



Guidance Note: Aligning Outcomes-Based Financing to Early Childhood Care and Education Systems in Sub-Saharan African Countries

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Executive Summary

Outcomes-based financing (OBF), in which payments to service providers are explicitly linked to independently verified, pre-agreed outcomes, is attracting growing interest from global development actors as a mechanism to strengthen accountability and improve results in early childhood care and education (ECCE). Yet applying OBF effectively in ECCE is not simply a matter of adapting sector-agnostic frameworks. It requires careful attention to the specific features of ECCE systems that shape what is feasible, what can be measured, and how OBF can be appropriately aligned with national priorities and institutions.

This note offers practical guidance for practitioners working on OBF in ECCE. It uses Sub-Saharan African countries as an illustrative context, examines four key dimensions of ECCE systems (i.e., national policy and priorities, governance and finance, service delivery and workforce, and measurement and data systems), and considers what each dimension implies for the design and implementation of OBF initiatives. The note does not argue for or against OBF as an approach to financing ECCE initiatives; rather, it aims to support more context-sensitive, system-aligned applications of OBF as part of broader efforts to strengthen ECCE systems and advance equity and quality.

- 1. National policy and priorities:** ECCE has become increasingly visible within national development agendas across Sub-Saharan African countries, with many countries adopting integrated, multisectoral early childhood development (ECD) or ECCE policies. However, significant gaps persist between policy ambition and actual provision: in participation rates, particularly among the poorest and most marginalised children; in the translation of access into improvements in child development outcomes; and in policy coverage across age groups, with many national frameworks remaining focused on learning for children aged three and above, thereby leaving infants and toddlers without systemic support. For OBF practitioners, these gaps define both the problem that OBF can address and the limits of what it can credibly promise. OBF objectives and outcome metrics can be anchored in nationally articulated priorities, and policy-provision gaps should inform whether interventions focus on expanding access, improving quality, and/or reaching specific underserved populations.
- 2. Governance and finance:** ECCE governance in many Sub-Saharan African countries is characterised by fragmented institutional responsibilities distributed across multiple ministries and levels of government, reflecting the sector's multisectoral nature. Financing mirrors this fragmentation, with ECCE expenditures spread across sectoral budgets and supplemented by donor funding, private contributions, and substantial household spending. Public financial management systems in many countries are input-based and annual, limiting these countries' governments' ability to make multi-year, performance-linked commitments. Understanding governance structures is essential for OBF practitioners looking to identify who can act as contracting authorities or outcome payers and assess whether coordination mechanisms

are sufficiently robust to support shared outcome targets. Rather than being deterred by fragmentation, OBF can be used as a coordination mechanism to align multiple ministries, levels of government, and funding streams around common outcomes.

3. **Service delivery and workforce:** ECCE service delivery in many Sub-Saharan African countries is inherently mixed and heterogeneous. It is characterised by diverse settings, such as centres, homes and community homes, and the dominant role played by non-state actors. Public financing has not expanded at a scale sufficient to meet demand, meaning that non-state providers, including community-based organisations, faith-based providers, and private for-profit operators, constitute core components of the delivery system. Household cost burdens are substantial, with poorer families being systematically less able to access ECCE services. Workforce constraints, including severe shortages of trained personnel and fragmented qualification frameworks, limit the types of interventions OBF initiatives can realistically support. For OBF practitioners, understanding how services are delivered in practice (i.e., across which settings, by which types of providers, and with what workforce capacity) is essential for determining what outcomes can be realistically targeted and how performance incentives will interact with existing delivery arrangements. Instead of focusing solely on public or private providers, OBF initiatives can engage the entire delivery ecosystem, incorporate equity safeguards to prevent performance incentives from reinforcing exclusion, and treat workforce capacity as a design parameter rather than an external assumption.
4. **Measurement and data systems:** Robust measurement and independent verification are central to OBF. The ECCE data landscape is characterised by fragmentation across sectoral systems, incomplete coverage of non-public providers, binary participation measurement that does not capture dosage or quality, and an almost total absence of routinely collected child-level developmental outcome data. These gaps create compounding constraints on what can be credibly baselined, monitored, and verified. Assessing the measurement environment before designing outcome metrics and payment structures could help OBF practitioners prioritise outcome frameworks that balance ambition with what can be realistically verified in context. Rather than building a parallel project-specific infrastructure, OBF design can invest in strengthening national data systems as part of the broader programme.

A consistent principle emerges across all four dimensions: OBF is likely to support meaningful and sustainable improvements in ECCE when it is designed with, rather than against, the grain of existing systems. Aligning OBF with existing systems involves grounding OBF initiatives in national priorities, working within and strengthening institutional structures, engaging the full provider ecosystem, and treating measurement as a system-building function. When designed with this orientation, OBF has the potential to function not only as a financing mechanism but also as a tool for coordination, learning, and system improvement in the ECCE sector.

1. Introduction

Outcomes-based financing (OBF) is attracting growing interest as an approach to strengthen accountability and improve results in early childhood care and education (ECCE). Applying OBF effectively in ECCE is not simply a matter of adapting generic frameworks that have been developed for OBF initiative design; it also requires careful attention to the specific features of ECCE systems that shape what is feasible, what can be measured, and how OBF can be appropriately aligned with national systems and priorities.

This note offers practical guidance for practitioners working on OBF in ECCE by examining how features of ECCE systems—from governance arrangements and financing structures to workforce capacity and data systems—interact with outcomes-based approaches. The note uses Sub-Saharan African countries as its illustrative context.

1.1 Background and Rationale

ECCE is widely recognised as a foundational investment for human development, equity, and long-term social and economic progress. A substantial body of evidence has demonstrated that high-quality ECCE supports children’s cognitive, socioemotional, and physical development, with lasting benefits for learning, health, productivity, and social cohesion across the life course (Black et al., 2017; Richter et al., 2021; Raikes et al., 2023). Reflecting this evidence, ECCE has been elevated within global policy agendas, most notably through Sustainable Development Goal (SDG) 4.2 and the Tashkent Declaration on Early Childhood Care and Education, which reaffirms ECCE as a public responsibility and calls for increased, sustained investment to expand equitable access and improve quality (UNESCO & UNICEF, 2022; UNESCO & UNICEF, 2024).

Despite growing political recognition, ECCE systems continue to face persistent structural challenges, particularly in low- and middle-income countries and in Sub-Saharan African countries (Razquin & Neuman, 2025; UNESCO & UNICEF, 2024). Public financing for ECCE remains limited and fragmented, governance responsibilities are often spread across multiple ministries with weak coordination, and service provision is highly heterogeneous and unevenly regulated (Razquin & Neuman, 2025; Raikes et al., 2023; UNESCO, 2023). These challenges are compounded by weak workforce capacity, including shortages of trained practitioners, uneven professional standards, and limited support for delivering holistic, developmentally appropriate ECCE services across education, health, nutrition, and protection domains (UNESCO & UNICEF, 2024). Together, these constraints undermine efforts to expand access equitably and translate increased investment into consistent improvements in quality and child development outcomes.

In this context, OBF, which explicitly links payments to service providers to independently verified and pre-agreed outcomes, has become one of several strategies being considered to enhance accountability and improve the alignment

between funding and measurable results in the ECCE sector. ECCE financing has traditionally relied largely on input-based models, in which funding is allocated to predefined inputs and activities—such as infrastructure, staffing, or training—often with limited flexibility for adaptation when these inputs do not generate the intended improvements in quality or outcomes (Lee & Medina, 2019; Terway et al., 2021). Results-based financing (RBF) approaches, including OBF, seek to address some of these limitations by linking at least a portion of funding to the achievement of predefined and verifiable results, thereby shifting attention from expenditure tracking towards performance and outcomes (Lee & Medina, 2019; Gustafsson-Wright & Gardiner, 2016). OBF approaches are not substitutes for adequate public financing or a panacea for the structural challenges facing ECCE systems. However, they can potentially help focus resources, incentives, and learning around what matters most for children when applied selectively and carefully.

This note examines the ECCE-specific contextual factors that shape the feasibility, design, implementation, and sustainability of OBF in ECCE, using Sub-Saharan African countries as an illustrative context. By examining how features of ECCE systems (i.e., policy priorities, governance arrangements, financing structures, service delivery models, workforce capacity, and data systems) interact with outcomes-based approaches, the note aims to support practitioners with more context-sensitive, system-aligned guidance on the use of OBF as part of broader efforts to strengthen ECCE systems and advance equity and quality. While OBF initiatives vary in their structure and financing—ranging from small-scale pilots financed and implemented by private actors to large government-embedded programmes—this note primarily focuses on OBF approaches that aim to align with and strengthen public ECCE systems. Practitioners in this note refer to the full ecosystem of actors engaged in outcomes-based financing, including government officials, funders, implementers, and evaluators, recognising that each group engages with OBF from different roles and decision-making vantage points.

A growing body of evidence and guidance has sought to identify the enabling conditions and design features of OBF across sectors, providing valuable frameworks for practitioners to determine when, where, and how to use OBF.¹ These frameworks typically examine conditions such as political commitment, outcome measurability, data availability, fiscal space, and the presence of capable service providers, and they are often intentionally sector-agnostic (i.e., designed to be applied across health, education, employment, and other social sectors). This note complements these cross-sector frameworks by focusing specifically on the institutional, governance, and service delivery features of ECCE systems that sector-agnostic frameworks do not fully capture and that can significantly shape OBF feasibility, design, and sustainability.

¹ For other cross-sector OBF guidance and frameworks, please see resources from the Government Outcomes Lab (<https://golab.bsg.ox.ac.uk/toolkit/technical-guidance>), the World Bank Global Partnership for Results-Based Approaches (<https://documents1.worldbank.org/curated/en/265691542095967793/pdf/A-Guide-For-Effective-Results-Based-Financing-Strategies.pdf>), OECD Development Co-Operation Working Paper (https://www.oecd.org/content/dam/oecd/en/publications/reports/2025/12/outcomes-based-financing-in-the-new-financing-for-development-architecture_9bee7a99/badd168e-en.pdf) and Strid & Ronicle (2021) (<https://publications.iadb.org/en/social-impact-bonds-latin-america-idb-labs-pioneering-work-region-lessons-learnit>).

This note does not aim to provide guidance on whether OBF is the appropriate financing approach for a given ECCE challenge. This determination depends on the specificity of the challenge and comparison with alternative approaches.

The note is structured as follows: Section 2 introduces OBF and situates it within the broader RBF landscape. Section 3 sets out the methodology. Section 4 examines four key dimensions of ECCE systems, with examples from Sub-Saharan African countries—national policy and priorities, governance and finance, service delivery and workforce, and measurement and data systems—and considers the implications of these dimensions for OBF design and implementation.

2. Understanding Outcomes-Based Financing

OBF refers to financing arrangements in which some or all payments are explicitly linked to the achievement of pre-agreed and independently verified outcomes. Drawing on the definition used in the *Evidence Review of Outcomes-Based Finance for Early Childhood Care and Education*, OBF focuses on changes in behaviour, service quality, or beneficiary well-being—typically intermediate or final outcomes—rather than on the delivery of activities or inputs (Airoldi et al., 2024).

OBF is a subset of broader results-based financing (RBF) approaches, in which results can refer to both outputs and outcomes. OBF explicitly focuses on the achievement of outcomes as the condition for payment, which distinguishes it from other RBF approaches that may condition payments on outputs. Outputs refer to tangible deliverables or activities completed—for example, the number of teachers trained, classrooms constructed, or parenting sessions delivered. Conversely, outcomes capture the effects of these activities, such as improvements in pedagogical practice, school readiness, or children’s cognitive and socio-emotional development (Airoldi et al., 2024). While many RBF approaches link payments to outputs or short-term results, OBF prioritises outcomes as the primary trigger for payment, reflecting a stronger focus on effectiveness than implementation alone.

One of OBF’s defining features is its potential to align actors around a shared set of measurable outcomes. This is particularly relevant for ECCE, in which responsibilities are often distributed across multiple ministries and levels of government, and where public, private, and community-based providers operate under uneven regulatory and financing arrangements. By making outcomes explicit and verifiable, OBF can create a common focal point for coordination, accountability, and learning across actors that would otherwise operate in parallel. At the same time, OBF does not substitute for sustained public investment or strong foundational systems; rather, it may complement existing financing approaches by sharpening the focus on outcomes when applied selectively and in ways that are aligned with national priorities.

OBF is implemented through a range of instruments that vary in structure, risk allocation, and the roles of different actors; however, all OBF instruments share a common emphasis on linking financing to verified outcomes. Table 1 provides an overview of the main OBF instruments that have been used or explored in ECCE and related social sectors.

