million; Actual: US\$ 0): This component aimed to introduce an innovative impact financing approach to service provision in private preschools in urban areas. Activities included: design and implementation of a social impact bond, a results-based financing mechanism that ties financial returns and payments to rigorously measured social results, which includes an investor providing upfront capital to a service provider and repayments to the investor contingent on achievement of results; and a verification mechanism for results.

4. Establishing an Education Quality Measurement System (Approval: US\$ 5.9 million; Actual: US\$ 4.5 million): This component aimed to support education quality measurement to inform decision-making. Activities included: establishment of the National Center for Quality Education that would measure quality from preschool through upper secondary education through standardized assessments; development of two preschool instruments (Measure of Early Learning Environments [MELE] and Measure of Development of Early Learning [MODEL]); modernization of national assessments for secondary education; and participation in international assessments.

5. Supporting Project Management (Approval: US\$ 1.2 million; Actual: US\$ 1.4 million): This component aimed to support day-to-day management of the project, including monitoring and auditing.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project cost



- The estimated project cost at appraisal was US\$ 73.85 million. The revised project cost was US\$ 69.0 million, and the actual cost at closing was US\$ 63.6 million.
- US\$ 4.85 million was cancelled due to dropping of the Social Impact Bond component. US\$ 3.7 million was further cancelled due to delays from firms, which, alongside exchange rate fluctuations and competitive bidding outcomes, resulted in an undisbursed balance that the government requested to cancel in order to recommit the funds to the FY2025 pipeline.

Financing

- The project was initially financed by an International Development Association Credit of US\$ 59.5 million, a Global Partnership for Education (GPE) grant for US\$ 9.5 million, and a Global Partnership for Results-based Approaches grant for US\$ 4.85 million. The latter results-based grant was cancelled due to the dropping of Component 3 (Social Impact Bond).
- The variable financing component of the project covered activities under Component 2, specifically the provision of preschool equipment for 750 classrooms (out of the planned 10,800 classrooms). This financing came from the GPE Multiplier Fund.

Borrower contribution

- There was no planned borrower contribution.

Dates

- *May 29, 2019*: Project approval.
- *December 13, 2019*: Project effectiveness.
- *November 20, 2023*: Project restructuring. The activities under Component 3 (Social Impact Bond) were cancelled due to difficulties in aligning procurement and legal procedures between the government and the Bank, which led to significant delays. Financing under the Global Partnership for Results-based Approaches grant was therefore cancelled. The IDA Credit funds under Component 3 were reallocated to Component 1 (US\$ 0.15 million) and Component 2 (US\$ 6.35 million), with some associated revision of output targets.
- *December 11, 2024*: Project restructuring. The project closing date was extended from December 31, 2024, to April 30, 2025, to allow for completion of activities, due to large procurements that had been delayed.
- *May 2, 2025*: Project restructuring. US\$ 3.7 million was cancelled due to the procurement delays.
- *April 30, 2025*: Project closing.

3. Relevance of Objectives

Rationale

Uzbekistan is the most populous country in Central Asia, with a rapidly growing working-age population that has increased from 14 million in 2000 to 22 million currently. The country is transitioning from a closed, centrally-planned economy with growth largely driven by commodity export revenues to a liberalized,



market-oriented economy with a reduced role of the state and increasing private sector participation. The government launched a National Development Strategy for 2017-21 that aimed to achieve equitable growth and job creation to meet the needs of the growing and young population through improving human capital. The government currently spends a large share of its resources on education, and considerably more than other countries in Central Asia: However, the preschool education sub-sector is marked by high expenditures, low enrollment (29 percent of children aged 3-7 were enrolled in preschools in 2017), and unknown quality. There is no system in place to measure quality within the preschool system, hindering policymaking regarding preschool education. Disparities in enrollment exist along lines of urban versus rural areas, rather than gender.

In December 2016, the government approved the Program for Further Improvement of the Preschool Education System for 2017-2021. This program aimed at: (i) creating conditions for comprehensive intellectual, emotional, aesthetic, and physical development of children, (ii) improving the quality of preschool education and preschool child readiness, (iii) establishing half-day groups in preschools for children ages 5-6, (iv) improving the curricula and syllabi for pre-service and in-service training of preschool teachers through modern educational technologies and methods, and (v) improving the material and technical infrastructure conditions of preschools.

The Bank's Country Partnership Framework for FY2016-2020 also focused on improving human capital and contained an objective to improve access to quality education and health services. The more recent Country Partnership Framework for FY2022-26 continues the focus on improving access to education particularly through the public sector, with the number of new children aged 3-7 enrolled in better equipped preschools identified as a key indicator.

