



SIP development around the world

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40 countries have now launched Social Impact Bonds

Projects across high-, middle- and low-income countries. The sovereign, development and philanthropic funders share implementation risk with social investors.



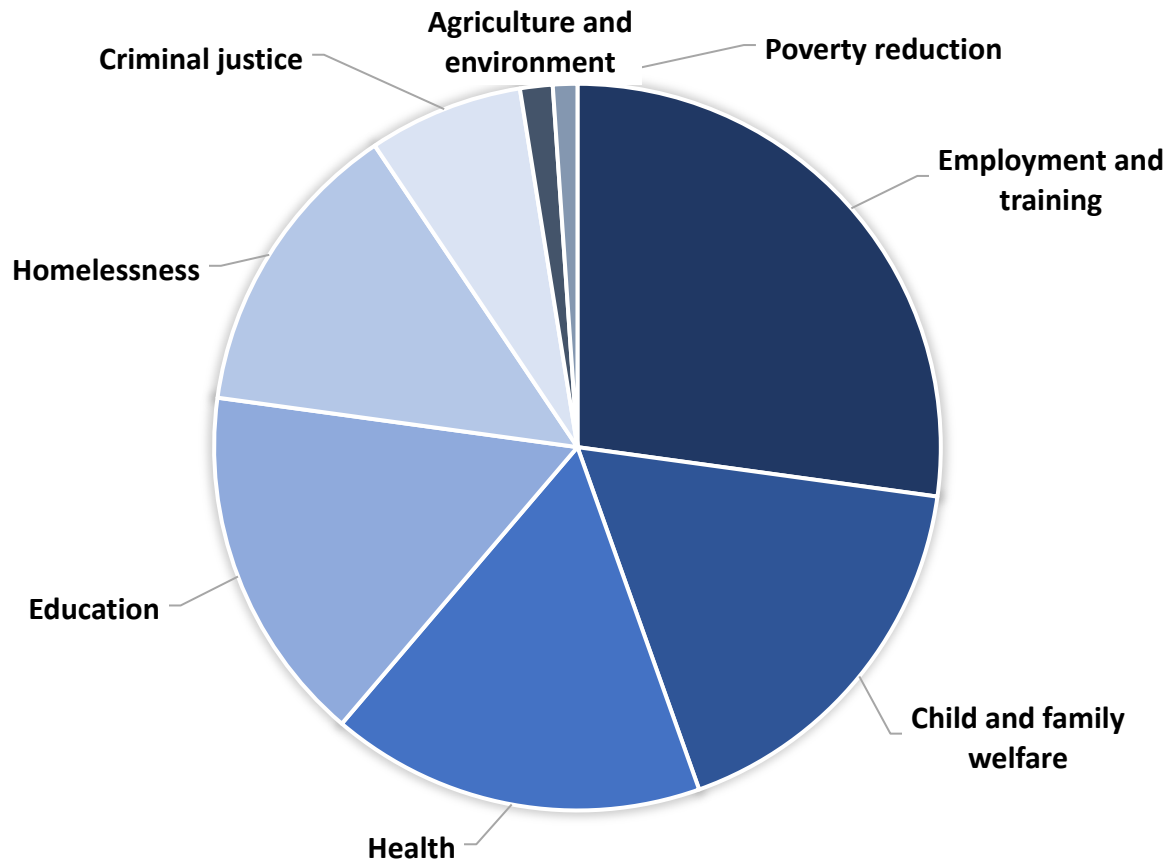
276
Impact Bonds

USD
745m+
Capital raised

1.7 m+
Users

Projects focus on human-centred outcome policy areas

Overview of the project policy areas, key statistics, and observations.



- Almost half of all Social Impact Bonds (>43%) have focused on **education, employment, or skills training.**
- > 60% focused on **children and young people.**
- Wide scale range: most employment and skills projects have an **investment requirement of US\$500k-1.5m.**
- Projects **range from 'proof of concept' to scaling up** of highly evidence-based programmes.

Market infrastructure is growing

Overview of the market infrastructure which includes Knowledge hubs, at scale platforms, and investment funds.