Table 1. Overview of Outcomes-Based Financing Instruments and Illustrative ECCE Examples

Instrument	Definition	Key Features	Illustrative ECCE Examples
Outcomes-based contracts (<i>not including impact bonds</i>)	Contracts in which payments to service providers are contingent on the achievement of agreed outcomes.	No external investors required; performance risk borne primarily by providers; typically involve fewer parties than investor-backed models, although still require careful contract design to manage performance risk.	The Child Development Centers Program (Colombia), where a portion of payments from the government to service providers is linked to verified improvements in early childhood development outcomes
Impact bonds (social impact bonds/development impact bonds)	Outcomes-based contracts that involve private investors providing upfront capital, repaid by outcome payers only if outcomes are achieved.	Transfers financial risk away from governments or donors; high transaction costs; requires robust outcome measurement and verification.	Programa Primero Lee (Chile), philanthropic organisations linking repayments to investors for improvements in children’s literacy outcomes across kindergarten and early primary grades.
Outcomes funds	Financing mechanisms that coordinate and commission multiple outcomes-based contracts or impact bonds under a shared outcomes framework; may pool funding from multiple sources into a single vehicle or align parallel funding commitments towards common outcome metrics.	Align programme goals and pool funding from multiple funders; support the standardisation and pricing of outcomes; enable learning across projects.	The Rwanda ECCE Outcomes Fund pools resources from the government and the LEGO Foundation into a single outcomes framework, which is then used to commission multiple providers. Payments are made only for verified improvements in quality and child development outcomes.
Impact-linked lending	Financing arrangements in which repayment terms or interest rates vary based on achievement of agreed outcomes.	Retains repayment obligation; rewards performance through improved financial terms rather than outcome payments alone.	Under the USAID CATALYZE EduFinance initiative (South Africa), ECCE providers accessed loans on standard terms; however, they received interest rate reductions or financial incentives when independently verified child development or service quality outcomes were achieved.
Social impact guarantees	Mechanisms in which a third party (the guarantor) commits to cover part of or all outcome payments if agreed results are not achieved. In practice, this means that if performance falls short, the guarantor compensates outcome funders (and/or repays investors), thereby absorbing some of the financial risk.	De-risks experimentation; often combined with other OBF instruments; lowers barriers to entry for outcome funders and investors.	There are currently no examples in ECCE; however, the Haryana Early Literacy Development Impact Bond used a third-party guarantee to cover a portion of potential outcome payments.

Source: Authors’ compilation based on the work of Airoldi et al. (2024), Patrinos & Tanaka, (2024), and USAID CATALYZE (2024).

Box 1 clarifies what OBF is—and what it is not—in the context of ECCE, thereby supporting practitioners in navigating the often-blurred boundaries between outcomes-based financing and other results-oriented approaches.

Box 1. What OBF Is and What It Is Not

It is important for practitioners considering OBF in ECCE to distinguish OBF from other results-oriented financing approaches.

OBF is:

- A financing approach in which payments to service providers are linked to the achievement of clearly defined and independently verified outcomes.
- Designed to incentivise effective service delivery, giving providers the flexibility to adapt how services are delivered so long as outcomes are achieved.
- Often implemented through instruments such as impact bonds, where upfront capital is provided by investors and repaid based on results. However, instruments other than impact bonds can also be used.
- Most effective when outcomes are within the reasonable influence of service providers and can be credibly measured.

OBF is not:

- A traditional input-based financing tied to activities, staffing, or infrastructure.
- Conditional cash transfers or incentive schemes that reward individuals (e.g., payments to parents, students, or teachers).
- Results-based aid or system-level budget support that links payments to national government's achievement of policy reforms or macro-level indicators.
- A substitute for strong public financing of ECCE, but rather a complementary mechanism that can enhance accountability and learning.

Understanding these distinctions helps practitioners determine whether OBF is appropriate for their specific context and objectives and prevents the misapplication of the instrument in settings in which foundational system conditions are not yet in place.

Source: Adapted from the Government Outcomes Lab Glossary.
<https://golab.bsq.ox.ac.uk/knowledge-bank/glossary/>

3. Methodology

This note draws on three complementary sources of information: a desk-based review of existing literature, semi-structured interviews with experienced practitioners, and insights generated through the Collective Learning Initiative discussions. Together, these sources were used to develop a practical, context-

sensitive understanding of how OBF can be designed and applied in ECCE, with particular attention paid to countries in Sub-Saharan Africa. Sub-Saharan African countries are used as this note's illustrative context because they face a particularly acute set of financing challenges: with the lowest pre-primary participation rate of any region at 19% net enrolment in 2022, systems in Sub-Saharan African countries must expand rapidly to meet the needs of a fast-growing child population; however, the region's public financing remains severely constrained, and their data systems too weak to support region-level analysis (UNESCO & UNICEF, 2024; Razquin & Neuman, 2025). At the same time, while Sub-Saharan African countries are the largest regional recipients of donor aid for pre-primary education, this aid remains fragmented across countries—making the improved efficiency and effectiveness of financing arrangements a pressing priority for national governments and aid agencies (UNESCO & UNICEF, 2024).

In this note, we primarily define ECCE as focusing on learning opportunities for children aged 0-8, including early stimulation, education, guidance, and developmental activities, and incorporating the importance of holistic support at this stage of development. ECCE encompasses additional care domains, such as health, nutrition, sanitation, hygiene, and protection, and takes place at home and in the community through organised services and programmes that target children directly or indirectly, including interventions aimed at parents and other primary caregivers. Quality ECCE provision looks different across cultural and country contexts and draws on a range of resources to meet the specific needs of each child (UNESCO, 2016; UNESCO, 2021).

It is important to note that ECCE is not uniformly defined across organisations, governments, or policy frameworks, and practitioners working in this space will encounter varying definitions depending on context. Three main sources of variation are worth noting. First, the age range covered differs across definitions. While this note adopts a 0-8 years definition, many national systems and international frameworks use narrower periods, either focusing from birth to start of primary school (0-6 years) or others focusing mainly on schooling, with children aged 3 to the start of primary school. Second, the sectoral focus of ECCE can vary. Some definitions are primarily centred on education and organised learning, while others, such as early childhood development (ECD) (UNICEF, 2023) and the Nurturing Care Framework (WHO et al., 2018), adopt a broader, holistic perspective in which education is one component alongside health, nutrition, social protection, and responsive caregiving—education is not necessarily the primary domain. Third, definitions of ECCE differ in whether they encompass only organised, centre-based provision or also include home- and community-based programmes that indirectly target children through caregivers. The ECCE definition adopted in this note designates learning and education as its primary domain while acknowledging the holistic nature of child development and the range of settings and caregiving relationships through which it occurs.

The desk-based review for this note draws on empirical studies, policy analyses, and technical reports produced by multilateral and international organisations, including the OECD, the World Bank, UNESCO, UNICEF, and the Education Outcomes Fund, as well as peer-reviewed and grey literature. Information about OBF projects in the ECCE sector were gathered from a previous evidence review of 22 projects

worldwide, out of which seven projects were either planned or implemented in Sub-Saharan Africa (Airoldi et al., 2024). These sources constitute conceptual frameworks, documented case examples, and comparative insights into the financing, governance, and measurement challenges associated with OBF in ECCE and related social sectors.

The note also draws on semi-structured interviews with practitioners who have designed, assessed, or implemented OBF mechanisms across a range of social sectors. The included interviews captured perspectives from initiatives and feasibility assessments undertaken in Jordan, South Africa, Rwanda, Kenya, Tanzania, and Colombia. Each interview lasted approximately one hour and followed a shared thematic guide covering contextual and systems readiness, financing and risk-sharing structures, outcome definition and measurement, stakeholder engagement, implementation challenges, and sustainability.

Finally, the note's analysis is informed by insights from the Collective Learning Initiative (CLI) on Outcomes-Based Financing in Early Childhood Care and Education.² Discussions with CLI members helped test emerging findings against practical experience and surface reflections on the opportunities and constraints of adapting OBF mechanisms to ECCE systems in countries in Sub-Saharan Africa, strengthening both the relevance and grounding of the note.

4. Contextual Adaptation of OBF in ECCE

OBF mechanisms operate within existing policy, institutional, financial, and service delivery systems, and their feasibility and effectiveness depend on how well they are aligned with these underlying conditions. In many Sub-Saharan African countries, where ECCE systems are shaped by multisectoral mandates, mixed provision, and persistent resource constraints, contextual factors play a particularly decisive role in determining how OBF can support system-strengthening efforts or risk reinforcing existing fragmentation and inequities.

This section examines the key contextual dimensions that OBF practitioners must understand and navigate when designing ECCE-focused OBF initiatives. Rather than treating context as a constraint to be worked around, this section analyses how existing structures can either enable or limit the use of OBF as a coordination, financing, and accountability tool. While the note's analysis draws on evidence from Sub-Saharan African countries, many of the contextual dimensions discussed are relevant beyond the region, particularly for practitioners working in other low- and middle-income countries or in any resource-constrained contexts where ECCE systems face similar structural challenges.

² A full description of the programme and other resources developed through the Collective Learning Initiative on Outcomes-Based Financing in Early Childhood Care and Education can be found on the NORRAG (<https://www.norrageducation.org/collective-learning-initiative-outcomes-based-financing-for-early-childhood-care-and-education>) and Government Outcomes Lab (<https://golab.bsg.ox.ac.uk/about/Outcomes-Based-Finance-for-Early-Childhood-Care-and-Education>) websites.

Section 4.1 focuses on the policy environment and examines how national ECCE policies, legal entitlements, and gaps between policy ambition and actual provision shape the space for OBF interventions. Section 4.2 turns to governance and financing and analyses how institutional responsibilities and financing arrangements for ECCE are distributed across ministries, levels of government, and funding sources. This section also explores what this implies for identifying outcome payers, pooling resources, and aligning incentives. Section 4.3 examines service delivery and workforce realities, highlighting the heterogeneity and diversity in the nature of providers in ECCE systems and the implications this diversity has for targeting, equity, and performance measurement under OBF initiatives. Section 4.4 examines measurement and data systems, identifying what data sources and outcome measurement tools currently exist in Sub-Saharan African countries, and what this implies for how OBF outcomes can be defined, tracked, and independently verified in the ECCE sector.

4.1 National ECCE Policy and Priorities

Designing OBF initiatives in ECCE should begin with a clear understanding of what governments aim to achieve in ECCE, how these ambitions are expressed in national policy and priorities, and which of these ambitions the government wants to pursue through OBF. For practitioners working within governments as well as those supporting from outside, aligning OBF objectives and outcome metrics with established national priorities—whether they are related to expanding access, improving quality, strengthening parenting support, or promoting equity in access and outcomes—helps ensure that outcomes-based approaches reinforce rather than compete with ongoing reforms. Such alignment increases the likelihood of political ownership, institutional coherence, and sustained engagement across ministries and levels of government (i.e., national government and other subnational units, like states or districts).

Grounding OBF design in national priorities also enhances the prospects that OBF initiative elements—such as performance indicators, monitoring processes, contracting, and financing modalities—can be institutionalised within domestic systems over time, regardless of whether the initiative is domestically financed, supported by donors, an ongoing reform, or structured as a time-bound programme.

ECCE has gained visibility within national development agendas across Sub-Saharan Africa. Many countries in the region have adopted (or are developing) multisectoral or integrated ECD or ECCE policies that reflect a more holistic understanding of early childhood—linking early learning, health, nutrition, protection, and parenting support. However, gaps between policy ambitions and policy implementation remain. Equitable ECCE access to, or holistic provision of ECCE, is still not the reality in most countries in the region; thus, substantial financing and systems-strengthening efforts are required.

Understanding the ECCE policy context is important for OBF initiative design because it affects what an initiative can credibly promise, how targets should be calibrated, and whether the initiative needs to include foundational system building (for example, establishing data and monitoring systems or gaining stakeholder support for setting priorities) before tying funding to results. In some cases, OBF designers

may need to assess which parts of their initiatives can be integrated with the ECCE policies and systems and which parts must be developed outside existing structures (for example, is there a need for baseline data collection or the establishment of new evaluation or data verification processes). In short, understanding national ECCE policy and priorities is not just a background step—it is a practical way of ensuring that OBF design is politically feasible, technically realistic, and oriented towards sustainability in the specific country context.

4.1.1 National Commitments and Policies in Sub-Saharan Africa

Reflecting the growing recognition of early childhood as foundational to human capital development, equitable education outcomes, and long-term economic growth, many countries have adopted national Early Childhood Development (ECD)³ or ECCE policies that articulate a multisectoral and holistic approach (Raikes et al., 2023; UNESCO & UNICEF, 2024). These policy frameworks signal a shift away from viewing ECCE as a primarily informal or community-led domain towards greater formalisation through public policy, legislation, and state involvement.

This trend in Sub-Saharan African countries mirrors global developments. By 2019, at least 76 countries across the world had adopted national multisectoral ECD policies, including ECCE (Raikes et al., 2023). In Sub-Saharan African countries, global and regional commitments—including the Sustainable Development Goals and Africa’s Agenda 2063—have reinforced ECCE as a strategic public investment and helped elevate it on national policy agendas (United Nations, 2015; African Union Commission, 2015). However, these commitments do not prescribe how countries should organise, finance, or deliver ECCE services. National policy responses vary widely and are shaped by domestic political priorities, institutional arrangements, and fiscal constraints.

Integrated and Multisectoral ECCE Policy Frameworks

Integrated and multisectoral ECD or ECCE policies typically aim to improve coordination across ministries, establish shared standards for service provision, and expand access to early learning opportunities alongside health, nutrition, and social protection interventions. Countries such as Rwanda, Kenya, Senegal, Côte d’Ivoire, Ghana, and South Africa have developed national frameworks that explicitly integrate multiple early childhood domains, recognising the fact that no single sector can deliver holistic early childhood outcomes alone (Neuman & Devercelli, 2012; Raikes et al., 2023; Harris et al., 2024).