Rating

High

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

To increase access to early childhood education

Rationale

The theory of change for this objective was clear. The main challenge was the limited supply of preschool education, particularly from the private sector. Activities to address this challenge included providing equipment and furniture to upgrade existing classrooms and establish new classrooms, providing alternative models of service provision that did not require center-based services, and increasing private sector participation through the introduction of a results-based financing approach. The upgraded and increased supply of preschool services was likely to lead to the intended outcome of increased access to preschool



education. The alternative models were expected to reach vulnerable and hard-to-reach populations as well as build a pipeline for early childhood development (ECD) services by increasing demand.

Outputs

- Provision of modern, child-friendly, and age-appropriate furniture and equipment, as well as teaching and learning materials, for 10,800 classrooms. These classrooms benefited 911,631 children (original target: 1,080,000 children; revised target: 1,084,320 children).
- Provision of laptop computers and printers to 4,940 preschools and education offices to support connectivity and management.
- Equipping of a printing house to produce new early learning materials.
- Development of non-center based (alternative) models for preschool service provision, including a home visiting program focused on the first 1,000 days of life, an early learning playgroup (community-based) program for vulnerable and hard-to-reach children aged 3-6 years, a home visiting program for special needs children, and 35 Aqlvoy buses to provide mobile services. 2,263 families benefited from home visits (target: 800). 200 early learning playgroups were established (target: 180). The project also supported a study visit to Sweden to observe such models, particularly the private provision of kindergartens through family-based kindergartens, which resulted in the formation of 24,000 such groups and over 2,000 private/public-private partnership kindergartens.
- Evaluation of the alternative models, providing evidence on the cost-effectiveness of the models.
- Support for two learning hubs in the Namangan and Samarkand regions, each with an Early Learning Hub Coordinator to support implementation of the alternative models. The hubs delivered alternate inclusive preschool models, including playgroups, home-based care, home visiting, and mobile buses, to children from low socio-economic backgrounds, and they promoted active parental involvement. The ICR (page 10) reported that these hubs are considered highly cost-effective and are now being scaled up nationally through a Presidential Decree. The models delivered early education at an average cost of US\$ 356.12 per child, compared to US\$1,338.59 in public kindergartens.
- Citizen engagement on early childhood development, including creation of parent councils.

Outcomes

- Enrollment of children aged 3-7 years old in preschool increased from 30 percent in 2018 to 77 percent in 2025, surpassing the target of 40 percent. This represented 2,289,900 children enrolled out of the 3,052,970 children aged 3-7 years old in the country. As noted in the ICR (pages 9-10), the project activities directly and indirectly supported this increase. The direct contribution was from the upgrading/creation of preschool classrooms; the indirect contribution was from technical assistance on developing alternative models, particularly the family-based kindergartens which accounted for a significant proportion of the increased enrollment. The project team noted that a favorable government tax policy for the family-based kindergartens also drove the increase.
- Enrollment in the two project-supported districts in the Namangan and Samarkand regions (Toyloq and Kosonsoy) was 4,677 children, including 209 with special needs. This was "notably higher" than districts with no interventions (ICR, page 11).

Achievement is rated Substantial due to the surpassing of the target for the enrollment of children in preschool, largely due to the provision of alternative preschool models through direct and indirect Bank support.



Rating
Substantial

OBJECTIVE 2

Objective

To improve the quality of learning environments in selected public preschools

Rationale

The theory of change for this objective was clear. The main challenge was the unknown quality of preschool services and low capacity. Activities to improve teacher training and strengthen sector management capacity, along with the relevant activities implemented under the first objective, were likely to lead to the intended outcome to improve quality of learning environments. The activities were intended to reach 14,000 public preschool teachers, representing approximately 25 percent of all public preschool teachers in the country. The remaining preschool teachers in the system were to be trained using other sources of funds, such as the government budget.

Outputs

In addition to outputs identified under Objective 1:

- Definition of requirements and teacher competencies for child-centered approaches to teaching, and a framework for professional development for the preschool sector, including preschool directors and non-center-based preschool staff.
- Development of content and materials for in-service preschool teacher training. Training content included preschool quality measurement instruments, child nutrition, hygiene, immunization, child protection, labor rights, and vulnerability to natural hazards and climate resilience in relation to child safety. Over 90,000 teachers, including 450 trainers and 6,160 methodologists, were trained in child-centered and play-based learning, technology use, and school readiness modules, reaching 56 percent of the national preschool workforce (original target: 14,000 teachers; revised target: 14,240 teachers). The government passed a resolution in June 2024 establishing the National Institute of Pedagogical Skills, restructured existing training centers, and introduced a tiered system of professional development.
- Development of a capacity enhancement plan for the preschool education system at local, regional, and national levels. Areas covered: monitoring and evaluation, the preschool education management information system, awareness raising, financial management, and special needs children.

