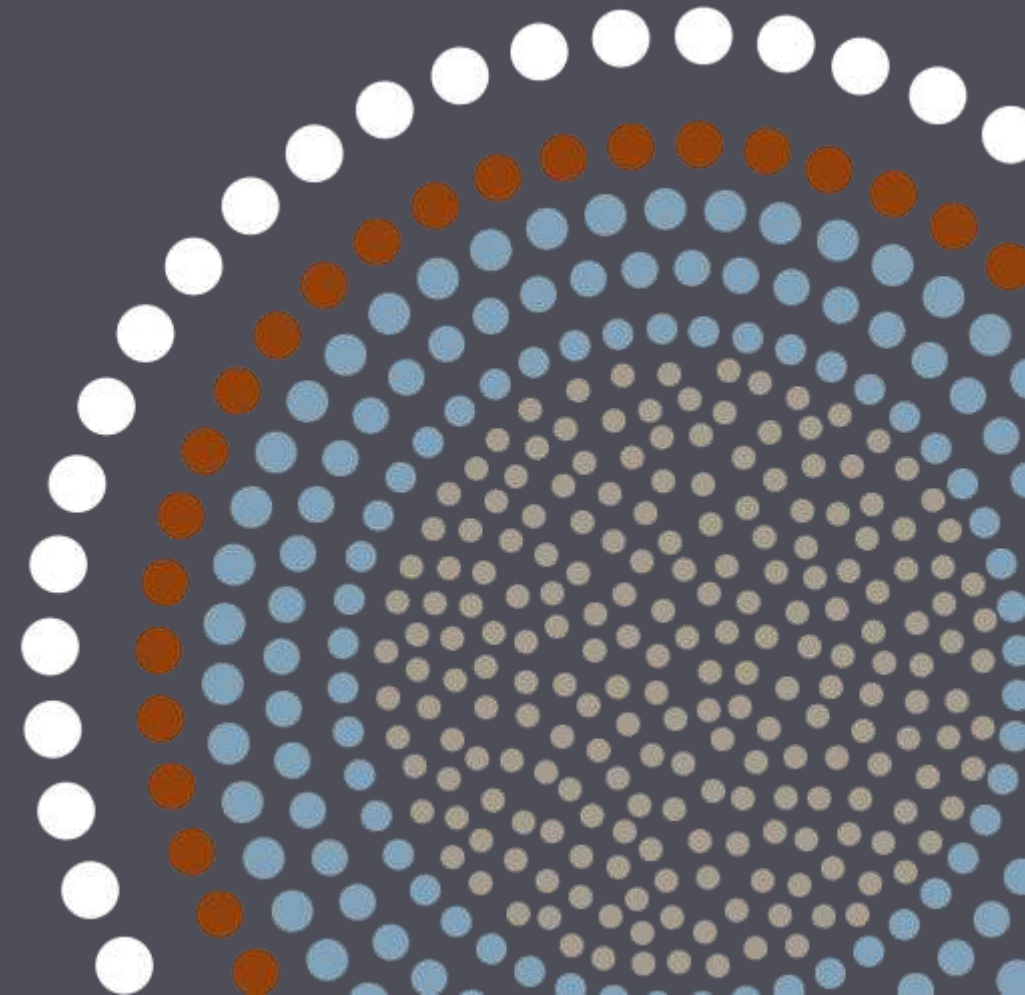


# Results-Based Financing Forum 2023

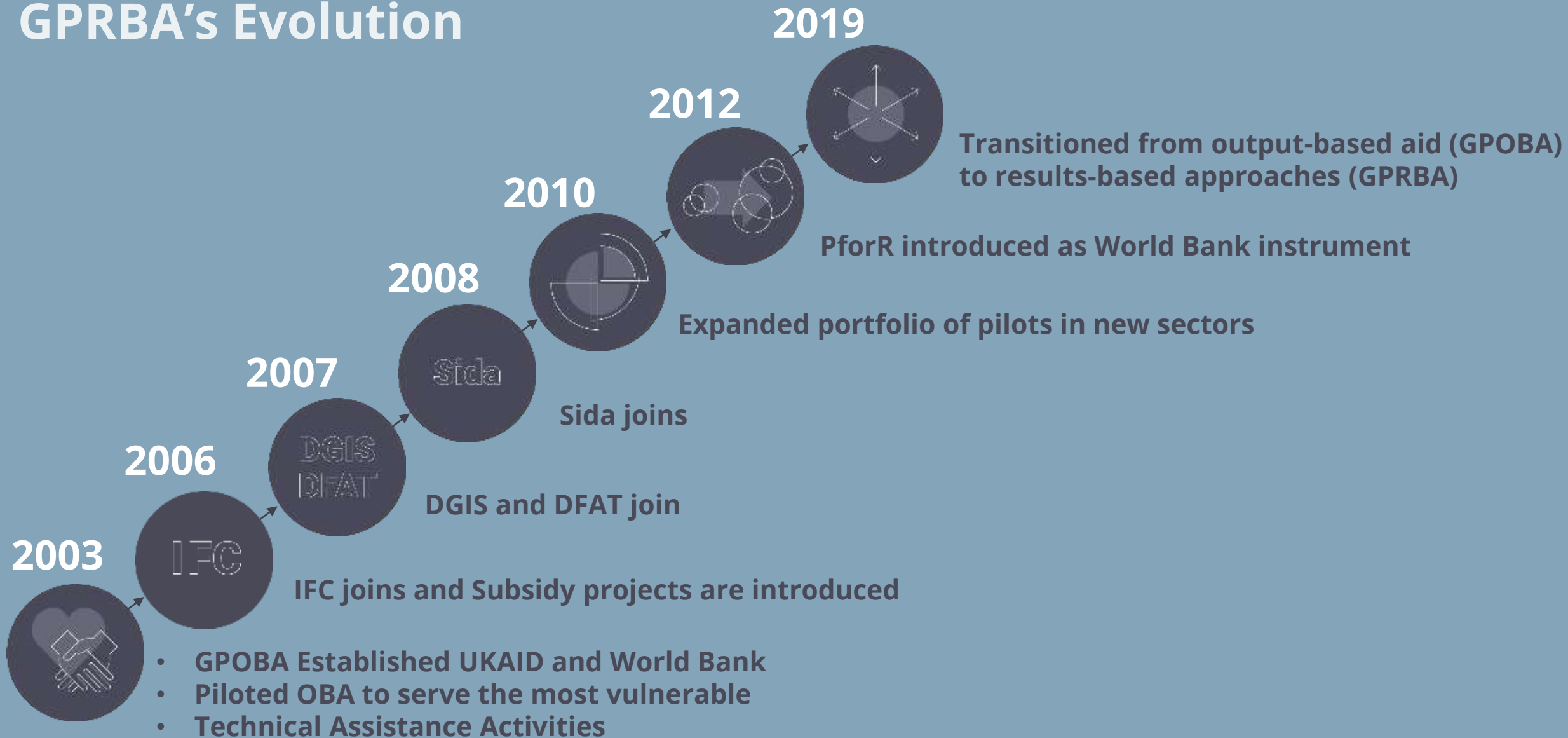


## 20 Year Evolution

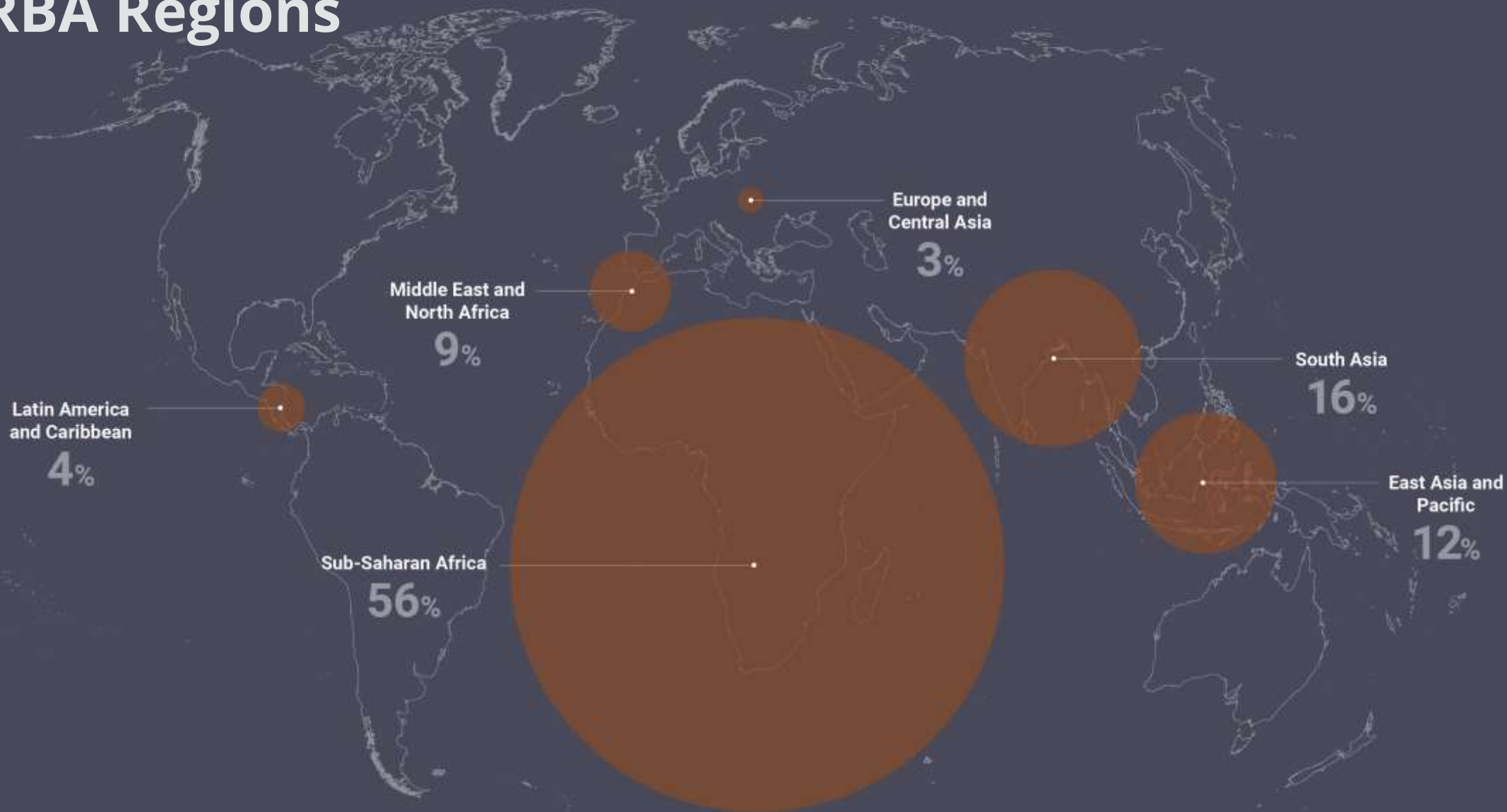
GPRBA Team



# GPRBA's Evolution



# GPRBA Regions

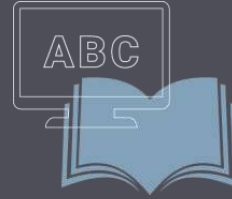
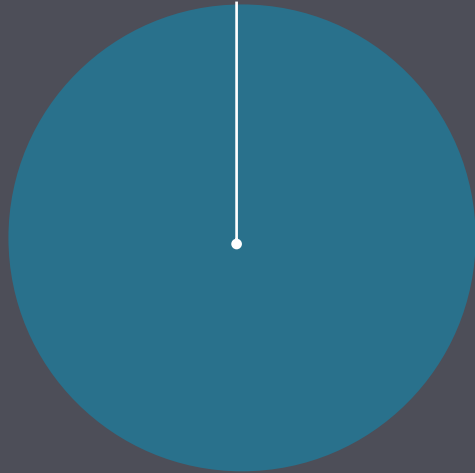


# GPRBA Sectors



Energy

38%



Education

13%



Solid Waste  
Management

5%



Telecommunications

1%



Water and Sanitation

30%



Health

12%



Land Administration

1%



# Countries

SECTORS

- Energy
- Health
- Education
- Water and Sanitation
- Irrigation
- Telecommunications
- Solid Waste Management
- Land Administration

CROSS SECTORS

- FCV (Fragility Conflict Violence)
- Climate





# Water and Sanitation

30% of total funding

91 million (USD)