Table 2 provides an overview of the status of national multisectoral ECD or ECCE policy development across Sub-Saharan African countries. While a substantial number of countries have approved such policies, others remain at the drafting stage, with some countries still lacking a national multisectoral framework. Even in countries policies are formally approved, implementation is often uneven, with

³ Each country has adopted a specific terminology for the sector, with some differences in definition being noted. The policy may be called ECD (reflecting broader early childhood domains) or ECCE (focusing on learning environments and holistic child development) depending on the country.

delays arising from limited financing, unclear institutional responsibilities, or weak coordination mechanisms.

Table 2. Status of National ECD Policy Development in Sub-Saharan Africa

Policy status	Countries
No national multisectoral ECD policy	Cabo Verde; Chad; Côte d'Ivoire; Democratic Republic of Congo; Equatorial Guinea; Eswatini; Gabon; Guinea-Bissau; Madagascar; São Tomé and Príncipe; Somalia; South Sudan; Sudan; Togo; Zambia
National multisectoral ECD/ECCE policy officially adopted	Angola; Benin; Botswana; Burkina Faso; Burundi; Cameroon, Central African Republic; Comoros; Congo; Djibouti; Eritrea; Ethiopia; Gambia; Ghana; Guinea; Kenya; Lesotho; Liberia; Malawi; Mali; Mauritania; Mauritius; Mozambique; Namibia; Niger; Nigeria; Rwanda; Senegal; Seychelles; Sierra Leone; South Africa; Uganda; Tanzania; Zimbabwe
<p>Notes:</p> <ul style="list-style-type: none"> • “Multisectoral ECD policy” refers to national frameworks that explicitly integrate education, health, nutrition, and child protection. • This table provides a baseline snapshot; policy status may have evolved and should be verified against the latest government documents. <p>Source: National ECD policy data from <i>Nurturing Care Framework Country Profiles</i> (2025), https://nurturing-care.org/resources/country-profiles.</p>	

ECCE Priorities in National Education Sector Plans and Partnership Compacts

Beyond stand-alone ECD or ECCE policies, ECCE priorities are increasingly articulated within Education Sector Plans and, more recently, Global Partnership for Education Partnership Compacts. In many countries globally, early learning and pre-primary education are positioned as part of broader system transformation agendas centred on foundational learning, teacher effectiveness, and equity.

Table 3 summarises key national and international sources that practitioners can consult to understand a country’s ECCE policy landscape and priorities and to identify entry points to align OBF initiative goals and payment-linked outcomes with existing national frameworks.

Table 3. Where Practitioners Can Find Information on National ECCE Policy and Priorities

Source type	What it typically contains	Why it matters for OBF design
National ECD or ECCE policy or framework	Government vision, objectives, and institutional roles for early childhood across sectors	Clarifies national priorities and whether ECCE is politically salient
Education sector plan/education sector	Sector-wide priorities, sub-sector goals (including for pre-primary education),	Helps align OBF outcomes with education reform agendas

strategic plan and analysis	indicators, policy implementation or pre-primary provision status	
GPE partnership compact	Agreed-upon reform priorities tied to system transformation and financing	Indicates government and donor alignment around priority outcomes
Pre-primary or early learning sub-sector plans	Detailed objectives, standards, and targets for early learning	Useful for specifying payment-linked outcomes and target populations
UNESCO Planipolis	National education plans and policies and key education frameworks and monitoring reports	Useful portal for finding official education policy resources
National development plans/social protection strategies	Cross-sector priorities that affect early childhood	Important for identifying non-education ECCE priorities
Nurturing care framework country profiles	Country-level summaries of early childhood policies, services, and system gaps across health, nutrition, early learning, security, and responsive caregiving	Provides a cross-sector snapshot of early childhood priorities and implementation gaps that is particularly useful for identifying holistic outcomes and system constraints relevant to OBF
<p>Note: While many of these sources are education sector documents, practitioners should also review health, nutrition, social protection, labour, and gender policies to fully understand national early childhood priorities, particularly for children under three.</p> <p>Source: Authors' own compilation.</p>		

Some examples of how countries in Sub-Saharan Africa have included ECCE policies within their education plans and programmes are listed as follows:

- **Kenya:** Kenya's National Education Sector Strategic Plan (2018-2022) explicitly includes pre-primary education as a sub-sector priority. This plan addresses core issues of access, quality, and standards within a devolved education system (Kenya Ministry of Education, 2019). Kenya's GPE Partnership Compact further identifies improving quality teaching, learning, and pre-primary education as a priority reform area, linking improvements in early learning to broader system outcomes (Global Partnership for Education, 2022a). Complementing these commitments, Kenya's 2018 Pre-Primary Education Policy Standard Guidelines provide national direction on regulation, coordination, and service quality in the pre-primary subsector (Kenya Ministry of Education, 2022).
- **Sierra Leone:** In 2021, the Government of Sierra Leone approved the National Policy on Integrated Early Childhood Development, which establishes an overarching, multisectoral framework to ensure that all children aged 0-8 years have equitable access to quality services in health, nutrition, security and protection, responsive caregiving, and early learning so they may reach their full potential. In support of this policy, Sierra Leone's Education Sector Plan (2022-2026) and Partnership Compact (2022-2026) were established, with reforms centred around foundational learning and explicitly including pre-primary readiness as part of the education reform package, thereby positioning ECCE as an entry point for improving learning trajectories across

the education system (Government of Sierra Leone, 2022; Global Partnership for Education, 2022b).

- **Rwanda:** Rwanda's 2023-2027 Partnership Compact prioritises system transformation, including improvements in foundational learning and system capacity, creating an enabling policy context for aligning ECCE outcomes with national reform objectives (Ministry of Education, Rwanda, 2023).
- **Zambia:** Zambia is in the process of developing its multisectoral ECD policy (UNICEF, 2025). Zambia's current GPE Compact Document specifically acknowledges early childhood education as a critical foundation for learning and improving national education outcomes. Through the Compact's commitments, the Zambian government is implementing the Zambia Enhancing Early Learning project, which aims to improve equitable access to and quality of early childhood education in targeted areas (Global Partnership for Education, 2021; Zambia Ministry of Education, 2023).

Common Priority Areas Across Policies in Sub-Saharan Africa

ECCE priorities tend to cluster into a familiar set of domains across national policies, sector plans, and partnership compacts in Sub-Saharan African countries:

- Access and participation, which is often focused on expanding pre-primary coverage.
- Equity, including reaching poor, rural, and marginalised children.
- Quality, through standards, supervision, and improved learning environments.
- Workforce development, including the supply, training, and deployment of teachers and caregivers.
- System strengthening, particularly data, coordination, and financing mechanisms.

These priorities constitute an important starting point for OBF design. By grounding OBF initiative goals and payment-linked outcomes in nationally articulated priorities, initiatives can support ongoing reforms instead of introducing parallel or misaligned incentives.

4.1.2 Understanding the Gaps Between ECCE Policy and Provision

ECCE provision often remains highly disparate across population groups even when national policy frameworks articulate ambitious ECCE goals. A central policy-provision gap is evident across most countries in Sub-Saharan Africa: Many children in these countries still do not participate in organised early learning opportunities, particularly in the year before primary school, when early learning can have important implications for school readiness. Recent global estimates have found that approximately half of the children in Sub-Saharan Africa participate in organised learning one year before the official primary entry age, indicating that many children enter primary school without prior exposure to pre-primary education services (UNESCO & UNICEF, 2024).

Crucially, participation in ECCE services is not distributed evenly across population groups. Data across Sub-Saharan African countries consistently show that children from poorer households and rural areas are far less likely to access ECCE services than their wealthier and urban peers (Table 4). These early participation gaps

matter beyond access to ECCE alone; children who miss out on organised early learning opportunities are likelier to enter primary school without foundational skills, widening inequalities in learning outcomes that can persist across the education cycle. These disparities highlight the fact that, in practice, national commitments to expanding ECCE often translate into uneven coverage in practice, with the poorest children systematically being left behind.

Table 4. Adjusted Net Attendance Rate One Year Before Primary School Entry for Sub-Saharan African Countries

Country	Total (%)	Residence (%)		Wealth Quintile (%)		Data	
		Rural	Urban	Poorest (Q1)	Richest (Q5)	Source	Survey Year
Angola	52.9	36.1	63.5	32	81.2	Demographic and health surveys (DHS) 2015-16	2016
Benin	48.1	38.5	64.8	21	88	DHS 2017-18	2018
Burundi	38.4	34.3	73.9	17.6	73.7	DHS 2016-17	2017
Cameroon	65	48.3	86.1	29.5	93.3	DHS 2018	2018
Central African Republic	42.9	32.6	66	25.9	79.7	Multiple indicator cluster surveys (MICS) 2018-19	2019
Chad	20.3	17.4	35.1	10.4	40.1	MICS 2019	2019
Congo	76.7	58	87.5	51.7	93.9	MICS 2014-15	2015
Côte d'Ivoire	48	35.7	67.5	26.5	82	MICS 2016	2016
Democratic Republic of the Congo	43	30.6	61.7	24	71.9	MICS 2017-18	2018
Ethiopia	51.5	48.3	82.8	40	81.4	DHS 2016	2016
Gambia	74.6	67.1	78.8	61.1	90.9	MICS 2018	2018
Ghana	88.1	83.4	94	72	97.2	MICS 2017-18	2018
Guinea	51.9	42.9	74.3	35.5	80.2	DHS 2018	2018
Guinea-Bissau	45	31.5	77.2	24.4	88.5	MICS 2018-19	2019
Lesotho	84.9	83	88.8	73.1	97.5	MICS 2018	2018
Madagascar	59.4	55.6	75.9	40.2	91.3	MICS 2018	2018
Malawi	62.8	61	76.2	49.4	82.7	DHS 2015-16	2016
Nigeria	60.5	48.3	78.6	24.4	92.6	DHS 2018	2018
São Tomé and Príncipe	74.1	74.5	73.9	52.4	93.1	MICS 2019	2019

Senegal	28.3	18.4	43.6	18.5	48.7	DHS 2019	2019
Sierra Leone	63.9	56.4	76.7	47.1	85.2	MICS 2017	2017
South Africa	97.3	97.8	96.9	96.5	98.7	DHS 2016	2016
Togo	71.8	63.6	88.3	54.4	96.2	MICS 2017	2017
Uganda	72.3	69	86.3	46.5	94.4	DHS 2016	2016
United Republic of Tanzania	69	63	88.6	44.1	94.6	DHS 2015-16	2016
Zambia	58.7	51	74.6	38.9	92.7	DHS 2018	2018
Zimbabwe	81	80.3	82.9	70.2	90.9	MICS 2019	2019
Source: Adapted from UNICEF, 2019							

For OBF practitioners, such patterns are critical, as they shape who an initiative can realistically reach through existing delivery channels as well as where new delivery channels will need to be created. An examination of these existing gaps could show that outcome targets may need to prioritise equity-focused gains (e.g., improvements in participation among the poorest quintiles or underserved geographic areas) rather than aggregate increases in access alone.

The translation of access to ECCE services to improvements in early childhood development outcomes has been identified as another policy-provision gap. While expanding access to ECCE can contribute positively to children’s development, population-level child development outcomes are shaped by multiple factors, including ECCE service quality, children’s home environments, health and nutrition conditions, and broader socioeconomic inequalities. This implies that increased participation alone may be insufficient to drive consistent gains. Global reporting on SDG indicator 4.2.1 indicates that only around two-thirds of young children are developmentally on track, with substantial variations noted across and within countries (United Nations Statistics Division, 2023). Country-level data in Sub-Saharan Africa illustrate this variation. For example:

- **Ghana:** The pre-primary attendance rate was 88.1%, while the percentage of children developmentally on track was approximately 68% (MICS 2017-2018 data provided in UIS, 2026).
- **Sierra Leone:** The pre-primary attendance rate was 63.9%, while the percentage of children developmentally on track was 51% (MICS 2017 data provided in UIS, 2026).

For practitioners designing OBF initiatives, these outcome gaps reinforce the importance of selecting indicators that go beyond service availability to capture who is benefiting and how children’s development is changing. Outcome measures that reflect equitable improvements in access and developmental progress can help ensure that OBF approaches support national ECCE objectives. By explicitly linking financing to these outcomes, OBF initiatives can help ensure that expanded access to ECCE translates into meaningful improvements in children’s development.

