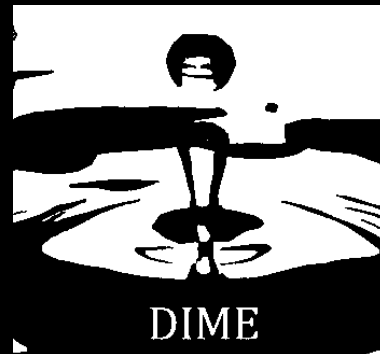
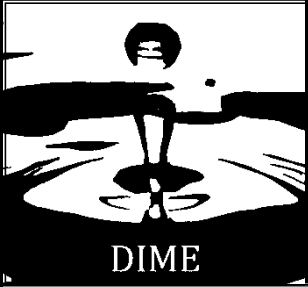


Felipe Alexander Dunsch

# The use of Impact Evaluation for Results-Based Financing (RBF)

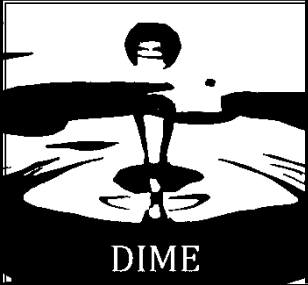




# What does DIME do?



- DIME: **D**evelopment **IM** pact Evaluation Initiative
- Effort to centralize use of IE work across the World Bank
- Linking research work with operations in order to improve outcomes
- Steadily growing since its start in 2005. Latest IDA replenishments demand the use of IEs for the first time.



# IE vs. M&E



- What is the difference between IE and monitoring & evaluation (M&E)?
  - M&E tracks indicators over time
  - IE compares indicators with a counterfactual
- Counterfactual? What would have happened *without* the project?



# IE vs. M&E



## Descriptive Analysis

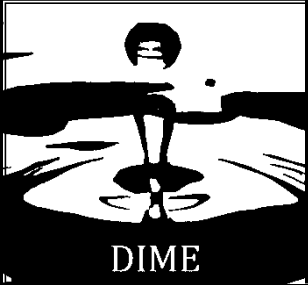
### Monitoring (and process evaluation)

- Is program being implemented efficiently?
- Is program targeting the right population?
- Are outcomes moving in the right direction?