Outcomes

- Following a presidential decree that mandated a national study of early childhood development outcomes, a World Bank Tool for Educators to Assess Classroom Habits (TEACH) assessment rated 92.8 percent of the sample of 250 public preschool classrooms as having "good" or "very good" learning environments, surpassing the target of 30 percent. The assessment was conducted in 250 public preschools across 14 regions, and involved 250 educators, 1,000 children, and 1,000 parents and caregivers. Higher quality classrooms had elements of better classroom management, more



supportive teacher-child interactions, and richer learning environments. The above sampled classrooms were shown to have children with higher scores on child development outcomes (i.e. better cognitive, language, and socio-emotional development).

- Children in the alternative-model early learning hub in Namangan outperformed their peers in public preschools, especially in literacy (93 vs. 77 percent), while those in Samarkand performed best in numeracy (65 percent) and socio-emotional skills (66 percent). School readiness also improved, with literacy scores of children in both regions increasing by 25 percent from age 6 to 7 (compared to just 2.5 percent in public preschools)
- 85 percent of parents surveyed reported high satisfaction and trust in the Hub interventions, citing visible improvements in their children's discipline, enthusiasm for learning, and readiness for school (ICR, page 11).

However,

- There was limited evidence reported on actual improved teacher capacity.

Achievement of this objective is rated Substantial due to surpassing of targets for the number of teachers trained, with some evidence of improved quality of learning in classrooms.

Rating

Substantial

OBJECTIVE 3

Objective

To enable a systematic measurement of education quality for informed decision-making.

Rationale

The theory of change for this objective was clear. The main challenge was the lack of informed decision-making in the preschool education sector. Activities to develop education quality measurement tools, including classroom observations and student assessments, were likely to lead to the intended outcome to enable systematic measurement of education quality.

Outputs

- Support to the National Center for International Research on Education Quality Assessment, responsible for measuring and monitoring quality from preschool to upper secondary education. The Center had been created in 2018 but subsequently abolished in April 2023 due to a reorganization in the Ministry of Preschool and School Education, with responsibilities for international assessments transferred to the National Research Institute.
- Development of standardized assessments. For the preschool sector, this included the MELE, which measures the quality of early learning center-based services, and the MODEL, which measures child development outcomes. For the general education sector, this included a review and modernization of existing national assessments for student learning outcomes, development of an exam item bank, and development of a student assessment information management system.



- Participation in international assessments, including the Programme for International Student Assessment (PISA, 2022), Trends in International Mathematics and Science Study (TIMSS, 2023), and Progress in International Reading Literacy Study (PIRLS, 2021).

Outcomes

- The pilot test of the TEACH assessment tool (100 preschools, 400 children, 100 directors, 100 teachers, and 100 caregivers) in October 2023 led to a presidential decree mandating a national study in 2024 (250 state kindergartens, 1000 children, and 1000 caregivers).
- The pilot test of national assessments of 4th and 9th grade students are in the final stage of completion.
- The country's progress on PISA is now a presidential target under the 2030 program, aiming for a top 30 ranking.

Achievement of this objective is rated Substantial due to implementation of assessment tools and tests to inform decision-making.

Rating

Substantial

OVERALL EFFICACY

Rationale

Achievement of the first objective to increase access to early childhood education is rated Substantial due to the surpassing of the target for the enrollment of children in preschool, largely due to the provision of alternative preschool models through direct and indirect Bank support. Achievement of the second objective to improve quality of early learning environments is rated Substantial due to surpassing of targets for the number of teachers trained, with some evidence of improved quality of learning in classrooms. Achievement of the third objective to enable systematic measurement of education quality is rated Substantial due to implementation of assessment tools and tests to inform decision-making.

Overall Efficacy is therefore rated Substantial.

Overall Efficacy Rating

Substantial

5. Efficiency



According to the economic analysis at appraisal (PAD, page 35), the benefits of the project were expected to accrue to newly enrolled preschool students and existing preschool students due to improved facilities, equipment, and teacher capacity. The expected quantifiable benefits were improved academic achievement and educational attainment, captured in increased wage premiums. The costs of the project were represented by project disbursements and recurrent operating costs. The analysis estimated a benefit-to-cost ratio ranging from 2 to 9, an internal rate of return (IRR) ranging from 9 to 12 percent, and net present value (NPV) ranging from US\$ 109.7 million to US\$ 845.4 million. The range depended on the number of children who go on to complete tertiary education and earn the associated wage premium.