The third identified policy-provision gap concerns the scope of policy itself: Even where national ECD or ECCE frameworks exist, they do not necessarily cover the full span of early childhood. The national policies and programmes of many countries in Sub-Saharan Africa tend to focus on children aged 3 and above, leaving a significant gap in state-supported provision for infants and toddlers. The nature of this gap

varies across countries. For caregivers, who have formal employment in countries with statutory parental leave, the gap spans the period between the end of leave entitlements and the start of any publicly provided early childhood services, which can last for several years. For most caregivers who have informal employment, or who live in countries without statutory parental leave provisions, the childcare gap often begins from birth. In all cases, families, typically mothers, must rely on unpaid home care, informal arrangements, or out-of-pocket private provision. This childcare policy gap is demonstrated by the following examples (Harris et al., 2024):

- **Rwanda:** While the National Early Childhood Development Program (NECDP) and Vision 2020 Umurenge Program promote holistic child development through social protection, they do not extend to institutional childcare for the youngest children, leaving a policy gap of approximately 6.75 years between the end of parental leave and the start of any statutory provision of any free universal childcare or education.
- **Kenya:** The National ECD Policy Framework prioritises broader ECD services without directly addressing childcare for children under 3, leaving the gap largely to unpaid care or private and community initiatives. Kenya is notable as a partial exception, as it is in the process of adopting a national care policy that explicitly acknowledges and aims to address this gap.
- **Senegal:** The integrated ECD policy and Case des Tout-Petits programme focus care provision on children aged 3 and above, leaving younger children without statutory support.
- **Côte d’Ivoire:** Despite recent expanded investments in multisectoral nutrition, ECD, and pre-primary education, care provision remains concentrated on children aged 3 and above.

For OBF practitioners targeting children under 3, understanding whether any statutory or organised ECCE provision exists for this age group is essential. Where such provision is absent, OBF initiatives must carefully consider how outcomes-based incentives and delivery arrangements can be structured to expand access without disproportionately benefiting families already able to access informal or private alternatives.

4.1.3 Implications for OBF Design and Implementation

Understanding national ECCE policy priorities and the gaps between policy ambition and actual provision is essential for the design of OBF initiatives that are feasible, relevant, and aligned with country contexts. In many Sub-Saharan African countries, where ECCE systems are characterised by growing political recognition alongside persistent inequities in access and outcomes—with the poorest and most marginalised children consistently least likely to benefit—OBF approaches must be carefully designed to reinforce national priorities while allowing for practitioners to respond to those currently being left behind. There are three key implications for OBF design and implementation related to alignment with national ECCE policy and priorities:

- **Anchor OBF objectives in national ECCE priorities:** OBF initiative goals and payment-linked outcomes can be explicitly aligned with priorities articulated in national ECCE or ECD policies, education sector plans, and partnership compacts. Integrated ECCE policies can provide clear policy anchors and opportunities for OBF initiatives to define common outcomes across multiple ECCE dimensions. Such an alignment can increase political legitimacy, support

government ownership, and enhance the likelihood that successful approaches are sustained within national systems after the original funding for OBF initiative ends.

- **Use policy-provision gaps to define the problem OBF looks to address:** Differences between policy commitments and actual ECCE participation or outcomes can inform the focus of OBF initiatives. Targeting coverage and participation gaps in the OBF initiative might be the preferred approach over system-wide outcomes in areas where access remains low among specific population groups. This also involves practical cost trade-offs, as working through existing delivery channels is typically less costly and can extend reach quickly, whereas establishing new provision in underserved areas would often require significant upfront investment in infrastructure, potentially workforce capacity, and time. Given persistent disparities in access by wealth, geography, and other dimensions, OBF designs can explicitly consider outcomes that reflect equitable improvements—such as increased participation among children from the poorest households, rural areas, or other underserved groups. Equity-sensitive outcome metrics can help ensure that outcomes-based incentives do not disproportionately benefit populations that are already better served.
- **Account for gaps in policy coverage across age groups:** In areas where national ECCE policy does not extend to children under 3, OBF initiatives targeting this age group cannot assume the existence of organised service delivery systems, regulatory frameworks, or workforce capacity on which to anchor outcome targets. In such contexts, OBF design may need to incorporate foundational system building—such as supporting the development of service standards or provider networks—before payment-linked outcomes can be credibly defined and measured. Equity considerations are particularly acute, as outcomes-based incentives that rely on existing private or community provision risk disproportionately reaching better-off families while leaving the most disadvantaged behind.

4.2 Governance and Finance

Governance and financing arrangements fundamentally shape how ECCE systems function in practice; therefore, they condition what OBF initiatives can realistically achieve. While national policies may articulate ambitious, integrated visions for ECCE, governance structures and financing systems are what determine who holds authority, how decisions are made, where resources flow, and which actors can be held accountable for results. For OBF practitioners, understanding these arrangements is a practical necessity, as they directly influence who can act as an outcome payer, which institutions can commit to outcomes-based payments, and how the financing approach that links payments to outcomes would interact with existing public systems.

In many Sub-Saharan African countries, ECCE governance and financing are characterised by fragmentation rather than consolidation. Responsibilities for early childhood programmes are typically distributed across multiple ministries and levels of government, reflecting the multisectoral nature of ECCE. Financing mirrors this fragmentation: ECCE expenditures are spread across sectoral budgets and

supplemented by donor funding, private and philanthropic contributions, and substantial household spending. These arrangements create coordination challenges, weak accountability, and misalignment between policy ambitions and operational realities—but they also create opportunities for reform-oriented instruments such as OBF. Fragmented mandates and budgets can, in principle, be aligned around shared outcomes, while mixed public-private financing systems can open space for performance-linked payments, pooled funding, blended finance, and impact investors. Whether OBF serves as a coordination mechanism, a financing innovation, or a system-strengthening tool depends heavily on how governance authority is organised, how flexible public financial management systems are, and how willing governments and partners are to experiment with outcome-oriented approaches.

4.2.1 Which Government Ministries and Levels Are Responsible for ECCE?

Responsibility for ECCE in most Sub-Saharan African countries is rarely concentrated within a single government authority. Instead, ECCE governance arrangements typically reflect the sector's multidimensional nature, with mandates distributed across multiple ministries and, in many cases, across different levels of government. Understanding how these responsibilities are assigned and how they interact in practice is essential for OBF initiative design and implementation, as governance structures shape who can set priorities, who controls resources, and who can ultimately be held accountable for results.

Sectoral fragmentation is a common feature of ECCE governance in the region, in alignment with global patterns. Different components of early childhood services fall under separate ministries. These institutional divisions are frequently reinforced by age-based mandates. In many countries, services for children under the age of three are governed separately from early learning services for older preschool-aged children. Ministries of Education are usually responsible for pre-primary or early learning services for children one or two years before they enter primary school, while ministries of health oversee maternal, infant, and child health and nutrition interventions for children. Childcare services and parenting support are often assigned to ministries of gender, social development, or children's affairs. As a result, no single institution typically has authority over the full continuum of services that ECCE policies seek to integrate (Neuman & Devercelli, 2012; Raikes et al., 2023).

- **Kenya**, for example, has adopted a multisectoral approach to early childhood development governance, with the Ministry of Education serving as the institutional anchor for pre-primary education, while other dimensions of early childhood services—including health, childcare, and child protection, which reflect the broader ECD policy—are coordinated across additional ministries, including those responsible for gender and social services (Neuman & Devercelli, 2012).
- In **Ghana**, ECCE is governed through a multisectoral framework in which the Ministry of Gender, Children and Social Protection serves as the policy owner and coordinating authority, while responsibility for service delivery is divided across ministries, with pre-primary education led by the Ministry of Education and child protection and social welfare services managed through social

protection structures. However, weak coordination mechanisms and unclear role delineation have resulted in the fragmented implementation of the framework in practice (UNICEF, 2020).

The decentralisation⁴ of responsibilities is another important feature of ECCE governance that should be considered in OBF initiative design. Even in countries whose national governments set ECCE policy frameworks and standards, implementation authority is often devolved to sub-national governments, such as those of provinces, regions, counties, or municipalities. These sub-national governments may be responsible for planning services, allocating operational budgets, licensing or supervising providers, and coordinating non-state actors. For example:

- In **Kenya**, for instance, early childhood services are a devolved function under county governments, resulting in significant variations in access, quality, and administrative capacity across counties (Piper et al., 2018).
- In **South Africa**, Municipalities play a central role in ECCE registration and oversight, contributing to uneven implementation despite a strong national policy framework (Genesis Analytics, 2024). Recent reforms illustrate both efforts to address fragmentation and the complexity involved in doing so. South Africa's National Integrated Early Childhood Development Policy established a unified framework for cross-sectoral coordination, and the subsequent transfer of ECCE oversight from the Department of Social Development to the Department of Basic Education was intended to strengthen alignment of ECCE with the education system. However, the evaluation of the ECCE policy implementation in South Africa has highlighted that this institutional shift required a substantial realignment of financing flows, regulatory responsibilities, and intergovernmental coordination, and that capacity constraints—particularly at the provincial and municipal levels—continue to affect policy implementation (Genesis Analytics, 2024).

These governance patterns suggest that integrated ECCE policies do not automatically result in integrated governance; instead, practitioners designing OBF initiatives are likely to encounter governance systems characterised by multiple responsible ministries, decentralised implementation authority, and overlapping mandates. These features have direct implications for OBF design, particularly in the determination of who can act as a contracting authority or outcome payer, which level of government can credibly commit to outcomes, and whether coordination mechanisms are sufficiently robust to support shared outcome targets across sectors and jurisdictions. Practitioners in countries where an anchor coordinating ministry or department cannot be identified may need to consider targeting outcomes within a single sector or devote their efforts to developing coordination mechanisms to bring together multiple stakeholders to agree on a common set of targeted outcomes for ECCE. In countries where a single ministry or department oversees ECCE

⁴ Decentralisation broadly refers to the transfer of authority or responsibility from central to sub-national levels of government and takes two main forms in public administration: Devolution involves the transfer of both authority and fiscal responsibility to sub-national governments with their own legal mandate and local accountability, while deconcentration involves the delegation of administrative tasks to sub-national offices of central ministries, which remain upwardly accountable to the ministry and do not hold independent budget authority (McGinn & Welsh, 1999).

provision, OBF initiatives could consider incentivising outcome targets that integrate the functions of multiple sectors.

Box 2. Examples of OBF Initiatives that Incorporated Multisectoral ECCE Approaches

The Tennessee High-Quality Pre-K initiative in the United States, which combined preschool provision with wraparound support for families, including access to housing assistance, clothing, and family services, is an example of a broader, multisectoral orientation. Rather than treating early learning in isolation, the initiative embedded education within a wider package of social supports aimed at addressing barriers to participation and persistence, illustrating how outcomes-focused approaches can align early learning goals with complementary interventions beyond the education sector (First 8 Memphis, n.d.).

In Sub-Saharan Africa, a similar ambition to work across sectors can be seen in the design of South Africa's Impact Bond Innovation Fund (IBIF) in the Western Cape. The IBIF was initially conceived as a multisectoral platform that would integrate education and health outcomes by bringing together provincial Departments of Social Development and Health as co-outcome payers alongside philanthropic donors. Although the initiative's health component was ultimately not implemented, the design process itself was instructive in that it illustrates how OBF can, in principle, be used to pool resources across ministries and coordinate provision across sectors, even in contexts where responsibilities, budgets, and accountability mechanisms are institutionally fragmented (Rayner & Nkonyeni, 2021).

4.2.2 Financing for ECCE

Financing is a central constraint shaping the gap between ambitions stipulated in ECCE policies and effective ECCE provision in many Sub-Saharan African countries. Although many countries have adopted integrated ECCE policies, financing arrangements have not been aligned with these priorities. ECCE systems are typically underfunded, financed through multiple fragmented sources, and governed by public financial management rules that prioritise short-term, input-based expenditures over longer-term, outcome-oriented investments. Thus, understanding how ECCE is financed and how financing systems operate in practice is critical for designing and implementing OBF initiatives in the sector.

Who Finances ECCE

ECCE in many Sub-Saharan African countries is usually funded through four main sources: government budgets, international development assistance, private and philanthropic actors, and household contributions.

- **Government financing** remains the backbone of ECCE systems; however, public sector budget allocations are generally low and uneven. Global benchmarks recommend that countries allocate 10% of their education budgets to pre-primary education (UNESCO & UNICEF, 2022); however, most countries in the region do not meet this target (Table 5). ECCE spending is

often embedded across multiple sectoral budgets—beyond the education budget, including health, social development, and community services—and is frequently folded into primary education spending, as many pre-primary classrooms are attached to primary schools, rather than being consolidated under a distinct programme or budget line. Where responsibilities are decentralised, subnational governments may also finance ECCE through local budgets, often with significant variations in fiscal capacity and implementation. Examining ECCE budget allocations across ministries and levels of government could help OBF initiative designers determine which national or local government entities could become outcome payers. Additionally, developing an understanding of government ECCE spending could help OBF initiative designers set realistic estimates and expectations for the total financing available for new ECCE interventions and for the long-term sustainability of ECCE interventions through government funding.

Table 5. Pre-Primary Education Spending

Country	Government spending as a percentage of the total education budget	Official Development Aid flows as a percentage of total education aid
Côte d'Ivoire	1.5%	27.13%
Kenya	2.0%	0.28%
Rwanda	2.4%	2.07%
Senegal	1.7%	2.16

Note: Government spending on pre-primary education is based on the latest available data for each country: Côte d'Ivoire (2023), Kenya (2015), Rwanda (2021) and Senegal (2022). Official Development Aid flows are for the year 2022.
Source: Harris, et al., 2024

- **International aid** plays an important complementary role in ECCE financing, particularly in low-income and fragile settings where multilateral and bilateral donors support ECCE through project financing, technical assistance, and system-strengthening initiatives. Recent analyses show that while international investment in pre-primary education has increased in absolute terms, it remains a very small portion of overall education aid. According to the 2025 *Theirworld Act for Early Years* donor scorecard, while donor funding for pre-primary education more than doubled over the past five years to approximately USD 250 million in 2023, these funds still accounted for only 1.2% of the total official development assistance (ODA) for education—far below the target of 10% internationally endorsed by and advocated for by Theirworld and UNICEF (Theirworld, 2025).