20 Projects

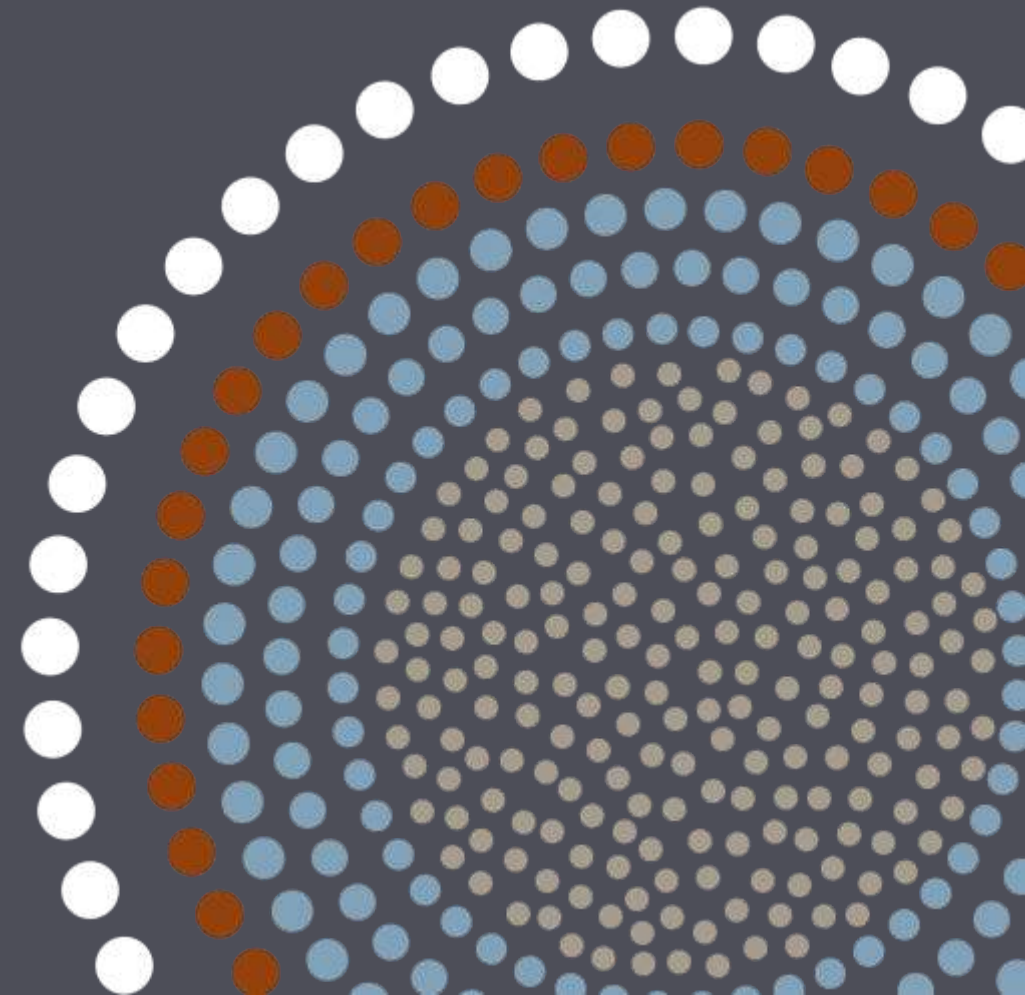


# Results-Based Financing Forum 2023



## Kenya Water and Sanitation Output-Based Aid Fund

Jessica Taylor  
Operations Officer, GPRBA  
May 22, 2023



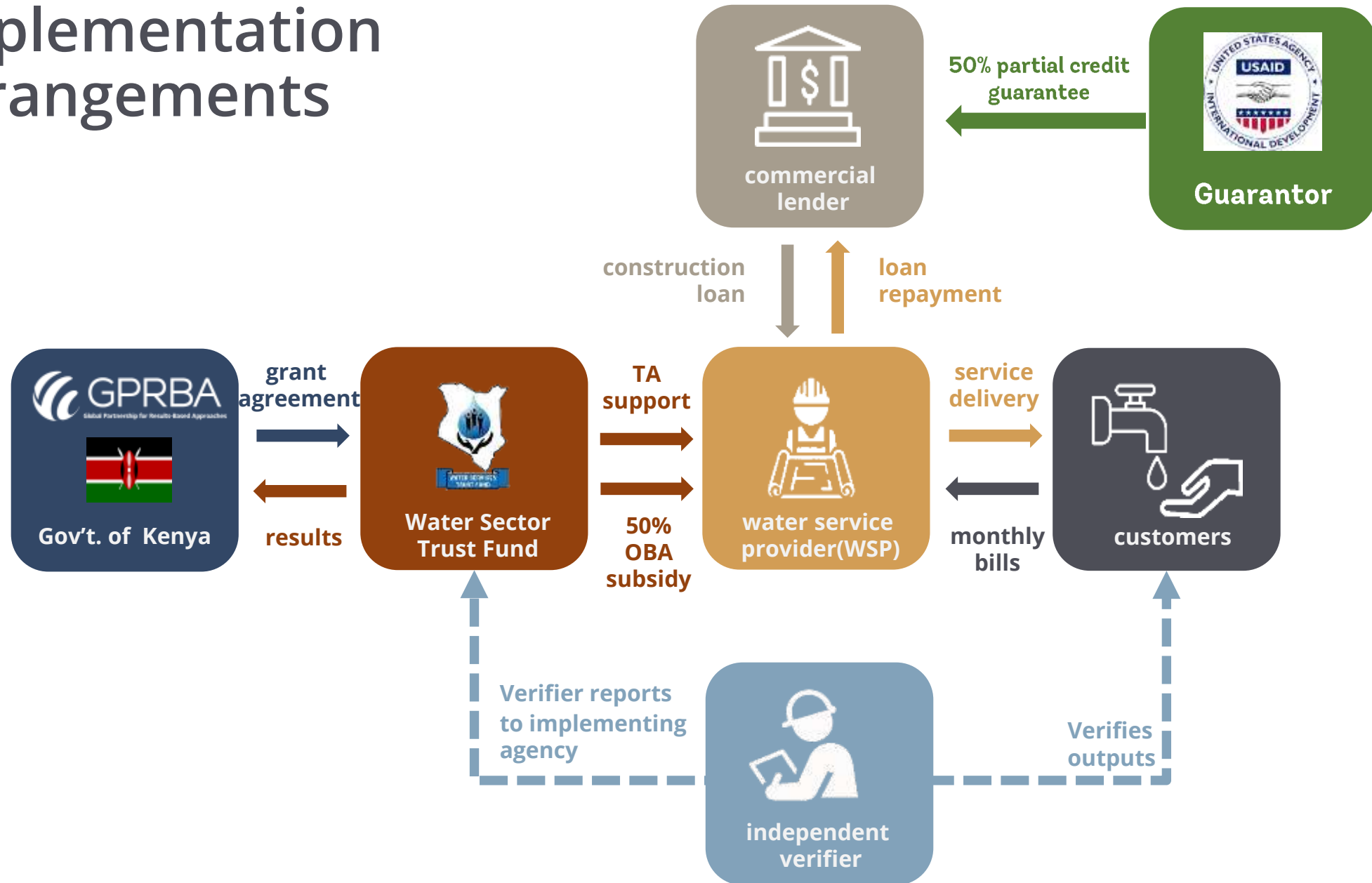
# Development Challenge

- WSPs face growing populations and increased investment needs
- Financing gap to achieve universal access to clean water and sanitation
- Barriers to commercial lending for water and sanitation





# Implementation Arrangements



# Project Results

- **\$10 million** RBF grant facilitated **\$15 million** private capital
- **8** utilities secured loans from **3** local commercial banks
- **84,000** people provided access to clean water
- **40,000** people gained access to household sewerage

## Kenya Water Sector Trust Fund Video



# OBA

## Output-Based Aid Programme



WATER SECTOR TRUST FUND



MINISTRY OF WATER  
SANITATION AND IRRIGATION



SWEDISH INTERNATIONAL  
DEVELOPMENT AGENCY



THE WORLD BANK

▶ 0:04 / 5:57



**Results-Based  
Financing  
Forum 2023**



# Bangladesh: microfinance for rural water and sanitation



# Project Background

## Bangladesh Output-Based Aid (OBA) Sanitation Microfinance Program (2016-18)

### Development Challenge

- Bangladesh nearly OD free
- “Improved” sanitation at only 61%
- Transition from basic to hygienic

