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## **IDA20 SPECIAL THEME: HUMAN CAPITAL**

**June 11, 2021**

## ACRONYMS AND ABBREVIATIONS

Fiscal Year (FY) = July 1 to June 30

All dollar amounts are US dollars

ACT-A	Access to COVID-19 Tools Accelerator	JET	Jobs and Economic Transformation
ASP	Adaptive Social Protection	MDB	Multilateral Development Bank
COVAX	COVID-19 Vaccines Global Access	MERS	Middle East Respiratory Syndrome
ESF	Environmental and Social Framework	MIGA	Multilateral Investment Guarantee Agency
FCS	Fragile and Conflict-Affected Situation	RMS	Results-Measurement System
FCV	Fragility, Conflict and Violence	SARS	Severe Acute Respiratory Syndrome
GAVI	Vaccine Alliance	SDGs	Sustainable Development Goals
GBV	Gender-Based Violence	UN	United Nations
GDP	Gross Domestic Product	UNESCO	United Nations Educational, Scientific, and Cultural Organization
GPE	Global Partnership for Education		
G2P	Government to People	UNHCR	United Nations High Commissioner for Refugees
HCI	Human Capital Index		
IDA	International Development Association	UNICEF	United Nations Children's Fund
IFC	International Finance Corporation	WASH	Water, Sanitation, and Hygiene
		WBG	World Bank Group
		WHO	World Health Organization

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## EXECUTIVE SUMMARY

- i. **The COVID-19 pandemic has unleashed a global health emergency and an economic crisis of historic magnitude, with severe consequences for hard-won human capital gains and progress on the Sustainable Development Goals (SDGs).** Health care services are overwhelmed. Disruptions in essential services, including life-saving immunizations for children and access to essential primary health care, have severe consequences for under-5 and maternal mortality, unwanted pregnancies, and people's exposure to diseases. The United Nations has estimated that there will be 130 million more malnourished children. School closures are causing learning poverty to rise from 83 percent to more than 90 percent in IDA countries (Azevedo 2020). These consequences threaten to reverse a decade of progress in human capital accumulation (Gatti et al, 2021). If left unaddressed, these effects, combined with prolonged unemployment and underemployment among youth and working-age adults, may leave a devastating impact on the future productivity and earnings of a whole generation.
- ii. **International Development Association (IDA) countries are disproportionately susceptible to the profound impacts of COVID-19.** The pandemic has pushed more than 100 million people into extreme poverty in 2020, the vast majority of them in IDA countries. Escalations in gender-based violence, school dropout rates, and child marriage rates—along with the rising burden of household care responsibilities—have narrowed the opportunities of many girls and women. Persons with disabilities are especially vulnerable to disruptions in the provision of medical and care services, while stay-at-home orders have exacerbated pre-existing exclusion. Vulnerable workers, particularly those in the urban, informal sector, have seen their incomes shrink or vanish, often without the benefit of social protection to soften the impact.
- iii. **The immediate priority for IDA countries is to respond to the ongoing COVID-19 emergency and its impacts on human capital, while creating a solid foundation for recovery.** Human Capital is introduced as a Special Theme in the IDA20 policy package. The IDA20 Human Capital Special Theme takes a dual-track approach to addressing the challenges facing IDA countries: to control the pandemic and address COVID-19-driven human capital gaps; and to leverage human capital investments as an essential element in an accelerated recovery toward a green, resilient and inclusive future (see Annex 2). Uncertainties around the duration of the pandemic and the success of vaccination campaigns will have an impact on the relative balance between a continued focus on controlling the pandemic and a more forward-looking focus on recovery in IDA countries during the IDA20 cycle.
- iv. **A life cycle perspective will guide IDA's approach to Human Capital.** Given the young demographic structure of IDA countries and the promise of harnessing a demographic dividend, the prioritization of investments is clear. This includes expanding access to primary health care and to reproductive, maternal, neonatal health and nutrition; making early-years investments beginning in utero, including health, nutrition, early stimulation and early learning, protection from harm, and early identification and screening for disability; achieving better learning outcomes in primary education; expanding access to and completion of secondary education; and improving access, quality, and relevance of tertiary education, technical and vocational education and training, and adult learning. Post-COVID-19 economies will need to develop higher productivity

sectors which requires skills and knowledge, strong institutions and better management of business processes, and the ability to adapt to dynamic change.

v. **Essential to achieving these objectives is the strengthening of inclusive and resilient service delivery systems supported by sustainable financing, foundational infrastructure, strong governance and institutions.** Inclusion is needed to address gaps in human capital exacerbated by COVID-19, and to build a foundation for universal health coverage and universal access to basic education, essential nutrition, and social protection. IDA20 will make special efforts to reach and tailor support to the most vulnerable and at risk of exclusion, including persons with disabilities, young children, adolescent girls, and youth. Financing these investments requires strong resource mobilization as well as efficient and sustainable public expenditure.

vi. **The COVID-19 crisis has underscored the criticality of resilient services in responding to the pandemic specifically and to a range of shocks more broadly.** Key areas for systems strengthening include: building resilient health systems with integrated and people-centered primary health care systems with capacity for responding to diseases outbreaks including pandemic preparedness; resilient education service delivery that can respond flexibly to crises and does not leave disadvantaged children and youth behind; and social protection and labor systems that have adequate coverage and can adapt nimbly to changing needs and shocks, including climate and health shocks. Strong institutions with robust accountability structures are essential to effective service delivery.

vii. **COVID-19 has also underscored the importance of partnerships.** Joint efforts with partners including the Access to COVID-19 Tools Accelerator, COVAX, the Global Financing Facility, UNICEF, UNESCO, Africa Union, UNHCR, and others have been essential to supporting IDA countries' response to COVID-19 and progress on development goals and will continue to be essential to response and recovery. IDA will also continue to leverage multi-sectoral partnerships and a whole of society approach, including with private sector and civil society organizations.

viii. **The focus of IDA19 on accelerating positive trends in social sector service delivery provides a strong foundation to support IDA countries in tackling human capital challenges.** As a cross-cutting theme under IDA19, human capital objectives were included in all five IDA19 Special Themes. Delivery of some of policy commitments has been significantly accelerated due to the COVID-19 crisis, including those related to pandemic preparedness and adaptive social protection, while the importance of other policy commitments has been further underscored. Women's empowerment through access to reproductive, adolescent, and primary health care and the elimination of gender-based violence continue to be central issues and will be accelerated in IDA20. Opportunities to provide skills and employability are negatively impacted by COVID-19 and access to quality skills programs will be crucial to a strong recovery. The crisis delayed anticipated progress towards the ambitious goals established for other priority issues, such as ensuring that the differential constraints of persons with disabilities were built into improved service delivery in fragile and conflict-affected states. Disability will now have a dedicated policy commitment under IDA20.

ix. **The focus of the new Human Capital Special Theme in IDA20 is to substantially raise the level of ambition supported by the policy commitments, commensurate with the pressing**

**need to address the COVID-19 crisis.** IDA20 provides continuity and sets higher objectives for core IDA19 policy commitments and introduces four new iconic policy commitments targeted to the most essential investments needed to strengthen human capital (see Table ES.1 and Annexes 1 and 2). In many cases, putting people at the center of the response and recovery requires engagement beyond the Human Development practice group; it encompasses investments in infrastructure—including ensuring reliable energy, water and sanitation services, digital systems for service delivery, data to inform policy, and safe, reliable and accessible transport services—as well as financing, agriculture and food security, and institution building. While investing in and protecting human capital are central to building human capital, jobs and economic transformation are central to its utilization.