Around 53% of international aid for pre-primary education in 2023 was directed to countries in Sub-Saharan Africa, although this funding has fluctuated considerably year-on-year (Theirworld, 2025; Harris et al., 2025). Multilateral institutions, particularly the World Bank, provided the bulk of external financing, while bilateral contributions remained limited (Theirworld, 2025). In 2022, Côte d'Ivoire emerged as one of the largest recipients of pre-primary education aid, largely due to substantial World Bank support, whereas countries such as Kenya, Rwanda, and Senegal received comparatively lower levels of foreign assistance (Harris et al., 2024).

These patterns reflect the broader challenge of underinvestment in ECCE. Despite growth in absolute ODA, the relative share of donor funding remains low, and support is concentrated among a few donors and recipient countries. Strengthening and expanding this support is critical if international aid is to effectively contribute to universal access to quality early-years education (Theirworld, 2025).

Furthermore, while donor financing can be catalytic, it is often time bound and fragmented, limiting its ability to sustain services at scale. Innovative financing mechanisms such as OBF can help align incentives and resources over the long term, thereby addressing this challenge. For example, OBF initiative designers could structure multilateral and bilateral donors as co-outcome payers alongside the government, thus ensuring that funding is linked to measurable service delivery outcomes and sustained impact.

- **Private and philanthropic actors**, including foundations, NGOs, CSR initiatives, and impact investors, also finance the provision of ECCE, often funding non-state actors, particularly in instances where public funding is constrained (UNESCO & UNICEF, 2024; Razquin & Neuman, 2025). It is useful to distinguish between two broad categories of non-state finance. Philanthropic or CSR funding typically takes the form of grants that do not require repayment to the funder. Conversely, finance from impact investors is return-seeking capital and requires a revenue-generating business model. Data on private-sector financing are not systematically collected to generate general insights; however, they can potentially complement government spending on ECCE. For instance, impact investing was estimated to have approximately USD 1.57 trillion in assets under management; however, it is difficult to estimate how much of this capital is invested in the education sector, let alone in the early childhood sector (Hand et al., 2024). For the largest foundations tracked by the OECD, philanthropic disbursements to early childhood education in Sub-Saharan Africa totalled approximately USD 96 million over 2016-2019, which may be an underestimation of philanthropic funds, given that the OECD data are non-exhaustive (OECD, 2021). Philanthropic and CSR funding can be used flexibly as both grant funding and repayable investments, and they play a significant role in financing OBF initiatives as outcome payers, investors in impact bonds, third-party guarantors in social guarantee initiatives, or even as impact-linked lenders.
- **Household contributions** constitute a major component of ECCE financing in most countries in Sub-Saharan Africa, largely reflecting persistent gaps in public provision and funding. The reliance on private and non-state provision (discussed further in Section 4.3) across the regions means that families frequently bear a direct and disproportionate share of financing ECCE through fees, materials, and informal contributions, particularly in cases where ECCE is not free or universally available (Razquin & Neuman, 2025; Rao et al., 2024; UNESCO & UNICEF, 2024). This pattern is regressive in effect: Poorer households spend a larger share of their income on ECCE than wealthier ones yet often receive lower-quality services in return. In several countries, household contributions account for a substantial share of total ECCE financing.

- In the **Gambia**, households are estimated to cover approximately 67 per cent of total early childhood education costs, underscoring how access depends on families' ability to pay (Rao et al., 2024).
- In **Ethiopia**, community-based pre-primary models rely heavily on local resource mobilisation, including in-kind contributions from households and communities, such as the provision of learning spaces and volunteer labour (Rao et al., 2024).
- In **Rwanda**, while national coordination mechanisms for early childhood development have strengthened policy coherence, households continue to absorb high costs for childcare and early learning services due to limited public financing, particularly for children under three (Razquin & Neuman, 2025). Evidence from across the region suggests that this heavy reliance on household financing exacerbates socioeconomic inequalities in ECCE participation and quality, as poorer families are less able to afford fee-based services or supplementary costs associated with private and non-state provision (Harris et al., 2024; UNESCO & UNICEF, 2024). Collectively, these patterns indicate that household spending is not merely complementary but structurally embedded in ECCE systems in Sub-Saharan African countries, raising concerns about equity and the sustainability of progress without significantly expanded public investment.

Multiple sources of ECCE financing make it difficult to assess the total funding available for the sector, align spending with policy priorities, or hold any single institution accountable for results. From an OBF perspective, while such fragmentation can complicate implementation, it also provides an opportunity for OBF mechanisms to bring disparate funding streams together around shared outcomes.

Box 3: Co-Financing with Government, Philanthropic Donors, and Private Investors

In Rwanda, the Help Me Grow Rwanda Early Childhood Education Outcomes Fund brings together government and philanthropic outcome payers to strengthen early childhood learning outcomes at scale. The Government of Rwanda and the LEGO Foundation have committed to paying for verified improvements in centre quality and child development outcomes, while the Bridges Outcomes Partnership will provide upfront capital as the investor, enabling service providers to scale interventions before outcomes are realised. This structure aims to align performance incentives across public and private stakeholders and demonstrate how shared outcome commitments can mobilise capital for early learning priorities (Education Outcomes Fund, 2025a).

The South Africa ECCE Outcomes Fund is designed to support early childhood programmes for more than 115,000 young children by aligning financing across government and private actors around shared results. The government, together with philanthropic outcome payers (the LEGO Foundation, Yellowwoods Social Investments/Yellowwoods & This Day, FirstRand Foundation, Standard Bank Tutuwa Community Foundation, and Oppenheimer Memorial Trust), has committed to paying for verified improvements in access, quality, and developmental outcomes. The Bridges Outcomes Partnership will act as the investor supplying upfront capital to some of the service providers. This model pools resources across sectors and funds multi-year performance-linked payments (Education Outcomes Fund, 2025b).

An earlier OBF initiative in South Africa, the Impact Bond Innovation Fund (IBIF) in South Africa brought together provincial government departments—the Western Cape Departments of Social Development (and initially also the Department of Health)—as outcome payers, alongside philanthropic matching funders, including the Discovery Foundation and the ApexHi Charitable Trust, to repay investors based on verified results for children receiving home-based support (i.e., achievement of targets on enrolment, attendance, retention, and learning outcomes). Upfront capital was provided by impact investors, including the Standard Bank Tutuwa Community Foundation, LGT Venture Philanthropy, and Futuregrowth Asset Management, demonstrating how outcomes-based financing can pool public budgets with philanthropic and private investment to support ECCE delivery (Rayner & Nkonyeni, 2021).

Public Financial Management and Regulatory Constraints

Beyond low financing levels, as with any OBF initiative, regulatory and budgetary frameworks constrain the ECCE sector in specific ways. Public financial management systems in many countries are predominantly input-based and function on an annual basis, with annual budgets tied to salaries, infrastructure, or materials rather than to learning outcomes or service quality (Airoldi et al., 2024). Legal and procurement frameworks often limit multiyear commitments and restrict governments' ability to make payments contingent on verified results. These features are particularly

relevant for ECCE, where policy may mandate only one year of pre-primary access; however, outcomes such as developmental gains may be realised over several years.

Government officials responsible for ECCE may have limited experience managing results- or outcomes-based financing programmes and may require additional capacity building to adopt new approaches. This need for technical support is especially salient in decentralised systems where local authorities directly manage pre-primary services.

For example, in Kenya, Nairobi City County explored an impact bond model to finance free preschool under its local mandate. However, the programme did not launch because existing public-private partnership laws prevented the county government from committing future payments for outcomes through an impact bond (Gustafsson-Wright & Gardiner, 2016). This illustrates how ECCE-specific responsibilities intersect with broader public financial management systems and legal constraints, creating barriers to piloting OBF mechanisms, even when financing and demand exist.

Despite these challenges, OBF initiatives in ECCE can act as catalysts for reform, encouraging dialogue on multi-year budgeting, outcome-oriented expenditure, and the integration of more flexible financing instruments within existing fiscal frameworks. By demonstrating the feasibility of linking payments to measurable ECCE outcomes, such initiatives can support the transition of financial and regulatory systems towards models that more effectively sustain and scale early childhood development services.

4.2.3 Implications for OBF Design and Implementation

Understanding national governance and financing systems is critical for designing OBF initiatives that are feasible, credible, and aligned with how ECCE systems function in practice. As discussed in Sections 4.2.1 and 4.2.2, ECCE responsibilities in Sub-Saharan African countries are typically distributed across multiple ministries and levels of government, while financing is fragmented across sectoral budgets, donors, private actors, and households, and is governed largely by input-based, annual public finance rules. These structural features shape both the constraints and the opportunities to apply OBF in ECCE. Three key implications for OBF design and implementation emerge from this analysis:

- **Use governance structures to identify an institutional anchor or strengthen coordination around shared outcomes:** Governance arrangements can play a critical role in determining how OBF initiatives are structured and who leads them. In some contexts, existing governance systems may allow a clear anchor ministry or department, such as education or social development, to serve as the contracting authority and focal point for accountability. In other contexts, such as where authority is more dispersed, OBF initiatives can function as a coordination mechanism rather than relying on a single institutional lead. By defining a common set of outcomes and linking financing to their achievement, OBF can help align multiple ministries, agencies, and levels of government around shared objectives, catalyse dialogue across sectors, clarify roles and responsibilities, and promote the joint ownership of results. Even when formal coordination mechanisms are weak, the OBF design

process itself can provide a structured platform for collaboration in otherwise fragmented systems.

- **Pool resources and identify feasible outcome payers across fragmented financing systems:** While fragmented ECCE financing across education, health, social protection, and community development budgets creates challenges for coherent implementation, it also presents opportunities for OBF to pool resources around common outcomes. OBF initiatives can be designed to draw contributions from multiple budget lines, ministries, or levels of government, allowing outcome payments to reflect the multisectoral nature of ECCE policy commitments. In practice, outcome payers may include one or more line ministries, sub-national governments with budget authority, or a combination of public and external actors, such as international donors or philanthropies. In contexts where public systems face constraints in committing to future performance-linked payments, donors or development partners may act as interim or complementary outcome payers. Early mapping of who controls relevant budgets, how funds flow, and which entities can credibly commit to outcome payments is therefore essential for designing viable OBF structures.
- **Leverage non-state finance as a complementary and aligned source of capital:** The presence of philanthropic donors, CSR actors, and impact investors in some country contexts creates opportunities to mobilise additional capital for ECCE through impact bonds, outcomes funds, or impact-linked lending. Blended finance approaches can be used alongside concessional or grant capital from governments, donors, philanthropies, or CSR to de-risk and catalyse commercial investment in ECCE, thereby lowering the cost of capital for return-seeking investors while directing resources towards nationally defined priorities. When aligned with national ECCE policies and priorities, philanthropic donors and CSR actors can also complement public funding by providing upfront capital, acting as co-outcome payers, or serving as third-party guarantors that reduce fiscal risk for governments. Such arrangements can enable multi-year, performance-linked financing while supporting government leadership and long-term system strengthening. Rather than acting as substitutes for public investment, OBF structures that incorporate non-state finance can help crowd in resources, support innovation, and reinforce accountability for results within nationally defined ECCE agendas.

OBF should not be viewed solely as a technical financing instrument but as a potential system-level tool that could intentionally support coordination, align fragmented governance and financing arrangements, and mobilise diverse resources to pursue shared ECCE outcomes. The feasibility and appropriateness of such approaches will depend on country-specific political commitments, institutional capacity, and regulatory flexibility—factors that practitioners should assess carefully when determining the role OBF can play in broader ECCE system-strengthening efforts.

4.3 Service Delivery and Workforce

Understanding how ECCE services are delivered in practice is critical for designing OBF initiatives, as OBF-funded interventions ultimately reach children, caregivers, and communities through service delivery arrangements. The effectiveness, equity, and sustainability of OBF mechanisms depend not only on financing and governance structures but also on how services are organised on the ground, who delivers these services, and the regulatory and capacity conditions under which these services are delivered.

ECCE service delivery is inherently heterogeneous and fragmented across the globe. This is also the case with countries in Sub-Saharan Africa. This reflects the sector's multisectoral nature and long-standing patterns of underinvestment. Chronic underfunding, combined with overlapping ministerial mandates and decentralised governance, has resulted in mixed delivery systems characterised by diverse service settings, a dominant role for non-state actors, and a workforce that is often insufficiently supported to deliver holistic, high-quality ECCE services. Rather than representing a transitional gap in service delivery, this diversity constitutes a structural feature of ECCE systems (Razquin & Neuman, 2025; UNESCO & UNICEF, 2024).