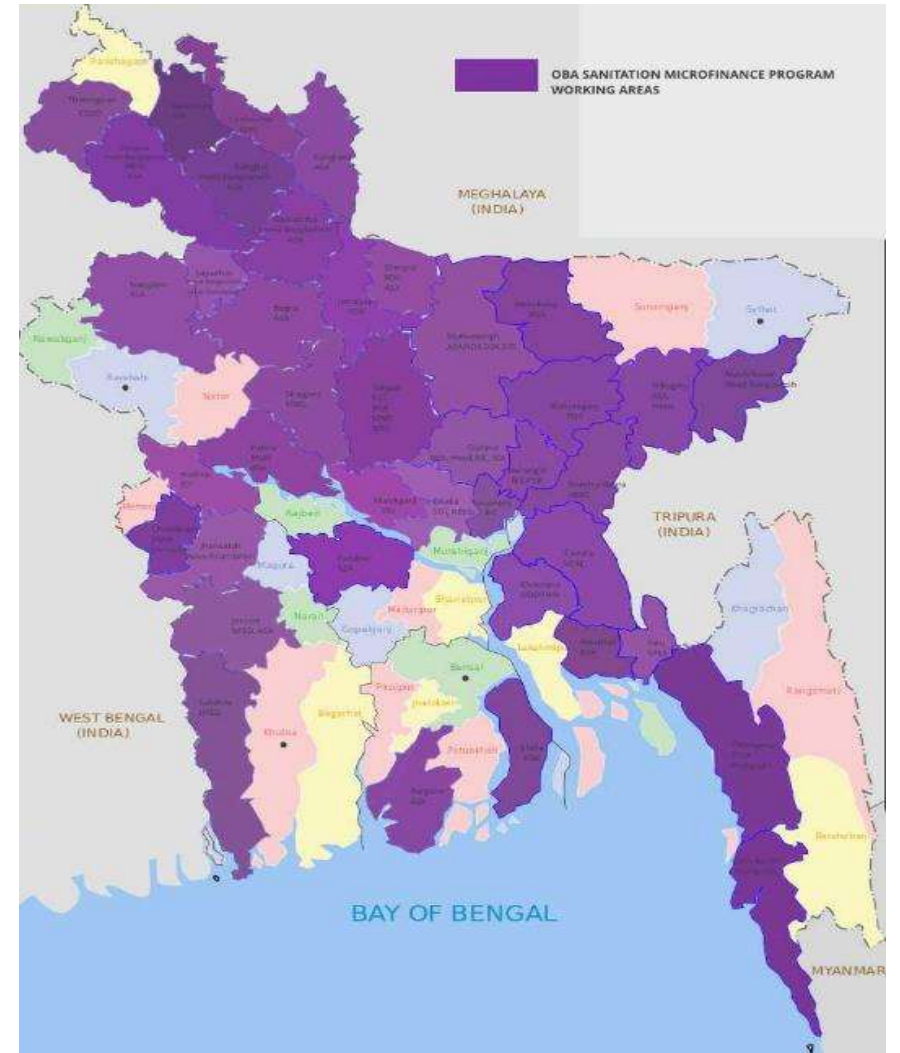
### Objective

Increase **access to hygienic sanitation** for low-income households in rural areas through **microfinance loans**

### Approach

- Credit support to:
- consumers for purchase of materials and latrine construction
  - small-scale local entrepreneurs

### Project Areas



# Implementation arrangements

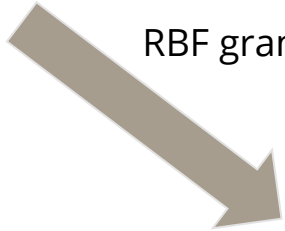


Grant agreement



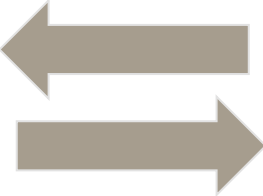
**Ministry of Finance**

RBF grant



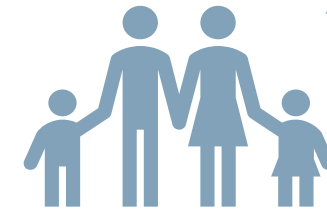
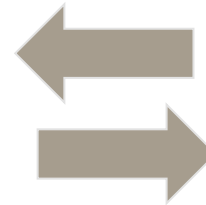
**Palli Karma-Sahayak Foundation (PKSOF)**

Uses own capital for wholesale lending to MFIs and reimburses household subsidy payment when construction verified

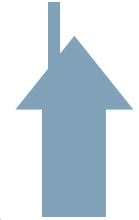


**Microfinance Institutions**

Lends to households for toilet construction, subsidizing a portion of the capital cost



**Rural Households**



**Business Loans**  
Interest Rate: 10% p.a. (flat)  
Loan Size: US\$ 400-2,000  
Tenor: 12-24 months

Provides training and certification program, in addition to access to SME loans



**Local Construction Firms**

Builds toilet



# Project Results

**\$3 million** RBF grant + **\$1 million** technical assistance leveraged nearly **\$22 million** in MFI lending for household sanitation

Over **170,000** households received sanitation loans and latrines constructed

**850,000** people provided access to hygienic sanitation facilities

**96%** of loans provided to female borrowers

**1,000** local sanitation entrepreneur loans

“One-stop shop” at doorstep of household



# Maximizing finance for development

US\$ 8 in additional funding for every US\$ 1 of GPRBA grant funding

*\$1 in GPOBA funds...*



+

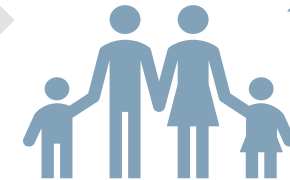
*\$0.33 in World Bank TA results in...*



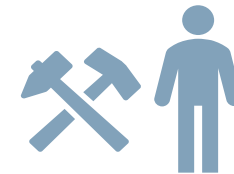
*\$7.3 in lending to households to purchase a toilet from a certified construction firm*



*\$0.2 in investments from household savings*



*\$0.5 in lending to construction firms for business expansion*





# What next?

\$25 million pilot → \$550 million national program

Bangladesh Rural Water, Sanitation and Hygiene for Human Development Capital Project

(\$400 million AIIB + World Bank; \$150 million GoB)

## Development objectives

- (i) improve access to 'safely-managed' water supply and sanitation in selected areas of rural Bangladesh
- (ii) strengthen sector institutional capacity for water and sanitation



# Key project details

Scale-up incorporates lessons and customer feedback from pilot

**8 million** beneficiaries + emergency response for **700,000**

Sanitation (twin pit toilets):

- Upgrades to individual facilities
- Fully subsidized for extreme poor
- Microfinance loans for moderate/non-poor. Project covers cost of second pit

Water:

- Fully subsidized community-based piped water system; users cover O&M
- Microfinance loans for individual facility upgrades