x. **Management would welcome feedback from IDA Deputies and Borrower Representatives on the proposed strategic direction and policy commitments for the IDA20 Human Capital Special Theme as set out in this paper.**

**Table ES. 1. Proposed Objectives and Policy Commitments under IDA20**

<b>Objectives</b>	<b>Proposed IDA20 Human Capital Policy Commitments</b>
<b>Emergency crisis response</b>	
<i>Boosting COVID19 vaccination rollout and strengthening pandemic preparedness</i>	1. To contain the pandemic, support all IDA countries in the roll-out of <b>COVID-19 vaccinations</b> including broader <b>health care system strengthening</b> and <b>pandemic preparedness</b> .
<i>Investing in nutrition, early years and women's empowerment</i>	2. To empower women and support children's formative years, restore and expand access to quality <b>maternal and reproductive health, early years and nutrition services</b> , in at least 30 IDA countries, of which 15 countries with the lowest HCI.
<i>Supporting core social service delivery systems</i>	3. To address gaps exacerbated by the COVID-19 crisis, in at least 40 IDA countries, of which 10 are FCS, support <b>access to core, quality, inclusive social services</b> focused on: (i) social protection for urban informal workers, or (ii) students' return to school and accelerated recovery of learning losses, or (iii) children's immunizations.
<i>Expanding adaptive social protection and building resilience to shocks</i>	4. To ensure inclusive and effective response against shocks and crises, support at least 20 IDA countries' resilience by building <b>adaptive social protection systems</b> , including the use of digital technologies.
<i>Addressing learning poverty and productivity</i>	5. To fill critical learning gaps, support at least 20 IDA countries, of which 10 are the lowest HCI, to reduce <b>learning poverty</b> by (i) measuring learning and (ii) implementing core elements of the literacy policy package (e.g. effective literacy instruction, structured lesson plans, adequate reading materials for all children).

Table ES.1 *continued*

<b>Resilient inclusive recovery</b>	
<i>Expanding access to core services for persons with disabilities</i>	6. To promote inclusive societies, support at least 18 IDA countries to meet the needs of <b>persons with disabilities</b> by implementing the principles of universal access through projects in education, health, social protection, water, urban, digital development and/or transport.
<i>Supporting prevention of and preparedness for future pandemics</i>	7. To prevent zoonotic diseases and ensure pandemic preparedness, support at least 20 IDA countries with <b>One Health</b> approaches which address the nexus between human, animal, and ecosystem health.
<i>Leveraging adequate, efficient financing for human capital</i>	8. To strengthen <b>public finance for human capital investments</b> , support at least 20 IDA countries, of which 10 with the lowest HCI through (i) the availability of resources and the efficiency of expenditure management and/or (ii) the efficacy of human capital investments measured through output/outcome indicators.

## I. INTRODUCTION

1. **The crisis is exposing and deepening systemic weaknesses in access to essential services in many IDA countries.** Besides the devastating direct effects of the virus and its impact on morbidity and mortality, the COVID-19 crisis poses substantial risks to human capital, notably because of curtailed access to core services. COVID-19 is putting massive strains on IDA countries' health systems, including lifesaving and primary health and nutrition services. Access to child and elder care, and education at all levels, is falling, coupled with job and income losses and a reduction in psycho-social wellbeing. Disruptions are particularly acute for populations in low-resource contexts who do not have access to the internet or to smart digital devices and specialized rehabilitative services.

2. **The COVID-19 crisis is also exacerbating inequalities, exposing vulnerabilities, and reversing historic declines in poverty.** These impacts are widening preexisting gaps in human capital outcomes, notably among already vulnerable populations including persons with disabilities, informal workers, and internally displaced people and refugees. Women are overrepresented in informal sector jobs, which are at higher risk of being lost. Prior to the pandemic, women dedicated on average 3.2 times more time than men to unpaid care work (ILO, 2019). COVID-19 is exacerbating these demands. While schools have been closed, girls have taken up a disproportionate share of household chores and have been exposed to harmful risks, with increased likelihood of exploitation, early marriages, and adolescent pregnancy, with consequences for returning to school. Using the extreme poverty rate of \$1.90 a day, the World Bank estimates that COVID-19 raised the number of extreme poor by 119–124 million in 2020, including 31 million poor that would otherwise have escaped extreme poverty.

3. **COVID-19 has triggered the most severe global recession since World War II, placing severe fiscal burdens on countries and ushering in a new wave of debt accumulation.** IDA countries will need to carefully manage domestic resources and receive sustained and substantial international financial support to address the COVID-19 impacts on human capital and ensure adequate investments in human capital during recovery. Fiscal imbalances linked to the COVID-19 shock will entail fiscal adjustments, making it crucial to protect spending that supports human capital and longer-term development through improved expenditure management, pursuing cost-effective reforms to mobilize resources, and reprogramming budgets toward priorities. This is particularly relevant for financially constrained IDA countries, where fiscal space is already narrow and substantial human capital shortfalls and equity gaps existed before the crisis.

4. **The COVID-19 crisis threatens to reverse at least a decade of progress in hard-won human capital accumulation.** The pandemic has infected more than 150 million people worldwide and caused more than 3 million deaths. COVID-19 infections and deaths are now rising in developing countries, including IDA countries. The equivalent of 255 million jobs have been lost (122 million in low- and lower-middle-income countries) and the world's poorest are facing surging food insecurity. With a complete year of schooling lost in many parts of the world, learning poverty is estimated to rise from 83 to more than 90 percent in IDA countries. With dropout rates increasing, the current generation of children is standing to lose \$16 trillion in future lifetime earnings, including \$700 billion in IDA countries (Azevedo et al 2020, World Bank 2020b). For girls and young women especially, the pandemic runs higher risk of eroding hard-won

achievements. Unless addressed with decisive investments, the COVID-19 crisis could reverse a decade of progress in human capital as measured by the Human Capital Index (HCI; see Box 1.1) and the scars on human capital and the loss of future productivity will become permanent (Gatti et al 2020).

### **Box 1. 1. Human Capital and the Human Capital Index**

Human capital consists of the knowledge, skills, and health that people accumulate over their lives. Greater human capital is associated with higher earnings for people, higher GDP for countries, accelerated innovation, higher productivity growth, and stronger cohesion in societies. It is a central driver of sustainable growth and of the twin goals of reducing extreme poverty and boosting shared prosperity.

The Human Capital Index (HCI) is a summary measure of the amount of human capital that a child born today can expect to acquire by age 18, given the risks of poor health and poor education that prevail in the country where she lives. The HCI measures the contribution of human capital to the productivity of individuals and countries, anchored in rigorous micro-econometric studies looking at child survival, learning adjusted years of schooling and health. Ranging between 0 and 1, a country's score is its distance to the "frontier" of complete education and full health. If it scores 0.70 in the HCI, this indicates that the future earnings potential of children born today will be 30 percent below what they could have achieved with complete education and full health. The index can directly be linked to scenarios for the future income of countries as well as individuals. If a country has a score of 0.50, then future GDP per worker could be twice as high if the country reached the benchmark of complete education and full health. The HCI has been central to underscoring human capital's contribution to productivity and the Human Capital Project has supported countries in advancing investments in people.

Globally, the 2020 HCI shows that, before the pandemic, a child could expect to attain an average of 56 percent of her potential productivity as a future worker. However, a child born in a low-income country could expect to attain only 37 percent of her productivity. In contrast, for a child born in a high-income country, this figure is 70 percent (World Bank 2020a).