These structural conditions contribute to the persistent policy-practice gaps. Even where integrated ECCE policies exist, or where legal mandates recognise pre-primary education or aspects of early childhood services as public entitlements, translating these commitments into consistent, equitable service delivery across multiple settings and providers remains a difficult task. While ECCE has increasingly been recognised as a public responsibility, the nature and strength of this responsibility vary across the age continuum. In many Sub-Saharan African countries, the state's obligations are most clearly defined for the year or two before primary school entry, where legal entitlements to pre-primary education are more firmly established. For younger children, the state's role is more commonly one of regulation, standard-setting, and targeted subsidisation rather than universal free provision—an approach consistent with the principle of progressive universalism (Rose, 2017)⁵. Consequently, public provision, regulation, and financing are more developed for centre-based or pre-primary education, and services delivered through homes, communities, workplaces, or non-state providers remain weakly regulated, unevenly financed, and largely dependent on household contributions (UNESCO & UNICEF, 2024).

For OBF practitioners, these realities underscore the importance of designing interventions that are responsive to existing delivery ecosystems rather than assuming uniform service models or provider capacity. Service delivery arrangements shape who can realistically participate in OBF, how outcomes can be measured and verified, and whether incentives reinforce or undermine equity objectives. The following subsections examine four interrelated dimensions of ECCE service delivery in Sub-Saharan African countries: mixed provision across settings, the central role of non-state actors in service delivery, household cost burdens and

⁵ Progressive universalism refers to the principle of prioritising public financing for the lowest levels of schooling first and directing the greatest resources to the most disadvantaged children.

equity implications, and workforce capacity constraints. We consider how OBF mechanisms can be designed to engage with these realities in ways that strengthen alignment with national policies, promote equity, and support system-level improvement.

4.3.1 Mixed Provision and Delivery Settings: Beyond Pre-Primary Schooling

ECCE service delivery extends far beyond formal pre-primary education and is characterised by a wide range of delivery settings that reflect both policy design and historical patterns of provision. While pre-primary education is often the most visible and formally regulated component of ECCE systems, services for young children are delivered across multiple spaces, including early learning centres, community facilities, health centres, workplaces, and homes. This mixed provision landscape is not incidental; it is a defining feature of ECCE systems, which are shaped by multisectoral mandates, uneven public investment, and reliance on non-state provision (Razquin & Neuman, 2025; UNESCO & UNICEF, 2024).

- **Centre-based** provision across the region dominates early learning services for children in the years immediately preceding primary school, particularly in urban and peri-urban areas. In countries where governments have introduced legal entitlements or compulsory pre-primary education—such as in Ghana, Rwanda, and Kenya—policy attention and public financing tend to concentrate on centre-based models linked to the education system (UNESCO & UNICEF, 2024). These take the form of either stand-alone early learning centres or pre-primary classrooms within existing primary schools. However, access to these services remains highly unequal, especially in rural areas, informal settlements, and fragile contexts, where infrastructure constraints and workforce shortages limit the expansion of formal centre-based provision (Razquin & Neuman, 2025).
- **Healthcare facilities** are critical, though often under-recognised, delivery platforms for ECCE services for children under the age of three in Sub-Saharan African countries. Given that contact with the health system is most consistent during pregnancy, infancy, and early childhood, many countries deliver components of early childhood development through primary healthcare services. These components include nutrition support, developmental screening, caregiver counselling, and guidance on responsive caregiving, which are not provided exclusively in formal education settings. UNESCO and UNICEF highlight that, in low- and middle-income contexts, health systems often serve as the *de facto* entry point for early childhood interventions, particularly in nations where formal childcare or early learning services are limited or absent for younger children (UNESCO & UNICEF, 2024; Razquin & Neuman, 2025).
 - In **Mozambique**, a pilot initiative integrated early child development into existing health facility platforms by embedding developmental monitoring, nutrition screening, and early learning and nutrition counselling within primary healthcare services, demonstrating that health workers can deliver nurturing care interventions alongside routine child health services in rural health facilities (Jeong et al., 2022).

- **Home- and community-based** delivery models play a critical role in reaching younger children and underserved populations. Parenting programmes, community childcare arrangements, playgroups, and outreach services delivered through health or social protection platforms are widespread, particularly for children under three, across Sub-Saharan African countries. One report by UNESCO and UNICEF (2024) highlights that in many Sub-Saharan African countries, most services for infants and toddlers are delivered outside formal education settings, often through community- or home-based arrangements that fall under health, social welfare, or community development mandates. These modalities are essential for inclusion but are typically weakly regulated and inconsistently financed.
 - In **Zimbabwe**, the Reach Up programme is a home-based early stimulation intervention in which trained home visitors work directly with caregivers to promote responsive caregiving, play, and early learning for young children, using structured curricula adapted for low-resource settings (Smith et al., 2018). The programme relies on household-level delivery and caregiver engagement as its core implementation strategy, and it is a widely cited example of scalable home-based ECCE in Sub-Saharan Africa (Smith et al., 2018).
 - In **Rwanda**, the Sugira Muryango is a structured home-visiting early childhood development programme targeting households with young children, particularly those receiving social protection services, and integrates parenting support, early stimulation, nutrition, and violence prevention through regular visits by trained community-based coaches (Jensen et al., 2025).
- **Employer- and workplace-based** childcare represents a small but increasingly visible component of mixed ECCE delivery in parts of Sub-Saharan Africa, particularly in urban and industrial formal employment settings. Employer-supported childcare has emerged sporadically in instances where labour-retention pressures, gender-equity objectives, or corporate social responsibility frameworks encourage private-sector engagement.
 - In **Kenya**, for example, large formal employers such as Safaricom have established on-site workplace crèches to support working parents, and social enterprises like Kidogo have partnered with employers in factories, offices, and plantations to provide near-site childcare for lower-income workers using a franchising model (International Finance Corporation, 2017).

The coexistence of multiple delivery settings creates significant challenges for implementing integrated ECCE policies in practice. Even when policy frameworks promote holistic child development, service delivery often remains siloed across sectors, settings, and age groups. Children may interact with health services, early learning centres, and social protection programmes at different points, as coordination across providers or continuity of support remain limited. UNESCO and UNICEF (2024) emphasise that this fragmentation is particularly pronounced for children under three, who are least likely to benefit from coordinated service packages despite being at a critical developmental stage.

Mixed provision has important design implications for OBF practitioners. Interventions cannot assume that ECCE delivery occurs primarily through formal

education institutions or that a single provider or setting can deliver the full package of services envisaged under integrated ECCE policies. Instead, OBF initiatives may need to operate across multiple delivery modalities, thereby incentivising coordination among providers or encouraging holistic service provision within existing settings. In principle, OBF mechanisms can support alignment by rewarding providers for achieving outcomes that cut across traditional sectoral boundaries—such as improvements in early learning, nutritional outcomes, and caregiving practices—rather than narrowly defined service outputs.

4.3.2 Non-State Providers

Across Sub-Saharan Africa, non-state actors are not peripheral to ECCE systems but instead constitute a core component of service delivery across age groups and settings. While governments increasingly articulate ECCE as a public responsibility through national policies and legal frameworks, public provision alone has not expanded at a sufficient scale or speed to meet demand. As a result, ECCE delivery in practice relies heavily on a diverse ecosystem of non-state providers, creating a mixed-provider system in which public policy goals are largely pursued through loosely regulated non-state delivery channels.

Non-state provision spans several categories, each playing a distinct role within national ECCE systems:

- **Community-based organisations** deliver a substantial share of services for children under three, particularly through home-visit programmes, parenting support, playgroups, and community childcare centres. These providers are often embedded in social protection, nutrition, or health outreach platforms and are central to these programmes reaching poor and rural households. Examples include Rwanda’s Sugira Muryango home visit programme and Zimbabwe’s Reach Up early stimulation intervention, both of which rely on trained community-based workers delivering services directly to households (Smith et al., 2018; Jensen et al., 2025).
- **Faith-based organisations** also operate preschools and childcare centres in many Sub-Saharan African countries. In countries such as Ghana, Kenya, Malawi, Nigeria, Tanzania, Uganda, and Zambia (see Box 4), churches, madrasas, and other religious organisations are long-standing providers of early learning services, often using their own existing infrastructure and community networks.
- **Private for-profit providers** constitute a component of ECCE delivery across many Sub-Saharan African countries, particularly in urban and peri-urban areas in which demand for ECCE services is greater than the supply of such services. UNESCO and UNICEF (2024) note that private provision has expanded rapidly in contexts of chronic public underinvestment, often filling gaps in access to early learning and childcare services, especially for working families. This growth has resulted in quasi-market ECCE systems in which public, private, and non-profit providers coexist under highly uneven regulatory and financing conditions (Neuman & Devercelli, 2012; Raikes et al., 2021). Across the region, private providers range from low-fee informal childcare centres to higher-cost preschools serving middle- and higher-income households. Razquin and Neuman (2025) highlight that while private providers can contribute to system capacity and flexibility, they are often weakly regulated, with significant variation in quality, workforce qualifications, and

compliance with national standards. In many Sub-Saharan African countries, private providers operate outside public subsidy frameworks and rely heavily on household fees, reinforcing socioeconomic stratification in access to ECCE services (UNESCO & UNICEF, 2024).

Providers within all three categories, even those that possess formal non-profit status, may charge fees to cover operating costs. This means that cost barriers to access are not confined to the private for-profit segment of the ECCE market but are a structural feature of non-state provision more broadly.

The dominant role of non-state actors in ECCE delivery carries two key implications for OBF design. First, OBF initiatives that focus exclusively on public providers are unlikely to engage the full ECCE delivery ecosystem, particularly for younger children and marginalised populations. Second, OBF mechanisms offer a potential pathway for governments to align and regulate non-state provision with national ECCE priorities by linking government payments (and reducing household costs) to outcomes such as child development, quality improvements, or equitable access—without requiring full public delivery or an immediate system overhaul.

Box 4. Faith-Based ECCE Provision in Sub-Saharan Africa

Aga Khan Foundation - Madrasa Early Childhood Programme (East Africa)

The Madrasa Early Childhood Programme, supported by the Aga Khan Foundation, is a faith-linked, community-based ECCE initiative established within Muslim communities in East Africa, such as Kenya, Tanzania, and Uganda. The programme supports the creation and improvement of Islamic preschools by combining religious values with structured early learning, teacher training, and community governance, resulting in the establishment of hundreds of community-owned preschools (Education Above All, 2025).

Catholic Relief Services - Capacity building for faith-based ECCE providers

Catholic Relief Services (CRS) implemented a capacity-building initiative to strengthen early childhood development provision among faith-based organisations in Kenya, Malawi, and Zambia. CRS worked with religious congregations that had already operated childcare and early learning services. The programme focused on improving caregiver practices, child development outcomes, and holistic ECCE approaches within faith-based settings, rather than creating new centres, thereby enhancing the quality of services delivered through existing religious networks (Catholic Relief Services, 2019).

Faith-based organisations operating private ECCE centres - Osun State, Nigeria

In Osun State, Nigeria, faith-based organisations—particularly Christian and Islamic groups—have been actively involved in establishing and managing private early childhood education centres. Research on these centres has found that religious organisations play a significant role in expanding access to pre-primary education, often motivated by both social service goals and faith-based missions, though such centres also operate within the private sector and rely heavily on household fees (Ala & Ojedokun, 2019).

Household Cost Burdens and Equity Challenges

The dominance of non-state provision in ECCE systems across Sub-Saharan Africa is closely linked to persistent household cost burdens and deep equity challenges. Where public financing is limited or narrowly targeted, non-state providers often rely heavily on parental fees to cover operating costs. As a result, access to ECCE services is frequently stratified by income, geography, and employment status, even in countries where policy frameworks recognise early childhood services as a public good (UNESCO & UNICEF, 2024; Razquin & Neuman, 2025).

As mentioned previously, legal entitlements to ECCE in many Sub-Saharan African countries are often specific to age or sector, with stronger statutory recognition provided for pre-primary education than for childcare, parenting support, or early childhood development services. This uneven public financing across the ECCE continuum shifts costs for large segments of early childhood provision onto households. Poorer households are therefore likelier either to rely on low-quality informal services or to forego ECCE altogether. For example, while the Liberian government mandates ECCE for children aged three to five, Liberian schools receive little funding to provide services for preschool-aged children. This means that even

government schools charge parents an annual fee of about USD 12, although the amount is less than the USD 41 charged by community-based preschools and the USD 49 charged by private schools (Razquin & Neuman, 2025).

These dynamics create predictable risks of early exclusion unless financing instruments deliberately counteract them. Children from low-income households, rural areas, refugee settings, or households affected by disabilities disproportionately face higher barriers of access than their peers despite the presence of nearby services. At the same time, results-based instruments—including OBF—have been criticised for potentially reinforcing inequities if providers respond to incentives by prioritising easier-to-reach or lower-cost populations (“creaming”) (Lee & Medina, 2019). For OBF practitioners, this makes equity-sensitive design essential rather than optional. OBF mechanisms interacting with mixed and fee-dependent delivery systems must explicitly consider:

- whether outcome payments sufficiently offset providers’ incentives to charge fees to poorer households;
- whether performance targets unintentionally reward exclusionary practices; and
- how additional costs associated with reaching disadvantaged populations are recognised.