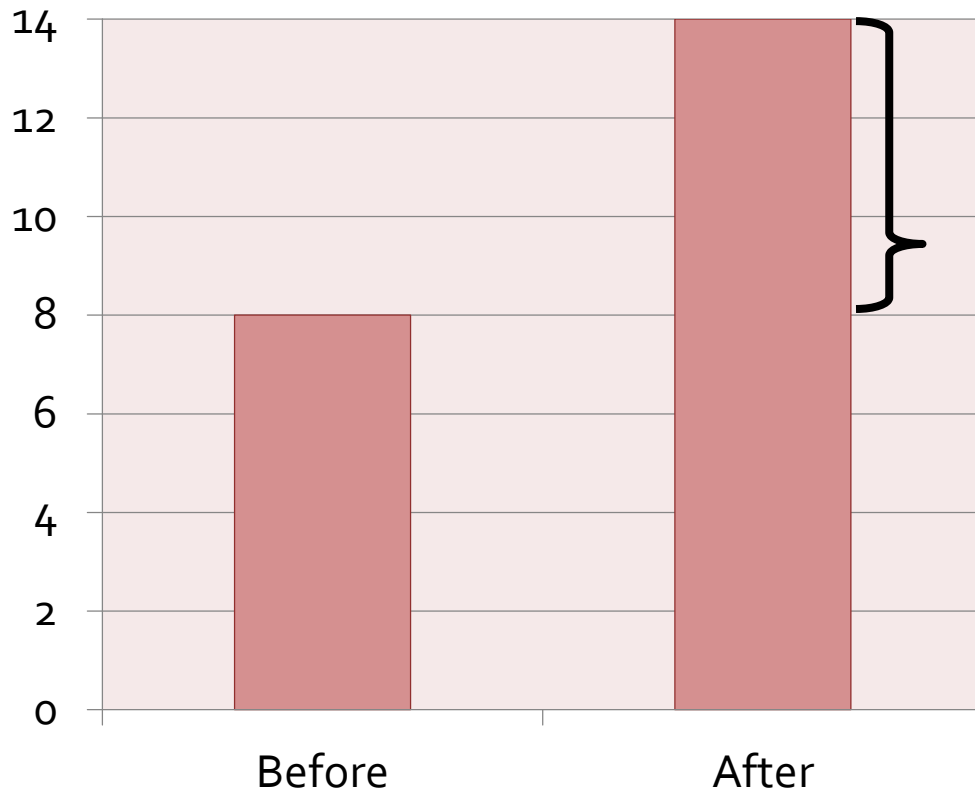
## Causal Analysis

### Impact Evaluation

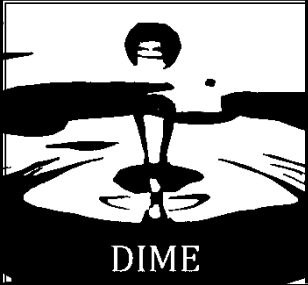
- What was the effect of the program on outcomes?
- How do alternative implementation modalities compare?
- Is the program cost-effective?