5. **To mitigate the risk of permanent human capital losses, IDA countries will need to prioritize investments in people as well as in systems.** Over the medium term, these investments must be made with the goal of ensuring universal access to health care, basic education, and social protection. To reach this goal, investments are needed to make service delivery systems more resilient and inclusive in building, protecting, and utilizing human capital. In partnership with the private sector, IDA clients need to build digital platforms and undertake institutional reforms.

6. ***In health, IDA will scale up investments in affordable, integrated, resilient systems with a focus on universal health coverage, pandemic preparedness, zoonotic disease management, and efficient health financing.*** Climate change exacerbates health challenges, including disease outbreaks; investments in human capital without considering climate risks will lead to an inefficient, possibly ineffective use of scarce resources. Restoring access to core reproductive and maternal health services will help reverse recent spikes in maternal and child mortality and coordination with education will support curricula focused on reproductive and sexual health for adolescents.

7. ***In education, IDA will support investments in inclusive, effective, resilient systems, together with long overdue investments in empowering teachers and integrating technology to support the learning process.*** Early childhood programs are especially important to provide a strong foundation for future learning. Monitoring children's return to school will be key, along with differential impacts between girls and boys. While girls faced additional obstacles in accessing and completing education prior to the pandemic, such as social norms, sexual harassment and gender-based violence, and lack of gender-sensitive materials, facilities, and services in schools, and the closure of schools due to COVID-19 has presented a new set of challenges. IDA will continue to address the sex-differential obstacles to enrolment, and act swiftly to address any emerging difference between girls and boys as countries start reopening schools. IDA will continue to support out-of-school children through alternative education pathways and skills training programs.

8. ***In social protection, IDA will help countries expand coverage of social safety nets to reach the extreme poor and vulnerable.*** IDA20 will expand social safety nets and provide risk-management instruments to the vulnerable, particularly informal workers, which is essential to move towards a vision of universal social protection. Adaptive social protection systems can foster inclusion and strengthen resilience to a range of crises.

9. ***IDA will continue to embed and foster disability inclusion*** in infrastructure, labor markets, jobs, and other economic development initiatives.

## II. PROGRESS UNDER IDA19 AND LESSONS LEARNED

10. ***During the first year of IDA19, unprecedented levels of support have been provided for health, education, and social protection projects in IDA countries.*** While human development lending to IDA countries averaged \$6.7 billion a year from FY11-19, this increased to \$11.6 billion in FY20 and an anticipated \$12.5 billion in FY21. IDA resources continue to finance a wide range of client needs on human capital, and the recent sharp increase reflects the tremendous crisis-response that is being mobilized, which includes: support for health systems, personal protective equipment (PPE) and other equipment, access to and deployment of vaccines in the health sector; cash transfers to mitigate income loss and price increases; and support for learning continuity and the return to school.

11. ***As a Cross-Cutting Issue under IDA19, Human Capital policy commitments are supporting countries to accelerate the positive pre-crisis trajectory towards better human capital outcomes.*** Progress on some of the seven Human Capital policy commitments is faster than expected as crisis preparedness and response activities have been frontloaded during the early response to the COVID-19 crisis. On the other hand, as resources were re-prioritized to address the pandemic, other activities proceeded at a slower pace.

12. ***Two IDA19 policy commitments relating to crisis preparedness and response have exceeded their original targets.*** The frequency of health shocks (Zika, Ebola, SARS, MERS) and climate shocks (El Niño, recurrent droughts and hurricanes) in recent years has exposed inadequate crisis preparedness and response capacity in IDA countries. Investing in crisis preparedness and

system-wide resilience contributes to poverty alleviation, especially since infectious diseases tend to impact the poor disproportionately more than others (World Bank, 2019). Support to IDA countries on crisis preparedness through IDA18 and IDA19 included both investments and technical assistance, including an innovative disease surveillance program like Regional Disease Surveillance Systems Enhancement (REDISSE), which was supported by IDA's Regional Window (see Box 2.1). Likewise, work has been underway for some years to support IDA countries in developing their social protection systems to be flexible or 'adaptive' to the range of crises and shocks that affect low-income countries. The emergence of COVID-19 at the start of IDA19 highlighted the relevance and critical nature of this work. The targets for the IDA19 policy commitments relating to implementation of pandemic preparedness plans and adaptive social protection have been met, and the goal for each has been increased despite the shortened IDA19 timeframe.

**Box 2. 1. Regional Disease Surveillance Systems Enhancement (REDISSE)**

The REDISSE Program was created in the aftermath of the 2014-2016 Ebola Virus outbreak in West Africa. Ebola revealed stark gaps in disease surveillance and response capacities in the region, particularly for zoonotic diseases. Following the crisis, analyses stressed the need to sharply increase investment in resilient health systems, cross-sectoral engagement, and regional collaboration to prevent, detect, and respond to emerging epidemic-prone diseases.

Since its launch in 2016, the REDISSE Program has grown to include 16 countries in West and Central Africa. The program works across three critical areas: addressing weaknesses in disease surveillance and response systems for human and animal health; building capacity for effective inter-sectoral and cross-border collaboration; and providing an immediate and effective response to emergencies. REDISSE is investing directly in countries and select regional institutions to build core public health capacity at the country level, as well as regionally to address common needs, harmonize policies and practices, share epidemiological data, and establish regional training institutions and laboratory networks

REDISSE provided the first response in Africa to country requests for financing to prepare for COVID-19. Support was expedited with in-place financing and rapid disbursement. This gave a jumpstart to REDISSE countries and the West Africa Health Organization.

**13. The IDA19 policy commitments to improve the sustainability of human capital financing and invest in gender-based violence (GBV) prevention and response will likely be met in two years.** The launch of the Human Capital Index in 2018 revealed the important returns to predictable and sustainable human capital financing. The expansion of COVID-19 response financing has, in some instances, introduced structural measures to improve the sustainability of human capital financing beyond the current crisis. Similarly, even while health care services were straining to respond to COVID-19, and schools were largely empty during the first year of IDA19, cases of reported GBV were rising, and work is underway through IDA operations to ensure robust prevention and response strategies in health care and in schools.

**14. Other policy commitments that were on track to be achieved over three years have adjusted targets to reflect the shorter IDA19 cycle.** The policy commitments relating to: women's empowerment through their demand for access to reproductive, adolescent, and primary health care; skills and employment for youth; and service delivery in fragile and conflict-affected

states, taking gender and disability differentiated needs into account were adjusted to match the new two-year duration of IDA19, but support will continue in IDA20.

### **III. THE WAY FORWARD AND PROPOSED POLICY ACTIONS**

15. **The COVID-19 crisis is demonstrating that human capital gains can be quickly reversed, and that adaptable and adequately resourced health, education and social protection systems are essential to preserving human capital in times of crisis.** Given the devastating impact of COVID-19, Human Capital is introduced as a new Special Theme in IDA20, which will allow IDA to commit more resources to reversing the human capital losses and building back better. Closing the acute human capital gaps exacerbated by the ongoing COVID-19 crisis, ensuring a foundation for a strong and sustained recovery, and strengthening resilience to future crises are at the heart of the IDA20 Human Capital Special Theme. The progress made in IDA19 will provide a solid foundation for further accelerating progress on these priority areas in IDA20.