Outside Sub-Saharan Africa, an outcomes-based programme in Tasmania, Australia is an example of deliberate focus on children from the poorest households, illustrating how target population definitions and payment structures can be used to counteract creaming incentives (Save the Children, 2022). Two examples in Sub-Saharan countries show that OBF initiatives can further target specific disadvantaged populations. The planned Northern Kenya Development Impact Bond explicitly targeted refugee populations, indicating that OBF can be used to reach groups typically excluded from mainstream services (Airoldi et al., 2024). The Help Me Grow Rwanda Early Childhood Education Outcomes Fund specifically incorporated OBF design elements to incentivise inclusive ECCE service delivery, differentiating payments for children with disabilities, recognising higher delivery costs, and incentivising inclusion (Wright, 2025).

These examples suggest that OBF can be designed not only to expand service delivery but also to reshape provider incentives in mixed markets, encouraging equity and inclusion in places where non-state provision already exists but remains unaffordable or unequitable. While OBF cannot serve as a substitute for sustained public financing, it can reshape provider incentives within existing mixed markets when designed explicitly around equity objectives. This requires deliberate choices regarding target populations, outcome definitions, payment differentiation, and monitoring of unintended effects.

4.3.3. Workforce

The quality, reach, and equity of ECCE service are fundamentally shaped by the workforce that interacts with the children. ECCE systems depend on a highly diverse workforce that includes formally trained educators, community-based workers, paraprofessionals, and unpaid or low-paid caregivers operating across the education, health, and social protection sectors. Understanding both the quality and the size of this workforce is critical for OBF design, as workforce capacity directly affects

what outcomes are targeted, the costs of service delivery, and the sustainability of performance improvements.

Professional ECCE Staff

Professional ECCE staff encompass pre-primary teachers, childcare workers, early childhood educators, and a range of community or auxiliary staff who deliver services through health, social welfare, and community platforms. This workforce is highly fragmented by sector, employment status, and qualification level, reflecting the mixed provision landscape of ECCE systems (UNESCO & UNICEF, 2024).

Severe ECCE workforce shortages remain a major constraint across the globe. UNESCO estimates that Sub-Saharan African region will need at least 2 million additional pre-primary teachers by 2030 to meet minimum enrolment and quality benchmarks for one year of organised learning before primary school (UNESCO & UNICEF, 2024). Workforce growth has not kept pace with enrolment, resulting in extremely high pupil-teacher and pupil-trained-teacher ratios. In 2022, the average pupil-trained-teacher ratio in pre-primary education in Sub-Saharan Africa was 54:1, which is significantly higher than the global average of 17:1 (UNESCO & UNICEF, 2024).

Workforce Training and Qualification Challenges in ECCE

Training and qualification gaps remain major constraints across the ECCE sector. While most countries in Sub-Saharan Africa have formal qualification requirements for pre-primary teachers, only around 62% of these teachers meet minimum pedagogical training standards, compared with 85% worldwide (UNESCO & UNICEF, 2024). Encouragingly, Sub-Saharan Africa is the only region that has seen an increase in the proportion of pedagogically trained pre-primary teachers over the past decade—rising by approximately 0.7 percentage points per year between 2010 and 2022—in contrast to the global decline of 0.4 percentage points per year over the same period (UNESCO & UNICEF, 2024).

However, formal training frameworks are often lacking for ECCE workforces beyond pre-primary teachers. Childcare workers, community-based facilitators, and paraprofessionals delivering parenting or early stimulation programmes typically operate without recognised credentials, standardised curricula, or clear career pathways (Rao et al., 2024). Training pathways for all ECCE workforces, including pre-primary teachers and pre-primary teachers, are frequently fragmented, operate only in the short term, or are funded by donors, with limited alignment across ministries responsible for different ECCE subsectors and little continuity between initial training and in-service professional development. These gaps contribute to high turnover, low professional status, and uneven service quality, particularly for children under the age of three and in non-formal service settings.

Addressing these training challenges requires coordinated efforts to strengthen workforce qualification standards, align pre-service and in-service training pathways across education, health, and social protection sectors, and the provision of continuous professional development, ensuring that all children have access to high-quality ECCE services delivered by skilled and qualified workforces.

These workforce realities have direct implications for OBF design. Setting outcome targets that assume stable staffing, low pupil-teacher ratio, feasible workload for non-teaching staff, or rapid quality improvements may be unrealistic in contexts in which trained personnel are scarce. At the same time, OBF initiatives can strengthen systems by explicitly financing workforce-related interventions such as in-service training, mentoring, supervision systems, or the certification of paraprofessionals rather than treating workforce constraints as exogenous risks. For example, the Namibia Early Childhood Education SIB intended to work with teachers of children aged 0-6 by enhancing teaching and learning materials and offering teacher training, although this initiative was not launched (Airoldi et al., 2024).

Caregivers and household-based support

For most young children in Sub-Saharan African countries, early learning opportunities take place primarily at home rather than in formal ECCE settings. Caregivers (parents, grandparents, and other household members) are the most influential actors in early learning, shaping children's language development, socioemotional skills, and foundational cognitive capacities long before their entry into pre-primary education (UNESCO & UNICEF, 2024).

Despite this, access to parenting support and caregiver-focused interventions remains highly unequal. Data from Multiple Indicator Cluster Surveys show that in many Sub-Saharan African countries, fewer than half of children aged 24-59 months are engaged in four or more early stimulation activities at home, with engagement largely determined by wealth, rurality, and maternal education (UNESCO & UNICEF, 2024). Caregivers in the poorest households are significantly less likely to receive guidance on early learning, responsive caregiving, or nutrition, despite evidence that such support yields strong developmental returns.

The recognition of caregivers as a crucial component of the ECCE ecosystem could potentially allow OBF practitioners to target a wider range of ECCE interventions for financing. OBF initiatives can finance and incentivise home-based and caregiver-focused interventions, including training for community volunteers, supervision systems, and outcome measures that capture changes in caregiving practices rather than only child attendance or enrolment in ECCE services. The Impact Bond Innovation Fund in South Africa serves as an example of an OBF-supported intervention that relies on community-based personnel to deliver home-based support to caregivers rather than expanding formal centre-based provision (Rayner & Nkonyeni, 2021). In addition, the ParentChild+ in the Life Chances Fund in the UK specifically included payment-linked outcomes related to increases in parents' self-efficacy during the project (Thorne et al., 2024).

4.3.4 Implications for OBF Design and Implementation

Understanding how ECCE services are delivered in practice (i.e., where services are provided, who delivers them, and under what workforce and regulatory conditions) is essential for designing OBF initiatives that are feasible, inclusive, and aligned with national ECCE systems. As illustrated in this section, service delivery in many Sub-Saharan African countries is characterised by mixed provision across multiple settings, the dominant role played by non-state actors, significant household cost

burdens, and constrained workforce capacity. These features shape both the opportunities and limits of what OBF could realistically achieve and carry several implications for OBF design and implementation:

- **Design OBF to engage mixed delivery systems rather than assume uniform service models:** OBF initiatives can be designed to operate across multiple delivery settings—including centres, homes, communities, and health platforms—rather than assuming ECCE delivery occurs primarily through formal pre-primary institutions. Where integrated ECCE policies exist but implementation remains siloed, OBF mechanisms can incentivise coordination across service modalities or reward outcomes that reflect holistic child development rather than narrowly defined service outputs. This flexibility may be crucial for reaching younger children and underserved populations who interact more frequently with health- or community-based services than with education systems. However, practitioners would also need to consider that engaging mixed delivery systems introduces contractual complexity and increases the cost of designing and implementing OBF initiatives—a trade-off that needs to be explicitly accounted for in programme design and budgeting.
- **Use OBF to align non-state provision with national ECCE priorities:** Given the central role non-state actors play in ECCE delivery, OBF initiatives that focus exclusively on public providers are unlikely to engage the full delivery ecosystem. OBF mechanisms could provide a structured way for governments to contract with, regulate, and align non-state providers—including community-based organisations, faith-based providers, and private operators—around nationally defined outcomes. By linking payments to agreed-upon standards, quality improvements, or equity-focused results, OBF may help strengthen accountability and policy alignment without requiring governments to directly deliver all services or rapidly formalise diverse providers.
- **Incorporate equity safeguards in fee-dependent delivery contexts:** In contexts where ECCE provision relies heavily on household fees, OBF designs could explicitly account for the risk that performance incentives reinforce exclusion or “creaming.” Equity-sensitive OBF approaches may include defining target populations in advance, differentiating payments for higher-cost or harder-to-reach groups, or using outcome payments to offset household fees for poorer families. These design choices can help ensure that OBF incentives support equity rather than exacerbating existing disparities in access and quality.
- **Treat workforce constraints as a design parameter rather than an external risk:** Workforce capacity limits what outcomes can be realistically targeted through OBF. Rather than assuming that existing staffing and skills are sufficient, OBF initiatives could incorporate workforce strengthening into the intervention logic—for example, by financing training, supervision, coaching, or certification linked to outcome achievement. Where community-based or paraprofessional workers play a central delivery role, OBF designs may need to align outcome expectations with realistic workforce support and supervision structures.

4.4 Measurement and Data Systems for Outcomes-Based Financing in ECCE

Robust measurement, and credible data and verification processes are central to OBF, as the payments for financed intervention are only made by the outcome payer after independently verifying the data on the achieved results. This ensures that all parties—funders, providers, and evaluators—can agree that outcomes were genuinely achieved, sustaining accountability across the financing arrangement and reducing the risk of disputes over performance claims (Airoldi et al., 2024).

The credibility of this accountability function depends entirely on the quality of the underlying measurement and data systems. Where these systems are weak or fragmented, they may not be able to capture genuine changes in ECCE service delivery or improvements in children’s learning and developmental outcomes resulting from OBF-funded interventions, which makes it difficult to attribute observed changes to the interventions themselves (Raikes et al., 2023; Thorne et al., 2024). These challenges are particularly acute within ECCE. Early childhood development is inherently multidimensional, spanning cognitive, linguistic, socioemotional, and physical domains that evolve rapidly and not always in a linear progression across the 0-8 age range. No single indicator can fully capture the holistic nature of early childhood outcomes alone. Moreover, OBF requires clearly defined, independently verifiable metrics to trigger payments. In many Sub-Saharan African countries, ECCE measurement infrastructure has not kept pace with ambitions stated in ECCE policies, creating tensions between what financing mechanisms require and what existing systems can credibly deliver. Even seemingly straightforward indicators, such as attendance or retention that function more as output measures than as true outcomes, are challenging and costly to collect—a factor that must be considered when designing OBF programmes and estimating associated costs. Understanding the current measurement landscape—what data exist, where the gaps lie, and how availability and quality of data shape the functioning of OBF—is therefore essential for practitioners designing outcomes-based approaches in the ECCE sector.

4.4.1 Existing Data Sources and Outcomes Measurement Tools for ECCE

Data on ECCE across Sub-Saharan African countries are generated through a combination of administrative systems and household-based instruments, each of which has distinct strengths and limitations. The landscape is highly uneven, reflecting differences in administrative capacity, survey coverage, and institutional coordination. Moreover, fragmentation is a defining structural feature across countries in the region. Given that ECCE services span education, health, nutrition, and social protection, data are also collected by different ministries using varied definitions, tools, and reporting cycles.

Administrative Data Systems

The ministries of education of several Sub-Saharan African countries maintain education management information systems (EMIS) and related administrative platforms that capture enrolment, teacher deployment, and infrastructure data for pre-primary education. However, data coverage is frequently incomplete. In many

countries, EMIS data reflect public provision and do not include private, community-based, or informal providers, which constitute a substantial share of ECCE delivery (Raikes et al., 2023). As a result, administrative records often underestimate the full extent of ECCE provision and provide limited visibility into who is served and under what conditions these people are served.

Beyond education, administrative data relevant to young children's early experiences are distributed across multiple sectoral systems with distinct mandates. Health management information systems (HMIS) capture nutrition, immunisation, and maternal and child health contacts; civil registration and vital statistics (CRVS) systems record births and legal identity; and social protection management information systems may track household participation in cash-transfer and poverty-targeting programmes. Because these systems are designed around sectoral functions rather than a child's holistic developmental trajectory, no single administrative source can provide a complete picture of a young child's early experiences, and the data needed to construct such a picture remain dispersed (Raikes et al., 2023; WHO, UNICEF & World Bank, 2018).

South Africa is a notable exception. The 2021 national census of all ECCE facilities, included public, private, and community-based providers, constitutes a landmark effort towards consolidating facility-level data and support system-wide monitoring and regulation (Raikes et al., 2023). This example illustrates that systematic, inclusive administrative data collection is achievable but requires significant institutional investment and political commitment. Thus, it remains uncommon across the region.

Administrative data systems provide a viable basis for tracking service delivery at the facility and system levels; however, their fragmentation across sectors and their limited coverage of non-public providers mean that they cannot serve as the primary source for outcome verification in OBF initiatives. However, they can support the monitoring of access-related outputs—such as enrolment or attendance—that may function as intermediate metrics in OBF structures. If government data system strengthening is made part of the OBF initiative, over time, administrative data systems could eventually be used to in the outcome verification process of OBF.

Household Surveys

Household surveys—particularly DHS and MICS—are the primary source of internationally comparable ECCE indicators across Sub-Saharan African countries (UNESCO & UNICEF, 2024). These instruments provide child-level information on participation in early learning and development as well as caregiver-reported data on home stimulation and children's developmental status.