Knowledge and convening



- Global knowledge hub for outcomes-based approaches
- Project database
- Evidence-based policy



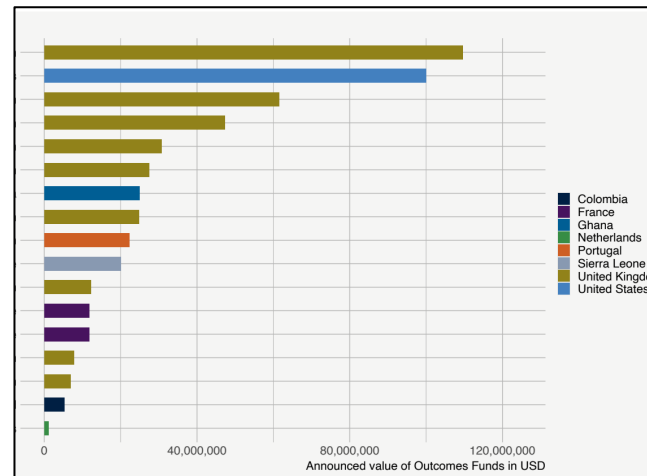
- International development forum
- Outcomes Accelerator



- Asia social investment network

At scale platforms

- Outcomes Funds have been developed as a route to scale
- Developed in the UK, now nearly 20 examples globally¹



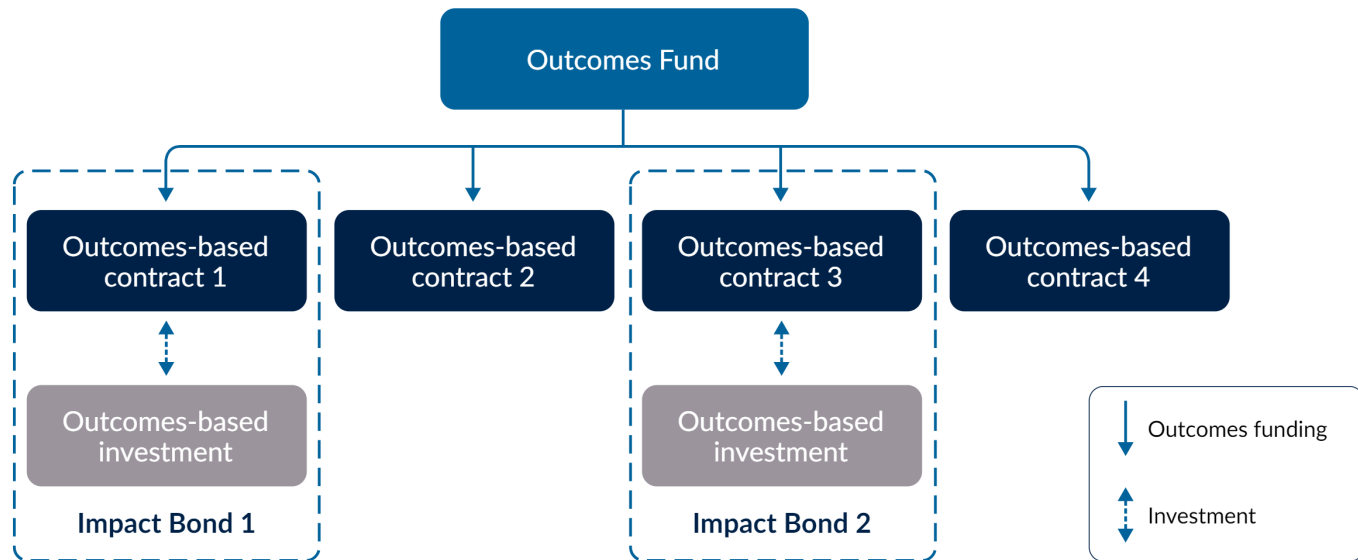
Investment Funds

- **Dedicated social investment funds** that focus on outcomes-based projects
- First launched in the UK, now international examples
- Recent launch of an **SDG Outcomes Investment Fund** by market leader, with a global remit



What are outcomes funds?