#### **A. A Dual-track Approach in a Life Cycle Framework**

16. **IDA20 will take a dual-track approach to human capital to respond to the COVID-19 emergency and drive a robust and accelerated recovery (see Annex 2).** A first-order global priority is to prevent and contain the spread of the COVID-19 virus. Immediate actions are needed to expand access to vaccinations (supported by the \$12 billion Multiphase Programmatic Approach), support the continuity of essential health services, prevent setbacks in food security and nutrition, secure a return to school and accelerated learning recovery, and ensure that vulnerable individuals and groups are included in the crisis response. Specifically, this includes:

- a. Vaccine access and distribution, coupled with a continued focus on rapid, effective containment strategies, ensuring inclusion of vulnerable individuals and groups as part of a broader effort to strengthen health systems and bolstering production of vaccines in IDA countries.
- b. Reversing the rise in mortality and morbidity driven by disruptions to health services.
- c. Combating food insecurity and malnutrition due to food price increases, disruptions in food supply chains, health service disruptions and income losses.
- d. Measures to get children back to school and accelerate the recovery of learning losses, particularly for vulnerable individuals and groups.
- e. Expanding social protection to compensate income loss due to lockdowns and economic slowdowns, with a focus on reaching those without any risk mitigation mechanism and supporting job recovery.

17. **Even while the crisis remains acute, IDA20 will also support a robust and accelerated recovery followed by actions to fast track human capital accumulation beyond pre-crisis**

**levels.** Substantial effort is needed to accelerate human capital trajectories beyond pre-crisis levels and move toward a more resilient, inclusive, and sustainable future.

- a. People's *resilience* is derived from robust human capital endowments: good health and nutrition, education that provides continuity in the learning process from school to home, and access to savings and social protection in times of need. Likewise, the resilience of service delivery systems requires that they are adequately resourced, adaptive and shock-responsive and thus better able to weather the next crisis.
- b. A cross-cutting focus on *inclusion* requires that pre-existing structural inequalities and gaps, dramatically exacerbated by the COVID-19 crisis, are addressed. Within the overall goals of universal access to core human capital services, this implies a focus on the barriers that prevent the poor, women and girls, persons with disabilities, refugees, internally displaced populations and other marginalized individuals and groups from achieving their full potential (see Box 3.1 for more information on disability inclusion).

### **Box 3. 1. Disability Inclusion at the World Bank**

Over the past five years, the World Bank has accelerated its leadership in ensuring that international development efforts address the differentiated needs of persons with disabilities for equitable access to development project impacts. The World Bank's corporate authorizing environment on disability inclusion is driven by the [Environmental and Social Framework \(ESF\)](#), [IDA19 policy commitments](#), the [Ten Commitments](#) on disability-inclusive development, and the [Disability Inclusion and Accountability Framework](#).

Several lending operations in IDA countries showcase the accelerating inclusion of persons with disabilities, for instance:

- The **Rwanda Quality Basic Education Project** has incorporated inclusive design within the national school infrastructure expansion, including classroom access using ramps, accessible latrines, and school compounds, and teacher training to support children with disabilities and accessible learning materials.
- The **Nigeria Digital Identification for Development Project** ensured that persons with disabilities were involved in stakeholder consultations and used these insights to shape differentiated measures. The project used organizations of persons with disabilities to serve as ID enrollment providers and ensured accommodative processing requirements for any persons unable to use the required biometrics (e.g., iris scans due to visual disabilities, fingerprints due to physical disabilities).

In the **Horn of Africa**, disability inclusion is part of the **Development Response to Displacement Impacts Project in Djibouti, Kenya, Ethiopia & Uganda**. This project supports a critical fragility hot spot in Africa, bringing resources to cope with COVID-19 to refugee and displaced people's communities and other vulnerable individuals and groups typically excluded from government support.

- c. The recovery must also be *sustainable* financially and environmentally. At a time of high fiscal stress, it is critical that all resources devoted to human capital financing are used efficiently and effectively. Human capital investments have a positive impact on resource use and lessen environmental damage, social safety nets can ease difficult decarbonization

reforms, and social protection and economic inclusion programs are crucial for climate adaptation and mitigation. Climate-related curricula can also support behavior change, and the prepare workers for the green jobs and economies of the future.

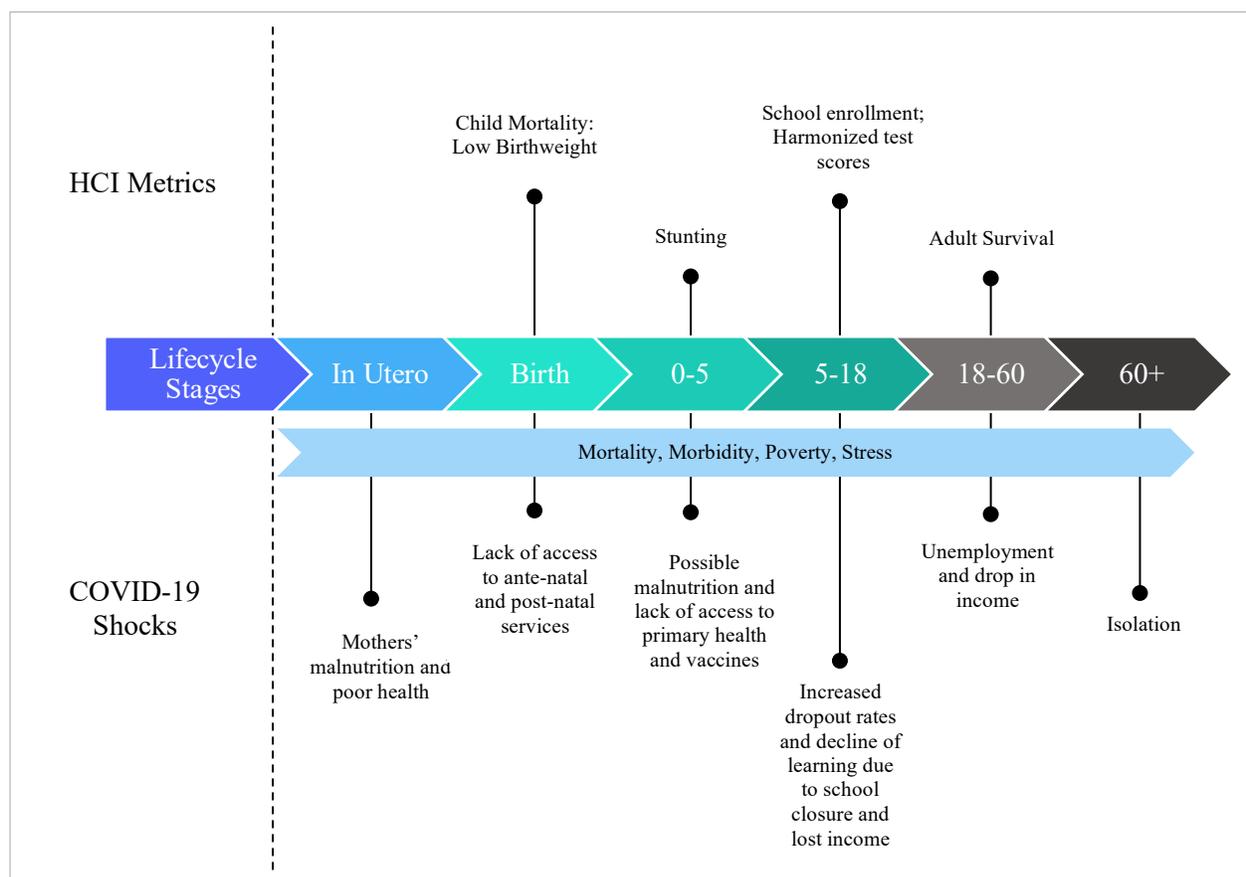
18. **Delivering on the emergency response as well as cohesion in the plan to build back better requires strong and complementary partnerships with our counterparts.** The Human Capital Special Theme will be supported through strong partnerships not only within the World Bank Group, such as in bolstering vaccine production and distribution with the International Finance Corporation (IFC), but also with counterparts such as UNESCO, UNICEF, the Global Partnership for Education and others. Together with the Global Financing Facility, WHO, GAVI and others, and particularly through close collaboration with COVAX on vaccines, IDA's response to COVID-19 has been comprehensive, while also bringing much needed leadership to Access to COVID-19 Tools Accelerator (ACT-A). Going forward in IDA20, the Human Capital Special Theme will utilize partnerships in delivering the policy commitments as appropriate and feasible.