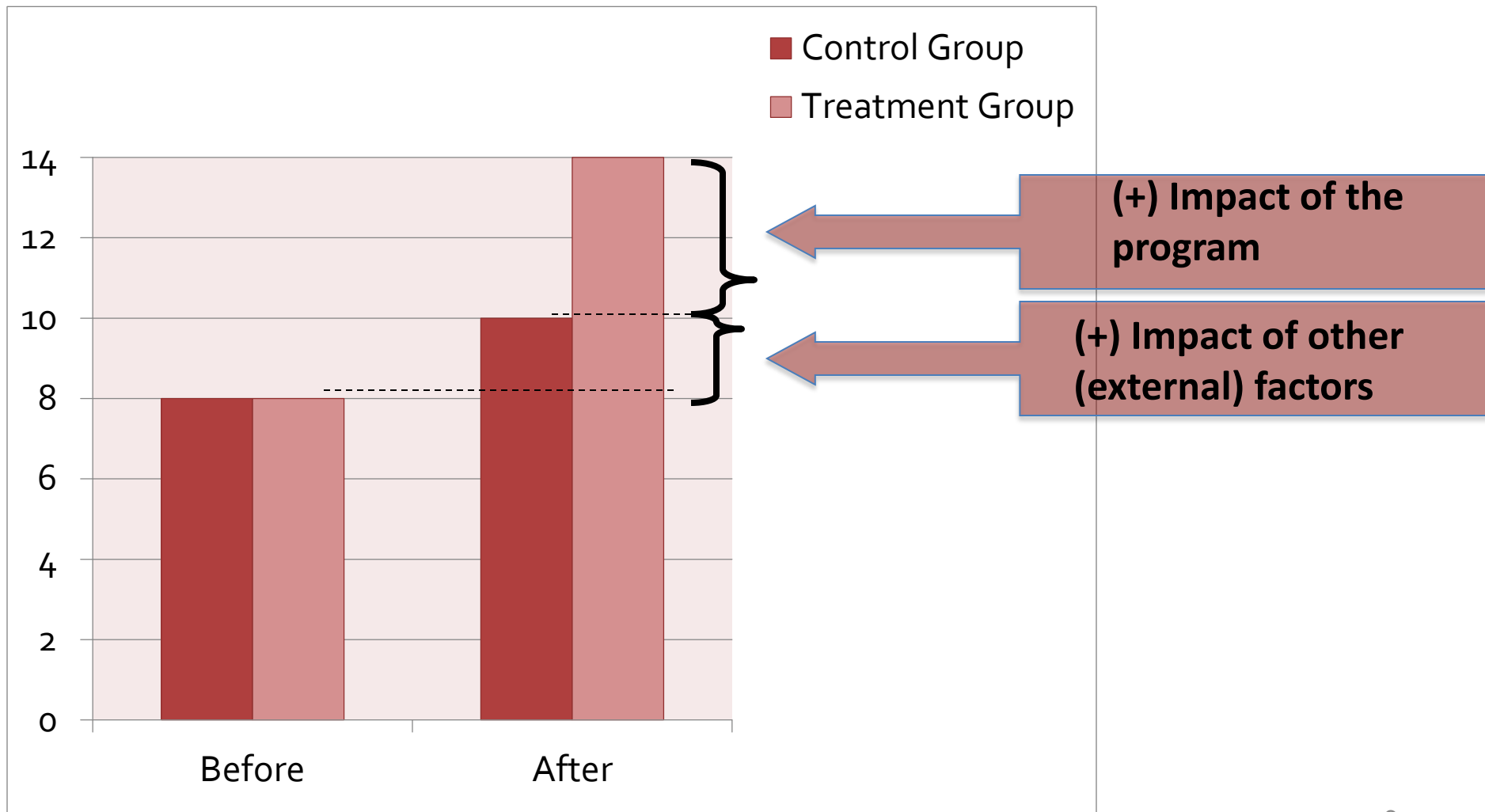
# Example

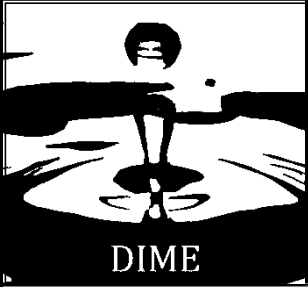


Is this the impact of the program?



# The Value of a Control Group





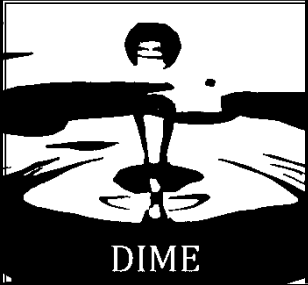
# Selecting a control group



Several ways to make sure groups have the same characteristics:

- Randomized controlled trial (RCT)
  - With large enough samples, there is no difference between treatment and control (on average!)
- Quasi-experimental methods:
  - Regression discontinuity design (RDD)
  - Propensity score matching (PSM)

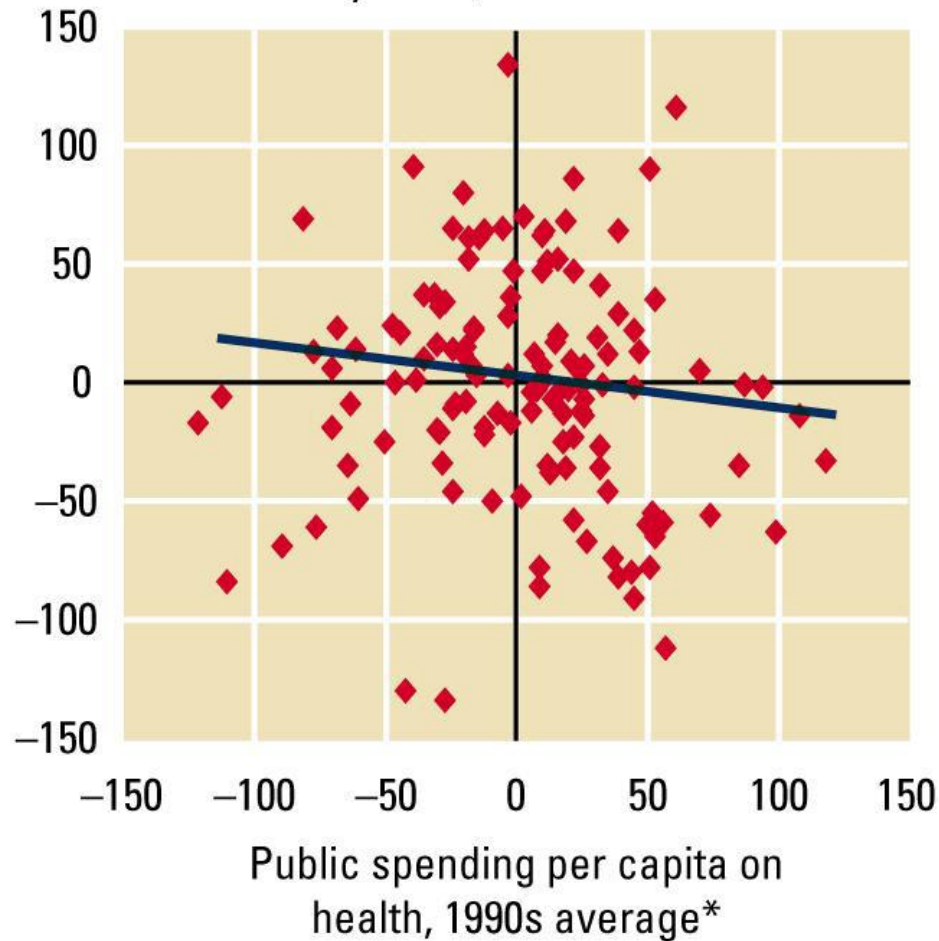
Main goal: **Reduction of selection bias**