At completion (ICR, Annex 4), the economic analysis was updated using actual project costs and results. With a conservative estimate of only 15 percent of beneficiary students continuing their education to the university level, the project yielded a positive NPV of US\$ 56 million and a benefit-to-cost ratio of 1.5. This base case scenario reflects the high consumer price index during the project period. An evaluation of a key project intervention and its outcomes—the early learning hubs in Samarkand and Namagand—showed that this activity was three times lower in costs compared to traditional preschools (US\$ 385.9 per child vs. US\$ 1,338) but had comparable outcomes in school readiness. The NPV was estimated at US\$6.2 million over a ten-year period, with the benefits proportionately more significant for these families with the lowest incomes.

However, there were some inefficiencies in project implementation. Initial capacity constraints within the project implementation unit led to prolonged procurement processes for major packages (i.e. classroom furniture). COVID-19 disruptions, three institutional restructurings, and fiscal limitations that delayed fund allocations from the Ministry of Finance contributed to implementation inefficiencies. By June 2020, only 1.3 percent of the total loan amount had been disbursed. The impact was especially noted in the delivery of infrastructure equipment and learning materials, a delay in hiring a data collection firm, and the delayed piloting of the early learning assessments, ultimately losing the opportunity to set the ECD quality baseline for the project. During the course of implementation, these issues were addressed, and the project was able to complete implementation.

Efficiency Rating

Substantial

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal	✓	9.00	100.00 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.



6. Outcome

Relevance is rated High due to strong alignment with country conditions, country sector strategy, and Bank strategy. Overall efficacy is rated Substantial due to substantial achievement of all three objectives. Efficiency is rated Substantial due to a positive benefit-cost ratio overall, particularly for the key intervention on alternative service provision models. Therefore, overall Outcome is rated Satisfactory.

a. Outcome Rating

Satisfactory

7. Risk to Development Outcome

The government demonstrated strong commitment to the reforms and strategic directions supported by the project, as evidenced by the various government decrees sustaining and scaling up the project activities. For example, a Presidential decree in 2025 endorsed the nationwide expansion of early learning hubs, the results of early learning assessments were integrated into the Ministry of Education's quality assurance system through a ministerial decree, and a resolution on continuous teacher professional development was approved. Institutional capacity was strengthened through the carrying out of teacher professional development and international learning assessments.

8. Assessment of Bank Performance

a. Quality-at-Entry

Project design was based on relevant analytic work and research, including on hard-to-reach populations, demand-side barriers, and holistic approaches. The clear diagnosis of preschool enrollment obstacles led to identification of effective and relevant solutions. The design was intentional in reaching vulnerable populations through alternative models, which were built on pilot interventions in the prior Improving Pre-primary and General Secondary Education project (P144856, US\$ 49.9 million, 2014-2019). The project also introduced innovative elements, specifically performance-based financing and social impact bond financing, in order to address the limited private sector participation issue. However, although initial assessments showed that the legislative framework could potentially support these new mechanisms, the social impact bond faced implementation challenges that could not be resolved during the project period, in part due to an overestimation of the government's implementation capacity.

The M&E design was adequate, with relevant and measurable indicators, key evaluative activities, and clear data collection arrangements. Overall risk was rated Substantial, with the one area of High risk identified as fiduciary (particularly for procurement), given the Ministry of Education's limited experience with Bank projects. The existing fiduciary arrangements were deemed adequate but risk mitigation measures, which included hiring specialists and providing training, did not prevent significant delays that negatively affected project implementation.



Quality-at-Entry Rating
Moderately Satisfactory

b. Quality of supervision

The Bank team provided timely support to the project implementation unit, including increasing the frequency of meetings as low capacity and delays became evident. Field visits were undertaken regularly including to the remote and disadvantaged areas that were critical to the project's success. The Bank team used project restructurings to focus resources on the interventions that were most impactful, such as expanding the alternate service provision models, busses for mobile services, and teacher training. Key M&E activities were effectively implemented to support monitoring of project progress and achievements. Initial fiduciary challenges were resolved sufficiently to allow completion of project activities by project closing.