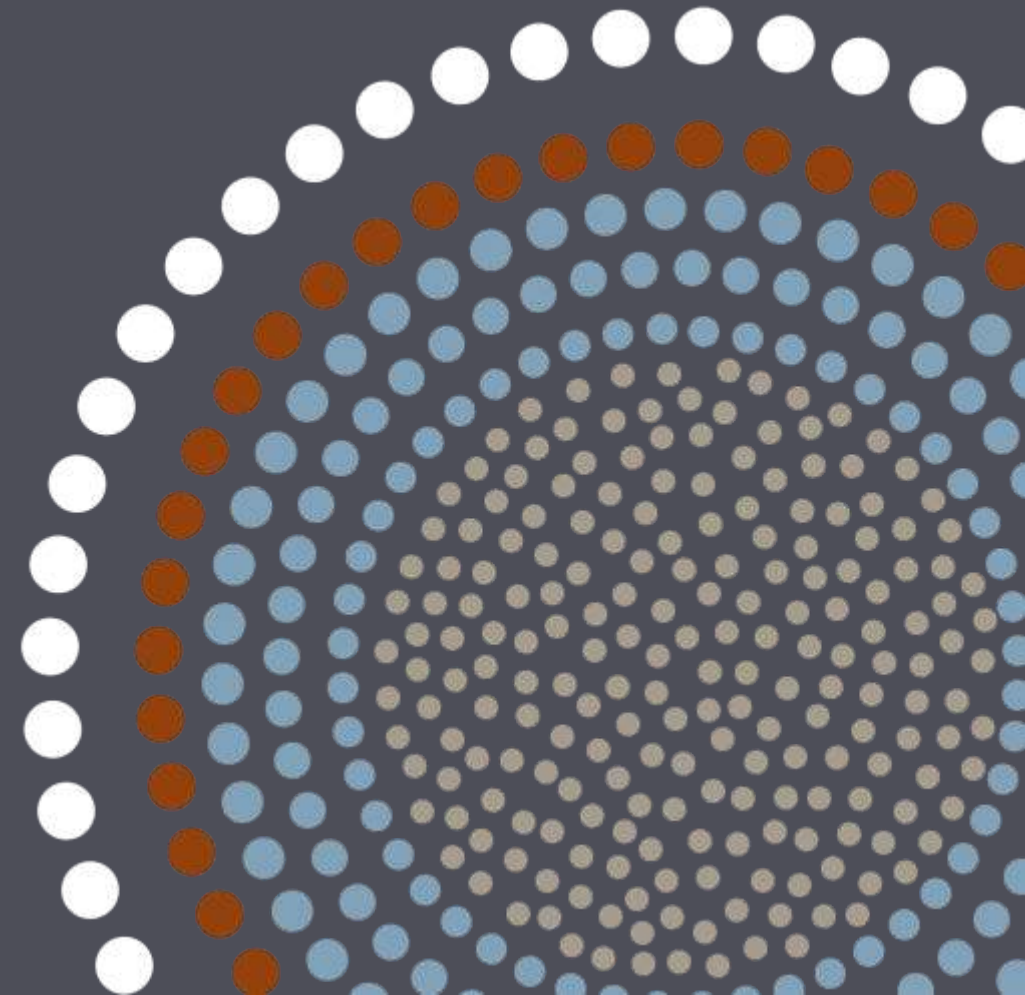
Market development

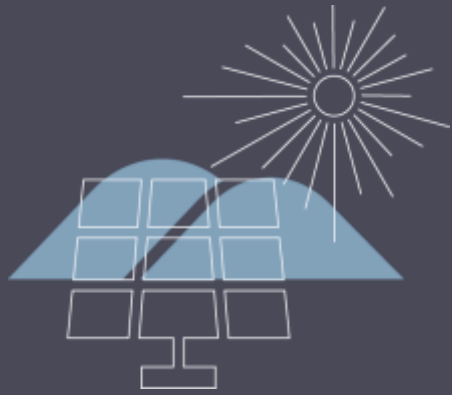


**Results-Based  
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**Thank You!**





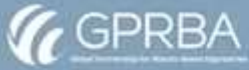
# Energy

**38%** of total funding

**116** million (USD)

**21** Projects





# Results-Based Financing Forum 2023

## Solomon Island Electricity Access Expansion Project

Interview with Renee Berthome  
Energy Specialist, World Bank

0:01 / 5:56





# Education

12% of total funding

36 million (USD)

4 Projects

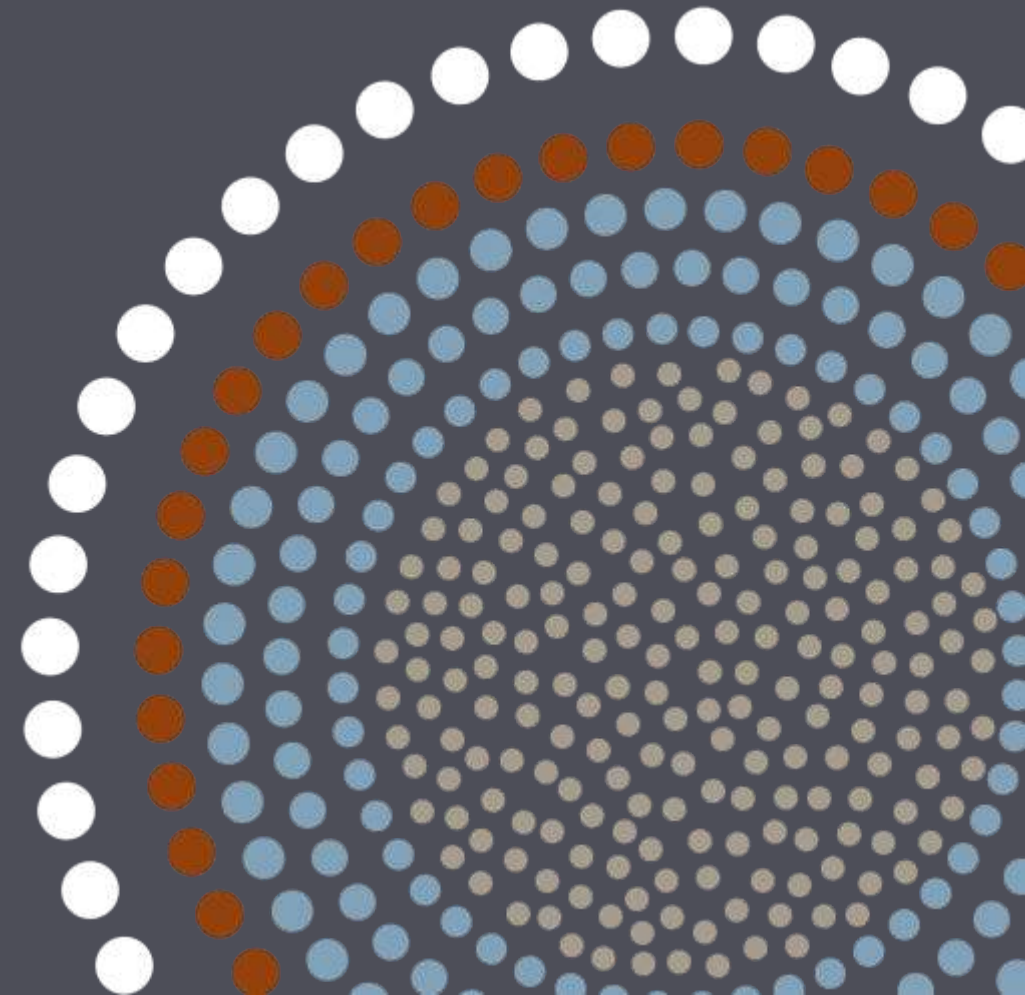


# Results-Based Financing Forum 2023



## Uzbekistan: Social Impact Bond for Early Childhood Development

Hiroshi Saeki  
Senior Economist, World Bank  
May 22, 2023



# Project Background

## Uzbekistan Output-Based Aid (OBA)

### Promoting ECD (2019-24)

#### Development objective

Increase access to early childhood education, improve the quality of learning environments in selected public preschools, and enable a systematic measurement of education quality for informed decision-making