Outcome funds enable multiple Social Impact Bonds to be more easily launched



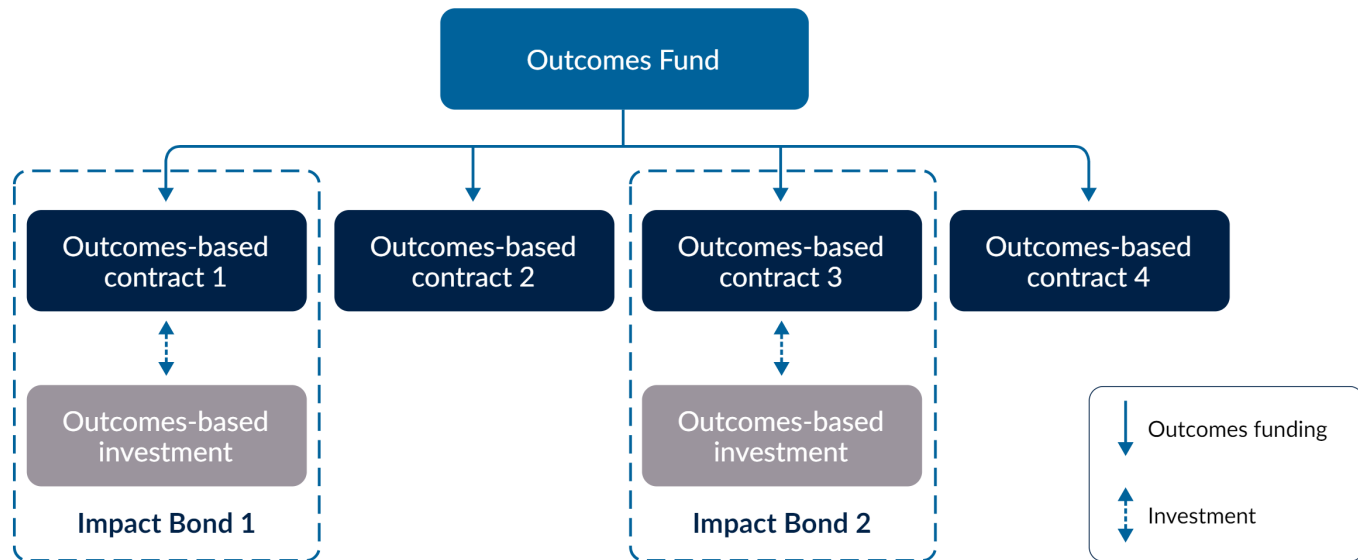
Key Points

- Dedicated outcome funding
- Pool budgets
- Skills and capacity building
- Build evidence base around a policy area
- Rigorous focus on data and evidence
- Efficiency



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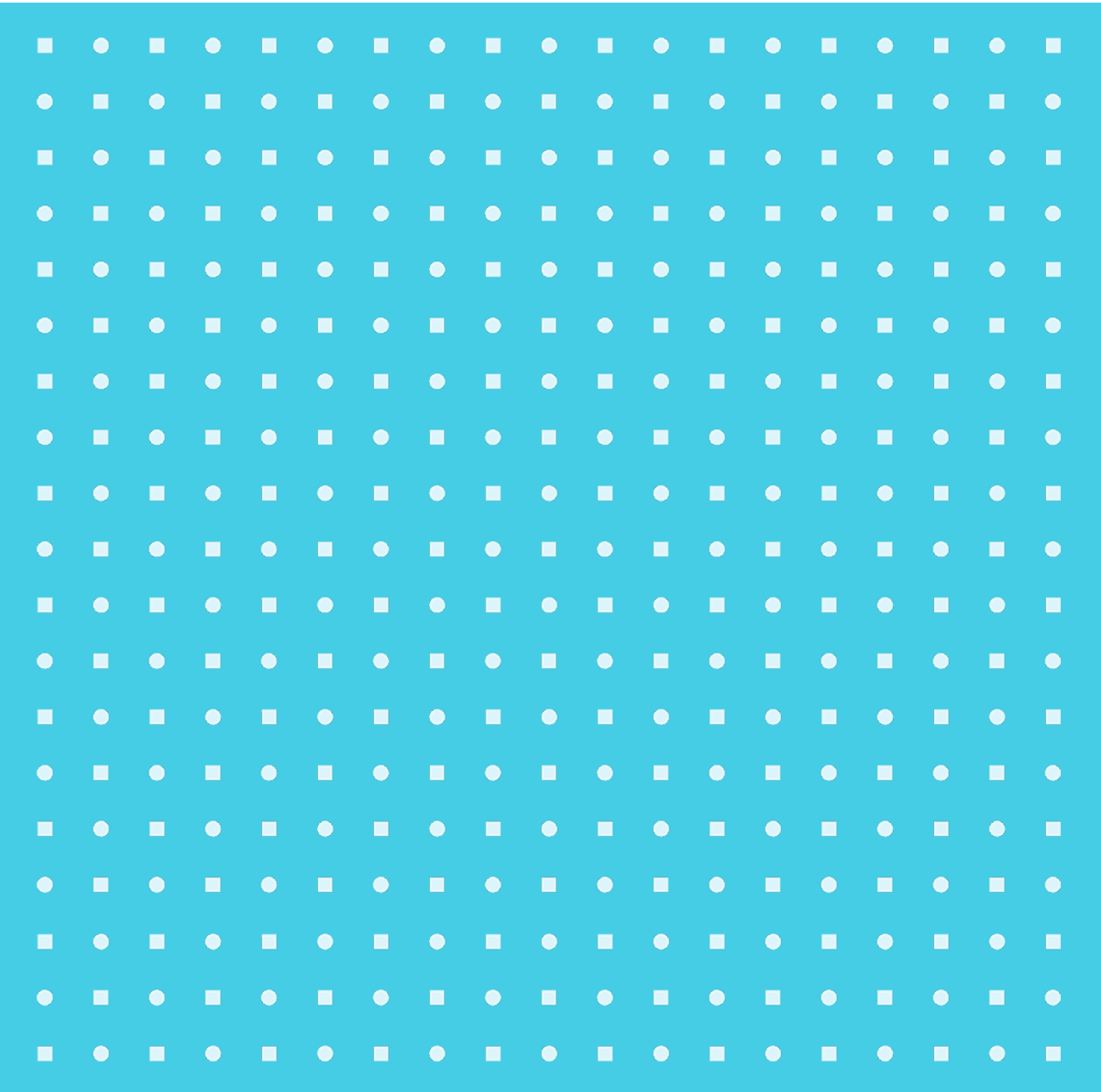
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Case studies