# Spending is not enough



Under-five mortality rate\*, 2000



\* Percent deviation from rate predicted by GDP per capita

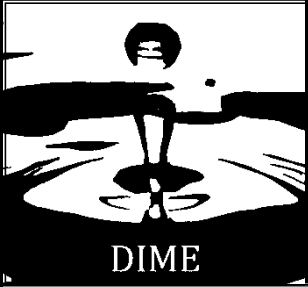




# RBF



- What is most effective? Incentives for providers or consumers? Or both?
  - Monetary:
    - Conditional cash transfers (CCT)
    - Pay-for-performance (P<sub>4</sub>P)
  - Non-monetary: Not crowding out intrinsic motivation!
    - Naming & Shaming
- Health Results Innovation Trust Fund (HRITF)
  - 2009-2022: \$550 million, currently 7 IEs



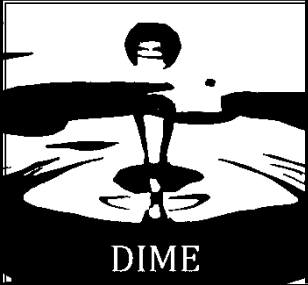
# Example 1: CCT



Gertler 2004:

- CCT conditional on girls' school attendance and health related behavior
- 18% increase in visits to health centers
- Children 1cm taller
- 25% less likely to be anemic
- Increased schooling by 0.66 years

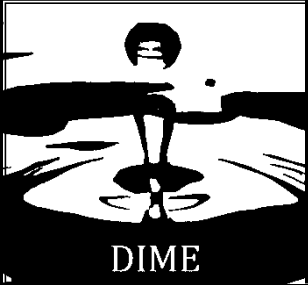
New government changed name (Oportunidades) but kept program!



## Example 2: Education



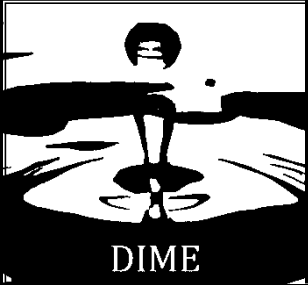
- Duflo/Hanna 2010:
- Tackling teacher absenteeism in India through pay-for-performance
- Teachers in control group: 1000 rupees
- Teachers in treatment group: pay varies between 500-1300 rupees based on attendance.
- Results: Absenteeism reduced to 22% (from 42%), test scores raised by 0.17 standard deviations.