#### Project Financing

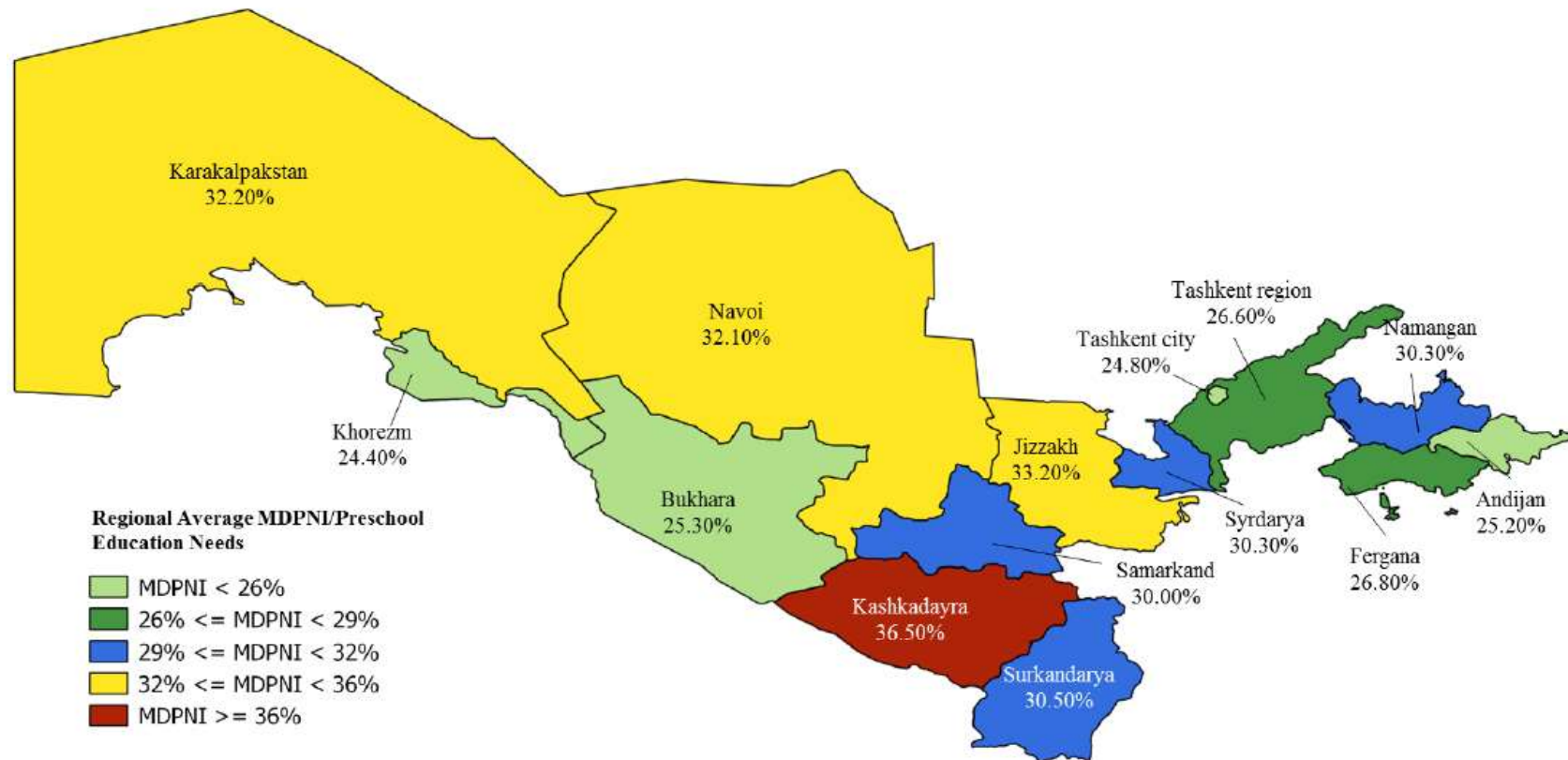
Loan/Grant	Amount (US\$)
IDA	59,500,000
GPE	9,500,000
GPRBA	4,850,000
<b>Total</b>	<b>73,850,000</b>



## Pro-Equity Targeting

### Implement SIB in 5 regions of Uzbekistan based on

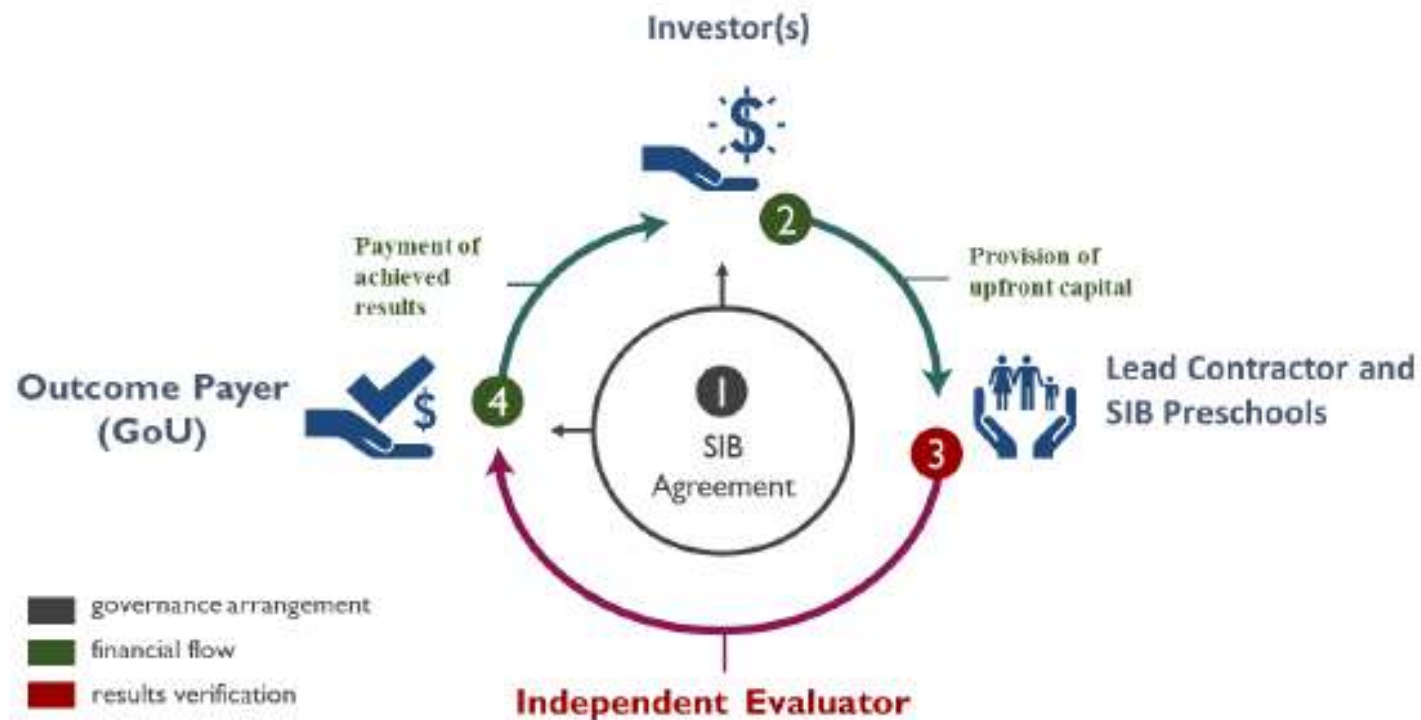
- Need for preschool education services
- Poverty level of region
- Availability of private preschool providers to become SIB partners



# Implementation Arrangements

## Approach

- SIB investor provides service provider upfront capital
- IVA verifies achievement of pre-agreed results
- Outcome payer repays investor



# Outcomes

SIB component officially dropped in March 2023 through project restructuring

---

- Significant changes in ECD landscape
  - Access to ECD has significantly increased for the past few years from 30% to 70%
- Another government initiative in PPP
  - US\$200M (soft loans) to PPP schools
  - US\$100M for family-based preschools in rural areas
- Alternative models to close the access gap of 30% (Aqlvoy busses, home visiting, playgroups)
- Preparation of SIB took much longer than expected (e.g., SIB OM, legal and procurement agreements)