19. **IDA20 will focus on investing in people and protecting their human capital at each stage of the life cycle.** Cumulative, complementary investments over the life cycle promote productivity and enhance resilience to adversity. Setbacks during certain stages of life, particularly in a child's early years—such as a lack of adequate maternal health in utero, poor nutrition and stimulation during early childhood, or inadequate opportunities to access education and build foundational skills in preschool and the early grades—can have especially damaging and long-lasting effects as they can become cumulative and lead to the intergenerational transmission of vulnerability. Access to reproductive and maternal health services is essential for women to manage their lives and for countries to advance a demographic transition.

20. **For children, the first 1,000 days of life are a period when nearly 80 percent of all brain growth occurs, laying the foundation for human capital accumulation and lifetime potential.** Childhood development during the early years requires a healthy environment during pregnancy, the right setup for an uneventful delivery, adequate nutrition, water, sanitation, and hygiene (WASH) services to reduce the risk of disease transmission, early stimulation and learning, and protection from stress. Investments in the school years are needed to support learning and future productivity. Opportunities to acquire and update skills and access to jobs are primary pathways out of poverty. COVID-19 has introduced shocks to essential human capital inputs along the life cycle (see Figure 3.1). It is therefore important to address the differential needs of populations at each point in the life cycle.

21. **Through ambitious policy actions today, IDA countries can position themselves to harness a demographic dividend.** Demographic dividend is the accelerated economic growth that can happen when the wealth-generating working-age population is larger than the dependent non-working-age population. IDA20 will support countries harnessing this dividend through investments in women's empowerment and early childhood development, in eliminating barriers to schooling, in skills for young people who will soon enter the labor market, and in creating jobs and economic opportunities for human capital utilization. This work will draw from IDA's experience in implementing innovative projects such as the Sahel Women's Empowerment and Demographic Dividend (SWEDD) project.

**Figure 3. 1. COVID-19 Impacts on Human Capital Accumulation across the Life Cycle: Stages and Metrics**



Source: Adapted from World Bank (2020)

## B. Proposed Policy Commitments

22. **The IDA20 Human Capital Special Theme covers a broad and ambitious agenda.** Through dialogue, operations and analytical work with IDA countries, IDA20 will support a broad and ambitious agenda aimed at rapidly contain the pandemic, restore human capital losses arising from COVID-19, rebuild quality, core social services and then accelerate the pre-COVID-19 trajectory of human capital gains towards a more resilient and inclusive recovery. A sub-set of this ambitious agenda is captured in the eight proposed policy commitments outlined below.

23. **The proposed IDA20 policy commitments reflect continuity in core human capital commitments advanced by other Special Themes in IDA19 and now brought into the Human Capital Special Theme, coupled with iconic new commitments for priority human capital investments.** While a broad spectrum of ambitious priority actions to support human capital recovery and accumulation will be pursued under IDA20, a representative subset of these actions is reflected in the policy commitments organized under the strategic objectives for the Human Capital Special Theme.

24. **Objective 1. Emergency Crisis Response: Boosting COVID19 vaccination rollout and strengthening health systems.** An immediate global priority is to support the acquisition and roll out of COVID-19 vaccinations, and ensure continuity of prevention, testing, treatment and care for COVID-19 patients as well as strengthening essential health services, while enabling access and equity for vulnerable individuals and groups. Acute shortages of COVID-19 vaccines as well as the materials needed to manufacture, store, and distribute them has shone a spotlight on the need for more equitable access and diversified production capacity, including in IDA countries.

25. **The COVID-19 pandemic demonstrated how unprepared many countries are to deliver essential health care services while addressing the additional challenges posed by the pandemic, resulting in the erosion of hard-won gains in health outcomes.** All routine health services including essential prevention and promotion services for communicable and noncommunicable diseases, mental health, reproductive, maternal, newborn, and adolescent health and nutrition services are affected.

26. **Containing the pandemic requires strengthening health systems in IDA countries, including a focus on pandemic preparedness.** The massive challenge of containing the pandemic calls on a whole-of-society approach, with participation from the public and private sectors, international support and community and non-profit engagement. The IFC is taking steps to increase the health security and resilience in IDA countries through diversification of supply chains and increase local manufacturing capacities for key healthcare products, including vaccines, drugs, active pharmaceutical ingredients, PPE and other medical devices and supplies. IFC will deploy its upstream resources to support creation of commercially viable, sustainable projects in the next 3-5 years. To support the development of such projects into bankable private sector investments, demand-driven support through the IDA Private Sector Window will be critical.

27. **Policy Commitment 1 will support all IDA countries to roll out vaccinations as part of broader engagement to strengthen health systems, including for pandemic preparedness.**

IDA20 will support the roll-out of inclusive national vaccination plans, covering procurement and roll-out. This will be carried out as part of health care system strengthening, including to address remaining COVID-19 challenges, including prevention, testing, treatment and care (see Box 3.2). The above policy commitment will also involve strengthening the core elements of health systems, with greater emphasis on primary health care, governance and management, health work force capacity building, supply chain management and logistics, quality of care; as well as improving pandemic preparedness, including through improved surveillance, monitoring and coordination to ensure health security (see Box 3.2). Building on the IDA19 policy commitment for pandemic preparedness, the IDA20 focus will be on implementation and will be complemented by support under the Health Emergency Preparedness and Response Trust Fund (HEPRF).

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*Policy Commitment 1: To contain the pandemic, support all IDA countries in the roll-out of COVID-19 vaccinations including broader health care system strengthening and pandemic preparedness.*

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### **Box 3. 2. Partnering to Roll out COVID-19 Vaccinations in IDA Countries**

**The COVID-19 pandemic is ravaging populations and straining health systems with new variants leading to new waves of the pandemic in different parts of the world.** Countries, Multilateral Development Banks (MDBs), development partners and the private sector need increased collaboration to boost global production, address supply chain and deployment constraints, address vaccine hesitancy, and increase transparency in the vaccine market to ensure fair and affordable access to vaccines.

**Vaccine rollout has been unequal.\*** The phenomenal vaccination roll-out in North America (where over half the population is fully vaccinated) stands in stark contrast to that of Africa, where small proportions of large populations have received just one vaccine. The primary constraint is supply, coupled with deployment challenges and some vaccine hesitancy. Inequity has implications for economic recovery, poverty alleviation, and global health.

**The World Bank acted quickly with the approval of \$6 billion for the COVID-19 Strategic Preparedness and Response Program (SPRP) and a further \$12 billion for vaccines.** The SPRP supports the initial COVID-19 health response to prevent, test and provide care for those infected, and the additional financing provides affordable and fair access to vaccines for low- and middle-income countries. By mid-2021, the World Bank expects to commit a total of \$4 billion to support vaccine acquisition and deployment in 50 countries.\*\* This builds on efforts to strengthen health systems such as human resources, climate-friendly cold chain support, logistics and infrastructure, and elements essential to strengthening pandemic preparedness including surveillance with data innovations and communications.

