What’s in the Data for Results-based Financing
• Presentation: Importance of Data in Results Based Financing
  • Dr. Emily Gustafsson-Wright, Fellow, Brookings Institution

• Operational Experiences: REACH funded Projects on RBF & Data
  • Pedro Cerdan-Infantes, Colombia
  • Juan Baron, Haiti

• Questions & Answers
  • Online audience can pose questions through Webex
RBF Education Resources

• **REACH WEBSITE** [www.worldbank.org/reach](http://www.worldbank.org/reach). Key information on the main themes on RBF in Education.

• **RBF IN EDUCATION REVIEW: Learning from What Works.** Analysis of the design, implementation and impact of RBF (copies available).

• **POLICY NOTES.** Summary of findings from RBF Projects funded by REACH (copies of Colombia and Haiti notes available).

• **PRACTICE series.** Summary of operational experiences shared by RBF practitioners during REACH organized roundtables.

• **IMPACT series.** New series highlighting longer term impact of REACH projects.

• **DLI LIBRARY.** Database of more than 350 disbursement-linked indicators used in World Bank education projects.

• **COMMUNITY OF PRACTICE.** List of RBF experts.
What’s in the Data for Results-Based Financing for Education?

Dr. Emily Gustafsson-Wright
Fellow, Brookings Institution
@EGWBrookings
RESULTS-BASED FINANCING PRIMER
RESULTS-BASED FINANCING

Funding is tied to results

Who holds financial risk?

- National Government: Example: Results-Based Aid
- Local Government: Example: Performance-Based Transfer
- Service Providers: Example: Performance-Based Contract
- Investors: Example: Impact Bonds

Adapted from Instiglio
RBF LANDSCAPE

Source: Brookings Global Impact Bonds Database & GPBRA/Instiglio database
WORLD BANK’S RBF ENGAGEMENT

Program-for-Results Financing (PforR)

Finance, Competitiveness & Innovation

Results in Education for All Children (REACH)
WHY RBF FOR EDUCATION?
CHALLENGE 1: LEARNING CRISIS

53% CHILDREN IN LEARNING POVERTY
A quarter of countries are not meeting education public financing targets

Annual education funding gap of $39 billion
Hypotheses:

A: Focus on outcomes can achieve greater impact

B: Paying for outcomes increases effectiveness of resource use

Can paying for outcomes address these challenges?

Credit: Educate Girls
CAN PAYING FOR OUTCOMES ADDRESS LEARNING CRISIS?

How can this be done most efficiently?

Credit: Educate Girls
4 TYPES OF DATA NEEDED
4 key data needs for outcomes in education
1. Data on the cost of delivering outcomes
2. Data on the cost of inaction
3. Data on real-time performance
4. Data on results
Our impact bonds research: brookings.edu/product/impact-bonds/

Contact: egustafssonwright@brookings.edu @EGWBrookings
1. The investor provides upfront capital to the service provider to deliver services to a population in need.

2. An independent evaluator verifies whether the service provider has achieved pre-agreed impact metrics.

3. The outcome funder (Govt if SIB and 3rd party if DIB) repays the investor if the metrics are achieved.
DEMONSTRATED EVIDENCE

FOCUS ON OUTCOMES → INCENTIVIZE COLLABORATION → INVEST IN PREVENTION

DRIVE PERFORMANCE MANAGEMENT → BUILD A CULTURE OF MONITORING + EVALUATION

TOO SOON TO SAY

REDUCE RISK FOR GOVERNMENT → SUSTAIN IMPACT

LACKING EVIDENCE

CROWD IN ADDITIONAL PRIVATE FUNDING → ACHIEVE SCALE → SUPPORT EXPERIMENTAL INTERVENTIONS
Operational experiences

Colombia: Development of a Results-Based Monitoring System,
Pedro Cerdan-Infantes, Sr. Economist

➢ REACH funded the development of a Management & Information System to monitor the quality of the education system in Colombia. The system builds on existing monitoring tools. The overarching purpose of the system is to foster improvement in the education system by informing the decision-making and everyday activities of education practitioners and policymakers.

Haiti: Building Capacity for Result-Based Financing Mechanisms in Fragile States,
Juan Baron, Sr. Economist

➢ REACH funded the creation of a quality-assurance system in Haiti that collected information on five dimensions of learning conditions in schools, provided schools with clear standards to meet and information about their progress toward reaching these standards.