Quality of Supervision Rating
Satisfactory

Overall Bank Performance Rating
Moderately Satisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

M&E arrangements were clear, with data to be collected through both regular monitoring and systematic assessments/evaluations. Selected indicators were relevant and measurable to assess progress on each of the objectives. The data collection arrangements included regular administrative data collection processes, beneficiary surveys, learning assessments, and evaluative studies. The social impact bond indicators and metrics were to be monitored by an independent evaluator. As noted in the ICR (page 17), an additional indicator measuring transition from preschool to primary education could have been included, given the emphasis on improving early childhood education as a means to improving primary enrollment.

b. M&E Implementation

According to the ICR (page 19), data were collected regularly and systematically, providing information to track progress and identify bottlenecks early. Support to learning assessments was overall effective, including participation in international assessments; however, there were delays in launching some of the M&E activities (due to COVID-19 restrictions and restructuring of government institutions), and therefore baseline data were not collected for the Teach assessment at earlier stages of the project.



The project conducted planned evaluations, including an assessment of the early learning hubs, surveys of parents' attitudes and gender norm changes, and a beneficiary feedback survey of parents and educators.

c. M&E Utilization

Participation in international learning assessments provided critical data to inform data-driven decision-making and influence policy directions. For example, the notable gaps in learning outcomes between advantaged and disadvantaged students highlighted the need for continued targeted interventions to reduce inequalities. M&E data provided information on project implementation progress, informing discussions on project management issues.

M&E Quality Rating

Substantial

10. Other Issues

a. Safeguards

The project was classified as an Environmental Category "C" project, as it was not expected to have any adverse environmental impacts. No safeguard policies were triggered. However, due to the planned procurement of laptops and printers for preschools, an environmentally sound disposal plan for electronic equipment was prepared to address potential environmental and health risks in the future when the equipment becomes obsolete.

The ICR (page 18) reported that environmental and safeguards compliance was satisfactory throughout implementation. The grievance redress mechanism was operational, and no grievances were filed.

b. Fiduciary Compliance

Financial management: Fiduciary risk was initially assessed as High at project approval but was subsequently changed to Moderate due to strengthened systems, effective oversight, progress in disbursement and fund utilization, and compliance with World Bank requirements. Overall financial management performance was satisfactory, although there were initial challenges that led to delays in project implementation. These included insufficient budget allocations from the Ministry of Finance, which affected delivery of infrastructure and learning materials and data collection efforts. All audit reports were unqualified.

Procurement: The initial project period was marked by procurement challenges, including delays and capacity constraints. As noted, this led to significant delays in the timely delivery of major procurement packages. In mid-2024, several major contracts for providing furniture and equipment remained unfulfilled,



and two lots of equipment had not been delivered by project closing. However, with significant procurement capacity building efforts, overall procurement performance was rated Satisfactory by project closing.

c. Unintended impacts (Positive or Negative)

None reported.

d. Other

11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Satisfactory	Satisfactory	
Bank Performance	Satisfactory	Moderately Satisfactory	Quality at entry is rated Moderately Satisfactory and Supervision is rated Satisfactory.
Quality of M&E	Substantial	Substantial	
Quality of ICR	---	Substantial	

12. Lessons

Lessons drawn from the ICR (page 19-20), adapted by IEG:

- Innovations in project design can provide effective alternate channels for addressing sector challenges, but implementation of these innovative ideas requires strong analytic and technical assistance support.** In the case of this project, the alternative service delivery models (early learning hubs, family-based preschools, etc.) were effective preschool structures; they were designed for hard-to-reach, vulnerable populations, and drew on prior strong analytic work, pilots, and study tours. However, the innovative social investment bond financing mechanism, which was designed for private sector participation, was cancelled, as prior institutional assessments overestimated the implementing agency's capacity.
- Project activities that are pilot in nature can be catalysts for results, especially if properly evaluated to clearly demonstrate effectiveness and efficiency.** In the case of this project, the alternative service delivery models were assessed for child development and quality outcomes, as well as cost-effectiveness, and therefore led to immediate policy decisions to scale up nationwide.



13. Assessment Recommended?

No

14. Comments on Quality of ICR

The ICR quality is rated Substantial. The ICR was internally consistent, concise, and results-oriented. The quality of the evidence was substantial, including some data on child development outcomes, although data separating the preschool enrollment achievements directly attributable to the project vs. indirectly attributable would have been helpful. The quality of analysis was also substantial, with a detailed discussion of the results chain and how project interventions contributed to the reported outcomes. The lessons drawn were informative for future operations, particularly on alternative service delivery models.

a. Quality of ICR Rating

Substantial