**The IFC is working with the private sector to improve access to critical healthcare products and services by closing key supply gaps, to support regional and local vaccine manufacturing and to strengthen the service capacities of IDA countries' health systems.** Under the Global Health Platform, IFC is committing \$2 billion and mobilizing another \$2 billion in private investment to help close the massive healthcare supply gaps faced by developing countries in the fight against COVID-19. IFC has already committed \$220 million with a pipeline of \$1.3 billion, of which more than \$450 million is for vaccine-related projects. IFC is also supporting COVID-19 response programs through a \$545 million allocation provided under IDA18 and an additional \$80 million of IDA Private Sector Window support approved under IDA19 in support of the Base of the Pyramid program under the Global Health Platform.

**The World Bank's collaboration with GAVI on COVAX and other ACT-A partners has been strong throughout the crisis.** As a co-convenor of the ACT-A health systems pillar, the Bank is working with GAVI, Global Fund, WHO and UNICEF to help governments assess their readiness to deliver COVID-19 vaccines in more than 140 countries. These assessments have revealed that gaps remain with cold chain availability, infrastructure, communications and training of health workers, and that much more is needed in the medium-term to build the resilience of health systems. The World Bank and financing from other MDBs will play an important role in filling these gaps. Countries are using World Bank financing to purchase vaccines through COVAX.

*\*As of end April 2021, one billion vaccine doses have been administered globally but of those only 18 million doses are in IDA countries. Only 1.3 percent of Africa's adult population has received at least one vaccine (April 26, 2021) versus 27 percent in the European Union and 45 percent in North America*

*\*\* As of end May 2021, the World Bank has approved \$2 billion (\$1.1 billion for IDA countries) for 17 vaccine operations that will support the acquisition and deployment of an estimated 157 million doses, including 107 million doses for IDA countries.*

28. **Objective 2. Emergency Crisis Response: Invest in nutrition, early years and women's empowerment.**

Access to reproductive and maternal health services is essential for women to manage their lives and for countries to advance a demographic transition. For children, the first 1,000 days of their life are the foundation for future human capital development and present a window of opportunity for investment. Women's empowerment is discussed more broadly in the

Gender and Development Special Theme paper, which includes additional policy commitments to promote quality, affordable childcare; to support productive economic inclusion for women; and to support GBV prevention and response through health systems and in safe and inclusive educational institutions.

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*Policy Commitment 2: To empower women and support children's formative years, restore and expand access to quality maternal and reproductive health, early years and nutrition services, in at least 30 IDA countries, of which 15 with the lowest HCI.*

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29. **Policy Commitment 2 is focused on expanding access to quality maternal and reproductive health, early years and nutrition services that have been restricted by the COVID-19 crisis across IDA countries.** The situation in countries that have a low HCI score is particularly acute and calls for a special focus. Key interventions will include, *inter-alia*, reproductive health services, prenatal nutrition and health services, the promotion of exclusive breastfeeding for the first six months, adequate complementary feeding, micronutrient supplements, child health checkups with immunization and early screening for disability and early intervention services, WASH practices, early stimulation and positive parenting, and cash transfer programs supporting parents' investments in children.

30. **Objective 3. Emergency Crisis Response: Supporting core social service delivery systems.**

Addressing the human capital gaps exacerbated by COVID-19 requires a multi-sectoral approach and the engagement of a broad set of stakeholders. IDA20 will build on the progress in IDA19 to support access to services that have been curtailed by the COVID-19 crisis.

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*Policy Commitment 3: To address gaps exacerbated by the COVID-19 crisis in at least 40 IDA countries, of which 10 are FCS, support access to core, quality, inclusive social services focused on: (i) social protection for urban informal workers, or (ii) students' return to school and accelerated recovery of learning losses, or (iii) children's immunizations.*

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31. **Continuing the focus in IDA19 on IDA countries characterized as Fragile and Conflict-affected Situations (FCS), Policy Commitment 3**

**addresses service delivery gaps exacerbated by the COVID-19 crisis but looks beyond IDA FCS given the important role of strengthened service delivery in all IDA countries.** Informal workers in urban areas, having access neither to social safety net programs nor employment-based social insurance, have been particularly vulnerable to the economic impacts of COVID-19. The inclusion of these under-covered groups into social protection systems can help advance toward universal social protection. As countries start reopening schools, the priority is to get all children back in school – that is, to recover, and if possible, exceed pre-pandemic enrolment rates and swiftly address any emerging differences between girls and boys – and to accelerate the recovery of learning losses, including by preparing and empowering teachers through tailored, focused,

practical, and ongoing professional development. The disruptions to core health services, in particular to children’s immunizations, could cause a substantial rise in cases and deaths from infectious diseases other than COVID-19. Restoring access to primary health services and delivery of the standard package of immunizations for children is critical.

32. **Objective 4. Emergency Crisis Response: Expanding adaptive social protection and building resilience to shocks.** Research has shown that investments in crisis preparedness are important to resilience since they help countries prepare timely, cost-effective responses to emergencies (Idris 2018). In view of a growing risk of covariate shocks related to climate change, natural disasters, pandemic and conflict, a systemic approach allows for more sustainable, long-term solutions than ad-hoc responses. IDA20 will also promote the resilience and crisis preparedness of education systems by strengthening learning continuity through integration of technology for remote and hybrid or blended learning, improvement of learning environment outside school doors (e.g. expanded access to reading materials, digital content, apps, digital devices, and internet connectivity at home as well as interventions to support parents’ role in hybrid learning settings), and investments in climate-resilient educational infrastructure at scale. The resilience of health systems will be strengthened as well, as outlined in Policy Commitment 1.

33. **An important lesson of the COVID-19 global response has been the effectiveness of cash transfers to reach vulnerable populations expeditiously.** Countries with effective adaptive social protection (ASP) systems were more prepared to respond effectively. Specifically, through shock responsive cash transfers and delivery systems, such as social registries and G2P (Government to People) payments, ASP systems dynamically reached larger segments of populations in need. These systems were able to adjust coverage (horizontal expansion) and benefits (vertical expansion) in response to changing needs and shocks. In confronting the limitations of existing infrastructure, the pandemic has spurred innovations, with countries implementing creative solutions using technologies to make the delivery system more robust and connected.

34. **Policy Commitment 4 will extend the IDA19 commitment relating to incorporating adaptive social protection into national systems that can reduce the risks of a broad range of shocks and provide a platform for the delivery of other services to hard-to-reach individuals and groups (see Box 3.3).** ASP uses digital technologies such as harnessing big data for targeting and identification, integrated social registries for inclusion and the use of mobile-money payments.

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*Policy Commitment 4: To ensure inclusive and effective response against shocks and crises, support at least 20 IDA countries’ resilience against shocks and crises by building adaptive social protection systems, including the use of digital technologies.*

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### Box 3. 3. Adaptive Social Protection in Niger

Niger is one of the poorest IDA countries facing multiple climate and security shocks with the potential to undermine poverty reduction as households resort to negative coping strategies such as reducing food consumption, taking children out of school, or selling productive assets. Since 2011, IDA has supported Niger in developing its ASP system, enabling innovation, e.g. piloting a drought response program which is triggered to deploy cash transfers based on satellite data on meteorological conditions. In 2020, through its large-scale COVID-19 response, cash transfer beneficiaries increased from 30,000 to 4,000,000 households, and also responded to smaller shocks ranging from food insecurity to floods. The Niger ASP system has demonstrated its potential to rapidly and substantially scale up and deliver emergency shock response cost-effectively. The evidence is strong: large-scale impact evaluations of Niger's ASP program have shown significant and durable impacts on key outcomes among very poor households, such as consumption, food security, assets, mental health and women's empowerment.