## Example 3: Health



- Gertler/Vermeersch 2012:
- Impact of **provider incentives** on health outcomes in Rwanda
- Increase of 0.53 standard- deviations in the *weight-for-age* of children 0-11 months & 0.25 standard deviations in the *height-for-age* of children 24-49 months
- +20% provider efficiency



# Want to know more?

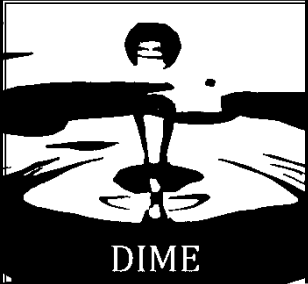


## Useful links

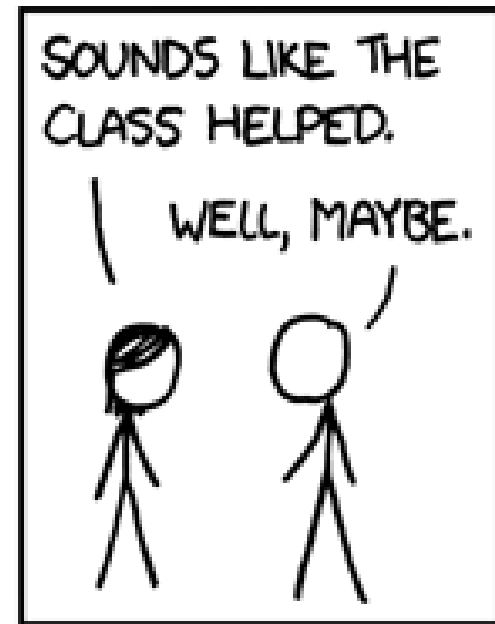
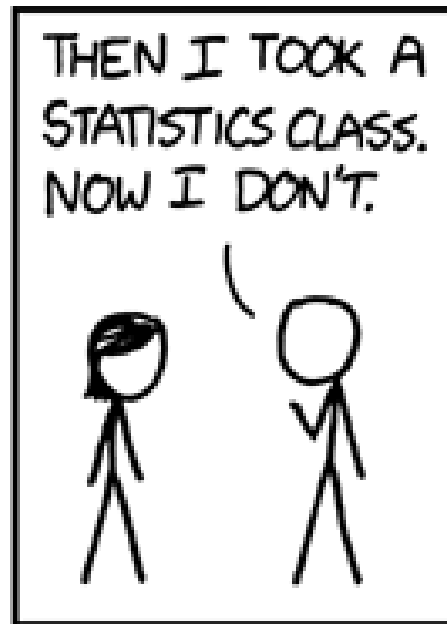
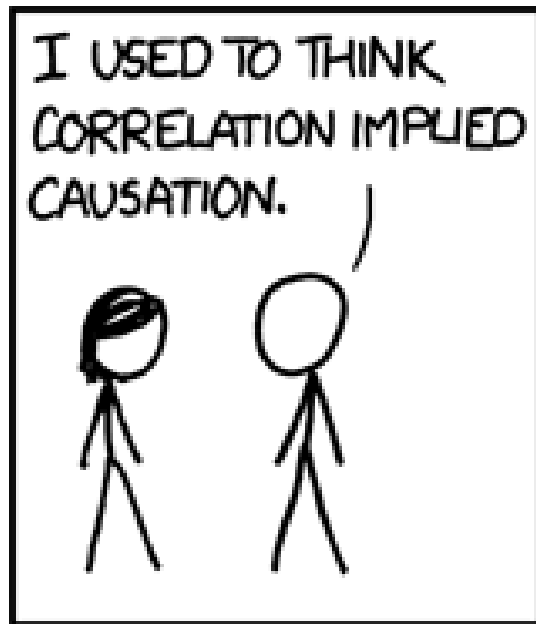
- Book: Impact Evaluation in Practice  
<http://tinyurl.com/comexto>
- RBF IE Toolkit: <http://tinyurl.com/crm937d>
- DIME Website: [www.worldbank.org/dime](http://www.worldbank.org/dime)
- IE news from around the world:  
[www.facebook.com/ieknowpage](http://www.facebook.com/ieknowpage)

E-Mail: [fdunsch@worldbank.org](mailto:fdunsch@worldbank.org)

Book: *Conflicting Strategies to Enhance Foreign Aid Efficacy in Africa*. Nomos (2012)



# Main Takeaway



Source: <http://www.xkcd.com>