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Case study examples of Social Impact Bonds
in employment and early childhood education



Finance for Jobs Development Impact Bond

Governance structure and outcomes focus enabled a resilient response to COVID-19's unprecedented disruptions.



Challenge

- 40% of young people are unemployed
- Employers report difficulty in filling roles with qualified candidates because of persistent skills mismatches
- Skills training ecosystem does not been encouraged to collaborate with private sector

Partners



Policy leadership



WORLD BANK

Outcome funding & technical assistance



DAI

Shaping a more inclusive world.

Implementing agent for Government



SOCIAL FINANCE

Technical lead

Our Work

- Led the feasibility assessment, design, and capital structuring of the \$5.75m impact bond
- Delivered procurement and capacity building support to performance management unit

Impact

- Mobilised skills training to address public health priorities during COVID-19
- 34 months into delivery, DIB has trained 845 and secured jobs for 495 youth, exceeding targets
- Intensive wrap-around support has supported 6-month job retention outcomes (n=350)

Colombia Outcomes Fund For Education Results (OFFER)

A CAD \$15m outcomes fund that brings public and private actors together to test new ways of delivering quality education to disadvantaged learners.



Challenge

- 39.4% of 14-16 year-old students in rural Colombia are out of school
- Public budgeting rules, procurement practices, and absence of cross sector partnerships have limited public sector's ability to innovate, work at scale, and improve education outcomes

Partners



Global Affairs
Canada
Affaires mondiales
Canada



Our Work

- Co-designed the OFFER, including: operating model, governance and funding structures, and outcome measures
- Designed accompanying learning, sustainability and policy integration strategies

Anticipated Impact

- Higher enrolment and completion rates at all educational stages
- Improved grade-appropriate levels in reading and maths
- Facilitated delivery and governance innovation to inform ecosystem and public sector learnings

Access to Early Childhood Education (ECE) in Jordan

A pay-for-success model to expand enrolment and assure quality of early childhood education



Aim

- Ministry of Education (MoE) aiming to universalise access to high-quality kindergarten

34% → 100%

- Public resources are constrained → explore partnerships with private sector

Partners



Policy leadership



WORLD BANK

Funding & technical assistance



Pay-for-success technical expertise



Data collection from private KG

Our work

- Initial feasibility study of pay-for-success in ECE.
- Survey to understand challenges, costs, expansion possibilities of private KGs
- Develop options for effective public-private partnerships

Anticipated results



Develop a pilot pay-for-success partnership to increase enrolment and improve quality in two regions.



If successful, use the learnings to scale approach to increase enrolment nationally.