35. **Objective 5. Resilient Inclusive Recovery: Addressing learning poverty and productivity.** IDA20 will support a range of investments to support children's human capital. Acquisition of foundational skills, particularly literacy, in preschool and primary education is a precondition for accumulation of the more sophisticated skills and competencies that are increasingly demanded by the changing world of work. Children need to learn to read before they can read to learn. Even before the COVID-19 crisis, around 83 percent of ten-year-olds in IDA countries were "learning poor" as they were unable to read and comprehend a simple text. Consistent with the life cycle focus, the Jobs and Economic Transformation (JET) Special Theme has a strong focus on skills and employability for youth, including through expanded access to tertiary education programs, which are interlinked with other IDA20 priorities, such as quality of governance, climate change, and crisis preparedness. Complementary investments are needed in WASH, energy and transport to ensure that basic education is accessible, attractive and of good quality.

36. **Policy Commitment 5 will support IDA countries in measuring learning, including sex-disaggregation of learning outcomes, and implementing core elements of the literacy policy package, which consists of interventions proven to improve reading proficiency.** Interventions will support: (a) monitoring and target-setting to underpin political commitment to making all children literate; (b) adequate, effective instruction by supported teachers; (c) adequate books and basic material for all children; (d) instruction in the

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*Policy Commitment 5: To fill critical learning gaps, support at least 20 IDA countries, of which 10 are the lowest HCI, to reduce learning poverty by (i) measuring learning and (ii) implementing core elements of the literacy policy package (e.g. effective literacy instruction, structured lesson plans, adequate reading materials for all children).*

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language the student uses and understands best; and (e) the fostering of children's language abilities and love of reading. This focus is particularly important in countries with the lowest Human Capital Index where deficits in learning are likely to be the greatest.

37. **Objective 6. Resilient Inclusive Recovery: Expanding access to core services for persons with disabilities.** More than a billion persons globally are estimated to have a disability. Persons with disabilities experience poor human capital outcomes as a direct result of limited and inequitable access to core services such as education, health, social protection, clean water and sanitation, infrastructure, and employment. The schooling deficit experienced by children with

disabilities can become the most challenging impediment to earning an income and long-run financial health as adults. Persons with disabilities face higher rates of multidimensional poverty and substantially lower labor market participation resulting in estimated 3 to 7 percent of GDP loss (World Bank, 2018).

38. **One of the primary reasons for the lack of access to public services for persons with disabilities is that the design of programs or service delivery instruments overlook the accommodations needed for persons with disabilities**, thus excluding them from participating in and contributing to society. Achieving universal access to core public services is central to the twin goals of eradicating poverty and boosting shared prosperity. The World Bank has already made ambitious commitments to making projects disability inclusive by 2025, including all education projects and 75 percent of social protection projects.

39. **Policy Commitment 6 aims to ensure that IDA projects in the education, health, social protection, water, urban, digital development, and transport sectors contain actions to make core services accessible to persons with disabilities.** Building on existing commitments for disability inclusion, this policy commitment focuses on the concept of universal access as it pertains to the progressive realization of full physical and digital access for all.

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*Policy Commitment 6: To promote inclusive societies, support at least 18 IDA countries to meet the needs of persons with disabilities by implementing the principles of universal access through projects in education, health, social protection, water, urban, digital development and/or transport.*

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40. **Objective 7. Resilient Inclusive Recovery: Supporting prevention of and preparedness against future pandemics.** The emergence of infectious diseases has accelerated from less than a hundred outbreaks per year until the 1980s to more than 400 hundred since 2000, of which 75 percent have their origin in animals – including COVID-19, Avian Influenza, SARS, and Ebola. The mapping of risk for emergence of infectious diseases shows that most IDA countries harbor ‘hotspots’ at the human-animal-ecosystems interface. This work is essential to preventing future pandemics.

41. **Policy Commitment 7 supports One Health, which seeks to achieve optimal health outcomes reflecting the interface between people, animals, plants, and their shared environment.** These cross-sectoral programs seek to reduce zoonotic risks (including antimicrobial resistance and pandemics) within food systems and shift the focus of global health security toward prevention and preparedness. Climate change significantly increases the risk and spread of infectious diseases and interventions that address the nexus between human, animal, and ecosystem health also have benefits for the climate. The policy commitment focuses on improving risk-based surveillance systems for zoonotic and other emerging health threats, strengthening the capacity for risk assessment and diagnosis and monitoring networks for human, animal and wildlife diseases,

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*Policy Commitment 7: To prevent zoonotic diseases and ensure pandemic preparedness, support at least 20 IDA countries with One Health approaches which address the nexus between human, animal, and ecosystem health.*

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and improving protocols for information sharing between relevant agencies. Early prevention requires a joined-up approach to prevent and respond quickly to zoonotic diseases, based on the World Bank's One Health Operational Framework.

42. **Objective 8. Resilient Inclusive Recovery: Leverage Adequate, Efficient Human Capital Financing.** IDA19 is focused on the sustainability of human capital financing, while under IDA20 the focus will expand to also emphasize improved adequacy and efficiency. In a context of narrowed fiscal space, there will be an increased need to mobilize, allocate, and spend public funds more efficiently and effectively to maximize investments in people. The availability of resources will need to be calibrated with needs for human capital spending and there is an opportunity to improve both the efficiency and efficacy of human capital financing, notably through a focus on performance and the use of results-oriented reforms. In addition to enhancing domestic revenue mobilization capacities, which will be supported under the Governance and Institutions Cross-Cutting Issue, IDA20 will strengthen resource and expenditure management to ensure that public spending and investments yield high-growth dividends.

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*Policy Commitment 8: To strengthen public finance for human capital investments, support at least 20 IDA countries, of which 10 with the lowest HCI, through (i) the availability of resources and the efficiency of expenditure management and/or (ii) the efficacy of human capital investments measured through output/outcome indicators.*

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43. **Policy Commitment 8 will support central and sectoral budget management.** It is focused on revenue mobilization for human capital as well as on increased allocative and expenditure efficiency to help alleviate fiscal constraints in the post-COVID recovery by focusing on how to achieve the same results at lower levels of spending, or alternatively, increase the value for money by achieving better outcomes at the same level of spending (Mandl et al 2008). It will also support reforms to strengthen the results focus of public finance.

### C. Links to the Results Measurement System

44. **While the proposed policy commitments serve to highlight important actions through the IDA20 cycle, the IDA Results-Measurement System (RMS) provides a complementary monitoring framework for IDA's core activities.** Human capital indicators in the RMS Tier 2 (that is, country level results supported by IDA) include: immunizations for children, basic nutrition services provided to women and children, number of deliveries attended by skilled health personnel, beneficiaries of social safety nets and job-focused interventions, and large-scale learning assessments. These are issues core to human capital formation that need to be monitored on an on-going basis and that are tracked across multiple IDA cycles. Some aspects of these, such as measuring learning and reproductive health services for women are highlighted and given ambitious targets as policy commitments in the IDA20 cycle.

### D. Coordination with Other Special Themes and Cross Cutting Issues

45. **The Human Capital Special Theme policy commitments are complemented by and contribute to the goals of other IDA20 Special Themes as well as the Cross-Cutting Issues.**

The IDA19 policy commitment on GBV prevention and response in health and education will be continued under the IDA20 Gender and Development Special Theme. All other human capital-related IDA19 policy commitments are continued in a revised, more ambitious form in the Human Capital Special Theme in IDA20 (see Annex 1). The focus on reproductive, adolescent, and primary health care in IDA19 is expanded to include early years and nutrition, as well as broader health system strengthening. Nutrition security is also supported under the JET Special Theme.