# Lessons Learned

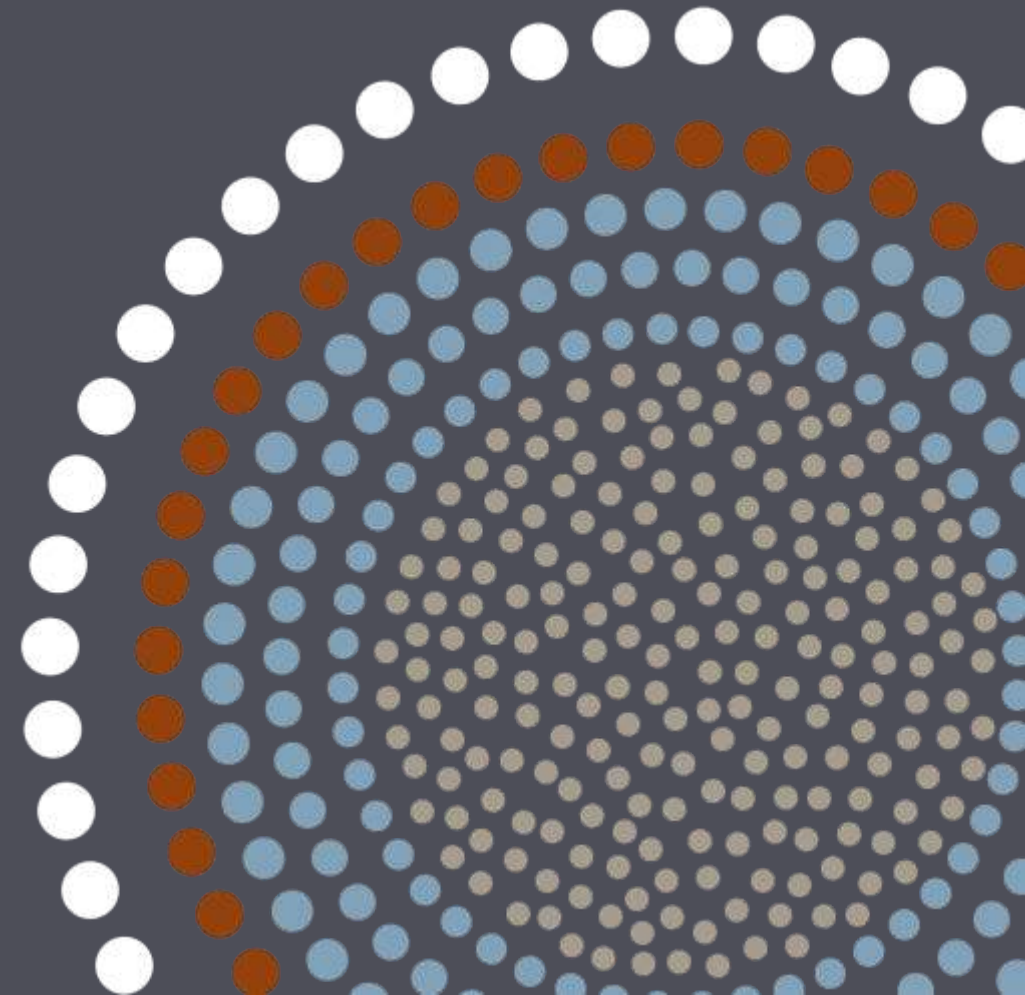
- Implement multiple approaches
- Institutionalize the preparation of a novel approach (e.g., legal and procurement framework)
- Advance a preparation for project implementation in detail (e.g., SIBOM) – the devils in detail
- Keep it simple – resilience to external shocks



# Results-Based Financing Forum 2023



# Thank You!





# Solid Waste Management

5% of total funding

17 million (USD)