However, household surveys face important limitations for ECCE monitoring and OBF design. Most surveys include only a limited number of ECCE-related questions, which restricts the depth of insight they can provide on service quality, intensity of participation, or child-level developmental outcomes. Participation indicators are commonly binary—they capture whether a child attends any organised programme rather than the programme's frequency, length, or quality. Survey cycles are also typically infrequent, reducing the timeliness of their insights for adaptive programme management or annualised payments, which are often required in OBF initiatives (UNESCO & AU, 2024).

Household surveys are too infrequent, broadly scoped, and do not include a sufficiently large sample size to serve as a primary verification mechanism for OBF payment cycles. Their value of these surveys for OBF lies principally in their baseline setting, such as their identification of target populations and contextualisation of programme results within national trends.

Outcome Measurement Tools

Several direct assessment tools also exist for measuring young children's learning and developmental outcomes in addition to their participation and enrolment data. Among these, the International Development and Early Learning Assessment (IDELA) is particularly relevant for the Sub-Saharan African context. Developed by Save the Children as a free, open-source instrument, IDELA measures four core developmental domains in children aged three and a half to six years: emergent literacy, emergent numeracy, motor development, and socioemotional development (Thorne et al., 2024; Raikes et al., 2023). IDELA has been applied across multiple low- and middle-income countries, with prior use documented in several West African countries (Laguna et al., 2025). It will also be used for outcomes funds in Rwanda and Sierra Leone. However, the application of such tools in new OBF settings requires careful adaptation and contextualisation to fit local linguistic, cultural, and institutional realities before they can be used reliably—a process that carries resource and time implications for programme design. (Laguna et al., 2025; Wright, 2025; Thorne et al., 2024).

The Early Learning Outcomes Measure (ELOM), another outcome measurement tool, was developed and validated specifically in South Africa for children aged four to six years, grounded in South Africa's National Curriculum Framework, and validated on a sample of South African children from diverse socioeconomic and linguistic backgrounds; it is available in nine official South African languages (Thorne et al., 2024).

The UNICEF Early Childhood Development Index (ECDI) is another relevant tool in this regard. Embedded within MICS household surveys, the ECDI provides population-level estimates of children who are developmentally on track (Raikes et al., 2023). The Measuring Early Learning Quality and Outcomes (MELQO) framework, a global initiative led by UNESCO, UNICEF, the World Bank, and the Brookings Institution, covers both process quality and child development measurement and has been piloted in several Sub-Saharan African countries, including Kenya, Tanzania, Madagascar, and Sudan (Raikes et al., 2023). Building on MELQO's foundations, the World Bank developed the Anchor Items for the Measurement of Early Childhood Development (AIM-ECD), which was launched in 2021 and includes a psychometrically robust set of items for measuring early literacy, early numeracy, executive functioning, and social-emotional development in children aged four to six across diverse low- and middle-income country contexts. It has since been implemented in more than 25 countries (World Bank, 2026).

Outcomes measurement tools offer the most credible basis for generating child-level developmental outcome data suitable for OBF verification. However, their current use in the region remains largely confined to programme evaluations and donor-funded pilots rather than to routine government-led data collection. For OBF, this means that measurement infrastructure typically cannot be assumed and must be

built as part of programme design with associated implications for programme costs and timelines.

Another critical dimension of outcome measurement in OBF is who conducts the assessment. In ECCE contexts, measurement may be carried out by trained external enumerators, by teachers or caregivers, or through caregiver-report questionnaires embedded in household surveys. This choice affects both objectivity and cost of measurement. External enumerators typically provide more reliable and objective data, which is particularly important in OBF settings, where financial disbursements are tied directly to measured outcomes—creating stronger incentives for data manipulation than in standard monitoring contexts.⁶ However, the deployment of trained enumerators at scale is costly and logistically demanding. Teacher- or caregiver-reported assessments are less expensive but more susceptible to reporting bias, especially in cases where providers have a financial stake in the results. Decisions about who conducts measurement should therefore be made deliberately by OBF practitioners, who must explicitly consider the trade-offs between objectivity, cost, and feasibility in the specific country context.

4.4.2 Data Gaps and Measurement Challenges

Despite the data sources identified earlier, the ECCE data landscape in Sub-Saharan African countries still exhibits several notable and ongoing gaps that impact the design and implementation of outcomes-based financing:

- **Definitional inconsistency across sectors:** Because ECCE data are generated across multiple sectoral systems with different definitions, age ranges, and reporting cycles, definitions of what constitutes attendance or participation in organised learning *also* vary, making comparisons unreliable and aggregated estimates potentially misleading (Raikes et al., 2023). For OBF design, this could create risks around baseline setting and outcome measurement consistency over time and complicate independent verification where data are held across ministries with different reporting systems and incentives.
- **Incomplete coverage and provider invisibility:** The systematic omission of private, community-based, and informal providers from EMIS and other administrative data systems has direct consequences for OBF design. Incomplete provider registries make it challenging to calculate participation rates, set coverage targets, or establish baselines in most contexts. This presents a fundamental challenge to defining and verifying outcomes for OBF programmes that aim to incentivise expanded access or improved quality across the full delivery system—particularly given that excluded providers often serve the children most relevant to equity-focused interventions (Raikes et al., 2023).
- **Participation is measured as binary; dosage is unmeasured:** Monitoring approaches across data sources only capture whether a child attends any organised programme, not the frequency, length, or quality of the programme

⁶ For a detailed discussion on perverse incentives see Government Outcome Lab’s guidance on setting and measuring outcomes, <https://golab.bsg.ox.ac.uk/toolkit/technical-guidance/setting-measuring-outcomes/>

(Raikes et al., 2023; UNESCO & UNICEF, 2024). This binary measurement obscures variations in dosage that evidence suggests matter significantly for developmental outcomes. The consequence is direct for OBF: If payment is triggered by enrolment alone, providers are potentially incentivised to maximise enrolment numbers rather than ensure meaningful participation.

- **Routine child-level outcome data are largely absent:** In most Sub-Saharan African countries, as with countries in other regions, nationally representative, routinely collected data on children’s learning and developmental outcomes do not exist at the scale or frequency necessary for OBF verification (Raikes et al., 2023; Thorne et al., 2024). Outcome measurement tools, such as IDELA and MELQO, have been applied in the region; however, their use has been episodic—embedded in programme evaluations or donor-funded pilots rather than government-led national monitoring. Adaptation to local linguistic and cultural contexts is also resource intensive. In Sierra Leone, piloting of IDELA revealed partial misalignment with the country’s Early Learning Standards, underscoring the notion that alignment with national quality benchmarks cannot be assumed (Laguna et al., 2025).
- **Developmental assessment tools are not designed for disability inclusion:** Most widely used developmental assessment tools were not developed with children with disabilities in mind, meaning that children with disabilities may not be adequately or accurately captured in outcome measurement (Wright, 2025). This creates a systematic gap in ECCE data—children who need more support are among the most likely to be excluded from or underperform in standard assessments, making their developmental progress effectively invisible in routine monitoring systems. This gap carries particular risks for OBF, programmes in which payments are tied to measured outcomes: Providers may have weak or no incentives to include and support children with disabilities if their progress cannot be measured and, therefore, cannot trigger payments (Wright, 2025).
- **Quality data are largely absent from existing systems:** Routine data on ECCE service quality are rarely collected through existing administrative or survey systems. Even when quality indicators exist, they tend to focus on easily observable structural inputs such as teacher qualifications, class size, or availability of learning materials, rather than on process quality—the nature of teacher-child interactions, pedagogical practices, and the emotional climate of the learning environment. For OBF practitioners targeting quality improvements as a payment metric, baseline data on quality are often unavailable, and measurement infrastructure to track quality changes will typically need to be built over time as part of OBF initiative design.

OBF programmes in the ECCE sector cannot simply rely on existing data infrastructure. The absence of routine child-level outcome data, combined with incomplete provider coverage, binary participation measurement, and definitional inconsistency across sectors, creates compounding constraints on what can be credibly baselined, monitored, and independently verified. These are not gaps that OBF design can work around—they must be explicitly accounted for when determining what outcomes can realistically be measured, at what cost, and within what timeframe.

4.4.3 Implications for OBF Design and Implementation

The data gaps and measurement challenges described above create substantial constraints for OBF approach in the ECCE sector. The absence of routinely collected, child-level outcome data means OBF initiatives cannot simply be plugged into existing data systems—they must invest in building or strengthening measurement capacity as a precondition for linking payment to results. When these investments cannot be made, OBF programmes risk defaulting to proxy indicators—such as enrolment, attendance, or facility compliance scores—that are measurable within existing systems but do not directly capture the child development outcomes that justify investment in ECCE (Thorne et al., 2024; Airoidi et al., 2024). Three key implications for OBF design and implementation follow from this analysis”

- **Assess the measurement environment before designing OBF structures:** Practitioners should map data availability and quality across the relevant ECCE sectors, assess the feasibility and cost of independent verification, and identify gaps in intersectoral coordination prior to designing outcome metrics and payment structures. This includes examining how ECCE responsibilities are distributed across ministries, what data each ministry possesses, how frequently data are updated, and whether independent access to data is feasible. In cases where outcome data are limited or unreliable, OBF designs may need to proceed in stages—beginning with access or quality proxy indicators as intermediate payment metrics while investing in the measurement infrastructure needed to support child-level outcome verification over time. Notably, measurement of output or intermediate outcomes, such as enrolment or attendance, are often resource intensive in contexts where these data are not regularly collected. Alternatively, practitioners may choose to outsource child-level data collection to specialist evaluation firms provided that such arrangements are structured to build government capacity alongside data collection—for example, by requiring firms to work closely with relevant ministries on tool adaptation, data protocols, and the interpretation of results—rather than creating parallel systems that bypass national institutions.
- **Prioritise feasible and meaningful outcome frameworks, with equity and inclusion safeguards:** OBF outcome frameworks should balance ambition with what can be credibly measured and verified in context. This typically involves combining, adapting to local contexts, piloting and validating child-level developmental assessments—such as IDELA, AIM-ECD, MELQO, or ELOM—with indicators of sustained participation and service quality that reflect national priorities and delivery realities (Laguna et al., 2025). Given the strong evidence that dosage and continuity of participation are critical drivers of developmental outcomes (Raikes et al., 2023), indicators capturing sustained attendance and engagement could be incorporated into payment metrics alongside developmental measures. The linking of financial disbursements to measured outcomes also introduces the risk of perverse incentives—including the manipulation of reported results or the selective targeting of easier-to-reach children. When selecting measurement tools, preference could be given to Instruments that use direct observation by trained assessors rather than teacher- or caregiver-observations as direct observations reduce bias and susceptibility to data manipulation in contexts where payments are linked directly to results (Duran & Hetzel, 2025). Given that most developmental

assessment tools are limited in terms of their ability to capture the progress of children with disabilities, embedding disability inclusion explicitly into how outcomes are defined, measured, and verified is essential and could be carried out at the outset of OBF programme design rather than as an afterthought (Wright, 2025). OBF designers should also consider embedding equity- and inclusiveness-sensitive indicators and minimum quality thresholds should programmes aim to achieve reward system-wide progress rather than simply selective gains.

- **Use OBF to strengthen national ECCE data systems rather than build parallel ones:** Rather than treating measurement requirements as project-specific add-ons, OBF mechanisms could explicitly aim to strengthen national ECCE data systems. This includes investing in integrated data systems that consolidate information across education, health, nutrition, and social protection; aligning OBF indicators with national ECCE frameworks; and building government capacity for routine data collection and use. Verification systems should be proportional and based on risk; they could use sampling strategies, staged verification, integration with existing EMIS, digital data capture, and targeted audits instead of assuming costly full-coverage external verification. Continuous feedback loops that integrate data into adaptive management processes throughout implementation can enable OBF mechanisms to strengthen provider practice and improve programme quality iteratively rather than functioning solely as end-of-cycle payment triggers (Airoldi et al., 2024; Raikes et al., 2023).

5. Conclusion

Effective OBF in ECCE requires more than technical design. As this note has shown, the design, relevance, and sustainability of outcomes-based approaches depend on how well they are aligned with the policy, governance, service delivery, and data realities of the specific countries in which these approaches operate.

Across many Sub-Saharan African countries, these realities are characterised by growing political recognition of ECCE alongside persistent gaps between policy ambition and provision, fragmented governance and financing arrangements spread across multiple ministries and levels of government, mixed service delivery systems in which non-state actors play a central role, and measurement infrastructure that has yet to keep pace with the sector's expanding policy commitments.

These features are not simply obstacles to be managed. They are the conditions within which OBF must be designed if it is to strengthen accountability, support equity, and contribute to sustainable improvements in ECCE systems. The four contextual dimensions examined in this note—national policy and priorities, governance and finance, service delivery and workforce, and measurement and data systems—each carry specific implications for how OBF is structured, who can act as an outcome payer, what outcomes can credibly be measured and verified, and which populations OBF is likely to reach.

The contextual factors examined in this note do not constitute a formula for OBF design, nor do they resolve the structural challenges facing ECCE systems in Sub-Saharan African countries. Rather, they represent considerations that OBF practitioners need to understand and account for when determining how OBF can be appropriately applied in the context of a given country. Serious engagement with these factors improves the prospects that outcomes-based approaches are designed and implemented to align with the systems within which they must operate.

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