**46. Crisis preparedness is embedded in health system strengthening and a policy commitment on One Health approaches covering human and animal health has been added.** The policy commitment on social service delivery in FCS is retained and expanded to cover all IDA countries, albeit still with an emphasis on IDA FCS. The IDA19 policy commitment on ASP under the Climate Change Special Theme will be expanded to focus on ASP that is able to respond effectively to a wide range of shocks, including climate, pandemic, migration and economic shocks and support the cross-cutting focus on Crisis Preparedness in IDA20. Whereas the IDA19 policy commitment on human capital financing focused on sustainability, the emphasis under IDA20 will be on the adequacy and efficiency of public financing for human capital. This will be complemented the focus on domestic resource mobilization under the Governance and Institutions Cross-Cutting Issue. Finally, jobs and skills, especially for youth, remains important to the JET agenda, which is tracked by the IDA RMS indicator on job-focused interventions.

**47. The Human Capital Special Theme contributes to the implementation of the WBG Gender Strategy by supporting women’s empowerment through adolescent, maternal, and reproductive health, as well as the provision of early childhood support.** The policy commitment on early childhood development supports investments in the formative first 1,000 days, including through nutrition and cognitive stimulation, and complements the Gender and Development Special Theme that promotes access to quality, affordable childcare, especially for low-income mothers and fathers, with an objective also to increase female labor force participation.

**48. Several policy commitments are cross-sectoral by nature and complementary to other priorities in the IDA20 policy framework.** The “One Health” concept incorporates the goal of achieving optimal health outcomes, recognizing the interconnections among people, animals, plants, and their shared environment, and is complementary to other initiatives and policy actions under the Crisis Preparedness Cross-Cutting Issue. Digital technology has been used widely during the pandemic to reinforce the precautionary measures put in place to avoid transmission risks, and digital transformation of health, education, and social protection delivery systems in IDA countries will be a critical element of the recovery, as also prioritized through the Technology Cross-Cutting Issue. Finally, ensuring the inclusion of persons with disabilities will require implementation of the principles of universal access in a range of core services through projects in education, health, social protection, water, urban, digital development and/or transport. Success in improving outcomes and designing more disability inclusive projects requires that national survey data is disaggregated by disability to show the relative effect of policies and programs on persons with disability, which is an important priority under the Governance and Institutions Cross-Cutting Issue.

#### **IV. ISSUES FOR DISCUSSION**

49. Management would welcome feedback from IDA Deputies and Borrower Representatives on the proposed strategic direction and policy commitments for the IDA20 Human Capital Special Theme as set out in this paper.

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### Annex 1. Proposed IDA20 and Status of IDA19 Policy Commitments

Objective	IDA19 Policy Commitments	Status	Proposed IDA20 Policy Commitments
<b>Emergency crisis response and Health System Strengthening: Boosting COVID19 Vaccination Rollout and strengthening health systems</b>			NEW – Policy Commitment 1: <b>To contain the pandemic</b> , support all IDA countries in the roll-out of <b>COVID-19 vaccinations</b> including broader <b>health care system strengthening</b> and <b>pandemic preparedness</b> .
<b>Emergency crisis response: Invest in nutrition, early years and women’s empowerment</b>	Gender 1: Support women’s empowerment, including through increased access to quality reproductive, adolescent, and primary health care in at least 10 of the 30 countries with the lowest HCI.	This policy commitment is on track to meet the revised target of 10 countries during the shortened IDA19 cycle.	REVISED – Policy Commitment 2: To empower women and support children’s formative years, restore and expand access to quality <b>maternal and reproductive health, early years and nutrition services</b> , in at least 30 IDA countries, of which 15 with the lowest HCI.
<b>Emergency crisis response: Supporting core social service delivery systems</b>	FCV 3: At least 10 IDA FCS country portfolios will support improvements in social sector service delivery (that is, health, education and social protection), with a focus on addressing the differential constraints faced by men compared to women, boys compared to girls, and by people with disabilities.	The target for this policy commitment was adjusted due to the extra time needed to build a strong pipeline of projects that address the differential constraints faced by people with disabilities. This work is now well underway and will be continued in IDA20.	REVISED – Policy Commitment 3: To address gaps exacerbated by the COVID-19 crisis in at least 40 IDA countries, of which 10 are FCS, support <b>access to core, quality, inclusive social services</b> focused on: (i) social protection for urban informal workers, or (ii) students’ return to school and accelerated recovery of learning losses, or (iii) children’s immunizations.
<b>Emergency Crisis Response: Expanding adaptive social protection and building resilience to shocks</b>	Governance 7: Support at least 35 IDA countries to implement pandemic preparedness plans through interventions, including strengthening institutional capacity, technical assistance, lending and investment.	The target for this policy commitment was increased because of the rapid expansion of support to IDA countries to implement pandemic preparedness plans.	REVISED – Policy Commitment 4: To ensure inclusive and effective response against shocks and crises, support at least 20 IDA countries’ resilience by building <b>adaptive social protection systems</b> , including the use of digital technologies.

Objective	IDA19 Policy Commitments	Status	Proposed IDA20 Policy Commitments
	Climate 4: Support at least 35 IDA countries to reduce the risks of climate shocks on poverty and human capital outcomes by supporting programs that incorporate Adaptive Social Protection (ASP) into national systems or reduce climate threats to health.	The target for this policy commitment was increased because of the rapid expansion of work to support IDA countries with adaptive social protection during the pandemic.	
<b>Resilient inclusive recovery: Addressing learning poverty and productivity</b>			NEW – Policy Commitment 5: To fill critical learning gaps, support at least 20 IDA countries, of which 10 are the lowest HCI, to reduce <b>learning poverty</b> by (i) measuring learning and (ii) implementing core elements of the literacy policy package (e.g. effective literacy instruction, structured lesson plans, adequate reading materials for all children).
<b>Resilient inclusive recovery: Expanding access to core services for persons with disabilities</b>			NEW – Policy Commitment 6: To promote inclusive societies, support at least 18 IDA countries to meet the needs of <b>persons with disabilities</b> by implementing the principles of universal access through projects in education, health, social protection, water, urban, digital development and/or transport.
<b>Resilient inclusive recovery: Support prevention of and preparedness for future pandemics</b>			NEW – Policy Commitment 7: To prevent zoonotic diseases and ensure pandemic preparedness, support at least 20 IDA countries with <b>One Health</b> approaches which address the nexus between human, animal, and ecosystem health.
<b>Resilient inclusive recovery: Leverage</b>	Governance 5: Support at least 15 IDA countries with the lowest HCI	This policy commitment is on track to be met within a two-	REVISED – Policy Commitment 8: To strengthen <b>public finance for human</b>

Objective	IDA19 Policy Commitments	Status	Proposed IDA20 Policy Commitments
<p><b>adequate, efficient financing for Human Capital</b></p>	<p>scores to improve the sustainability of human capital financing, including a focus on reaching universal health coverage and good learning outcomes for all, through (i) improving the efficiency of public expenditures, and (ii) more effectively aligning expenditures with domestic financing and external resources in a sustainable manner.</p>	<p>year IDA cycle because some of the actions taken to temporarily increase human capital financing have measures that will put human capital financing on a more sustainable footing in the longer term.</p>	<p><b>capital investments</b>, support at least 20 IDA countries, of which 10 with lowest HCI through (i) the availability of resources and the efficiency of expenditure management and/or (ii) the efficacy of human capital investments measured through output/outcome indicators.</p>

## Annex 2. Policy Commitments in the IDA 20 Framework and Lifecycle