4 Projects

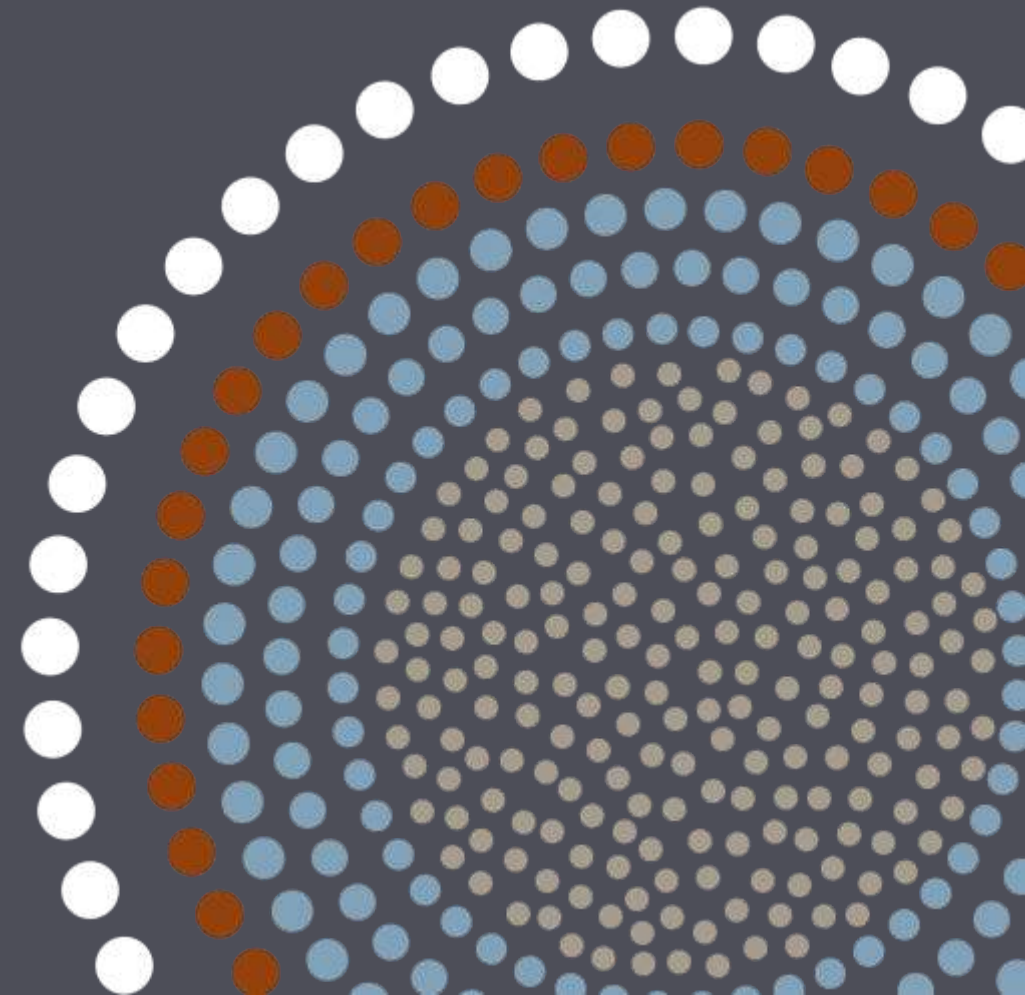


# Results-Based Financing Forum 2023



## West Bank and Gaza: Gaza Solid Waste Management Project (GSWMP)

Phoram Shah  
Senior Urban Development Specialist, World Bank  
May 23, 2023



# Project Background

## GSWMP (2014-2022)

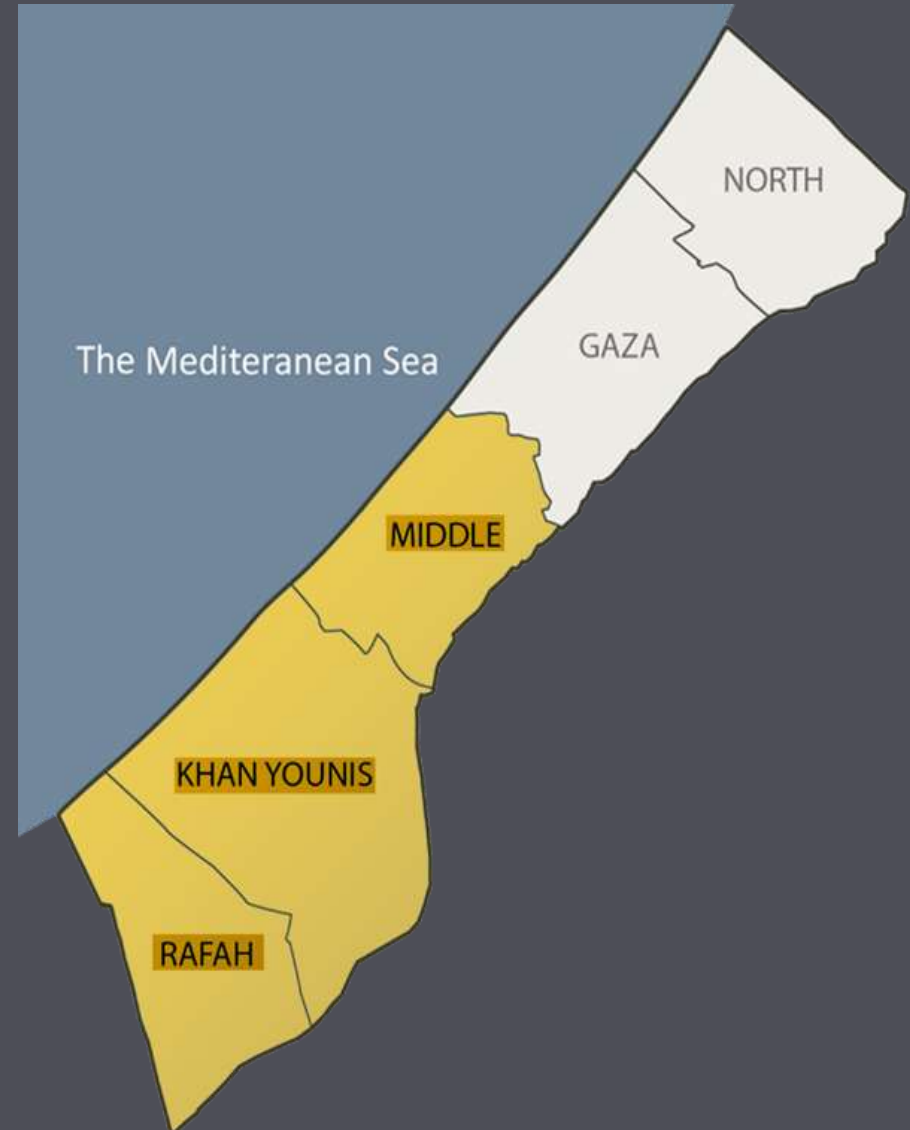
### What

**Project Development Objective:** Improve solid waste management services in the Gaza Strip through provision of **more efficient, environmentally and socially** sound waste management systems.

### How

- **Investment in Key Sanitary Infrastructures** (disposal facility, transfer stations, ancillary facilities)
- **Capacity Development** and
- **Results Based Funding through GPRBA**

### Project Area





# GPRBA: 2 years; US\$2 million

## Why RBF

Provided funding support that **incentivized** the solid waste service provider (JSC-KRM) to improve its **service quality** and **cost recovery** thereby ensuring the **operational and financial sustainability of the project**.

### Performance Targets/KPIs

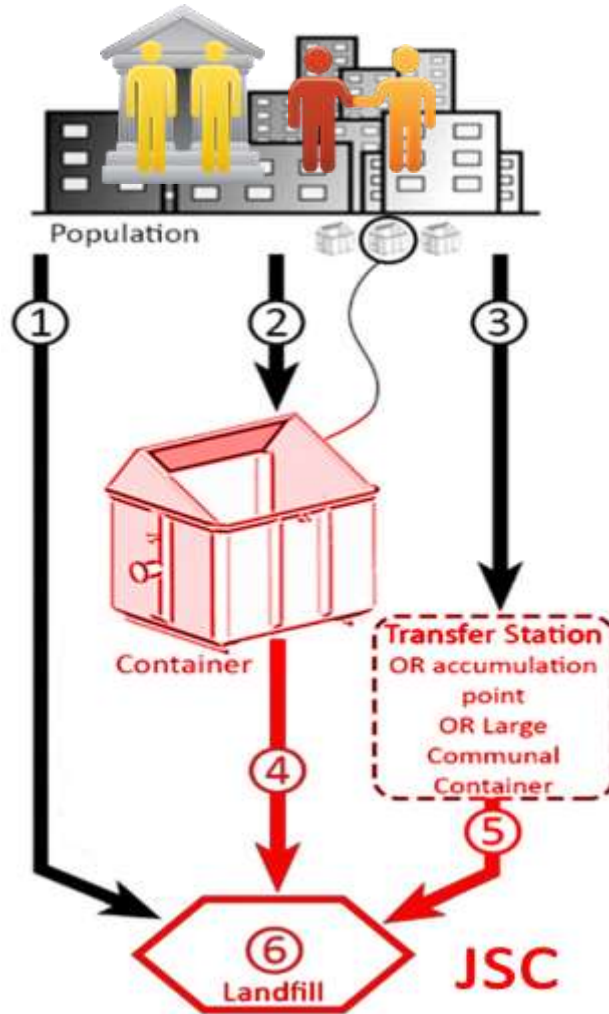
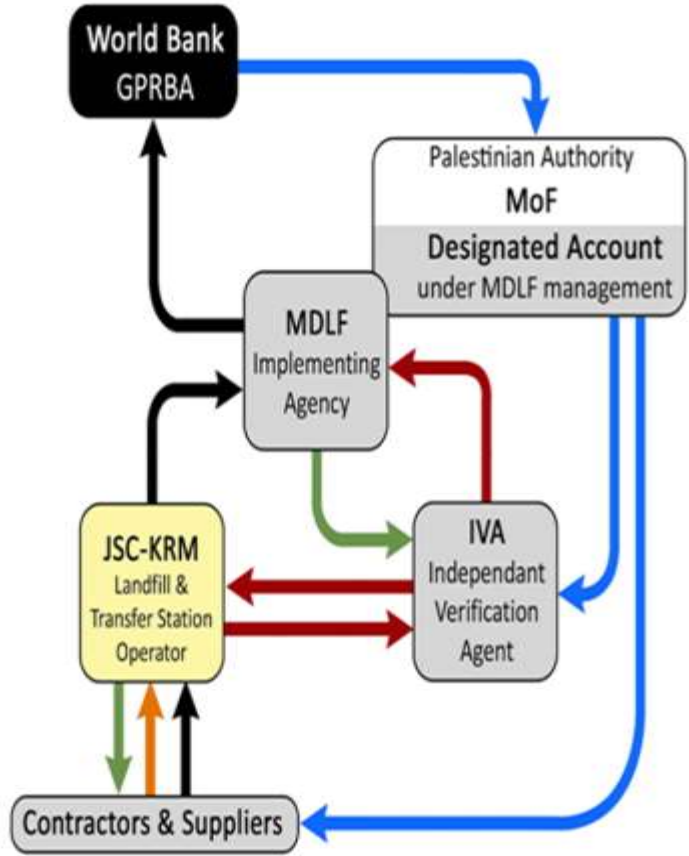
#### Outcome 1: Service Improvement

- Improved Landfill Services
- Improved Transfer Station Service
- Improvement in Container upkeep and truck Maintenance
- Improvement in Medical Waste Management

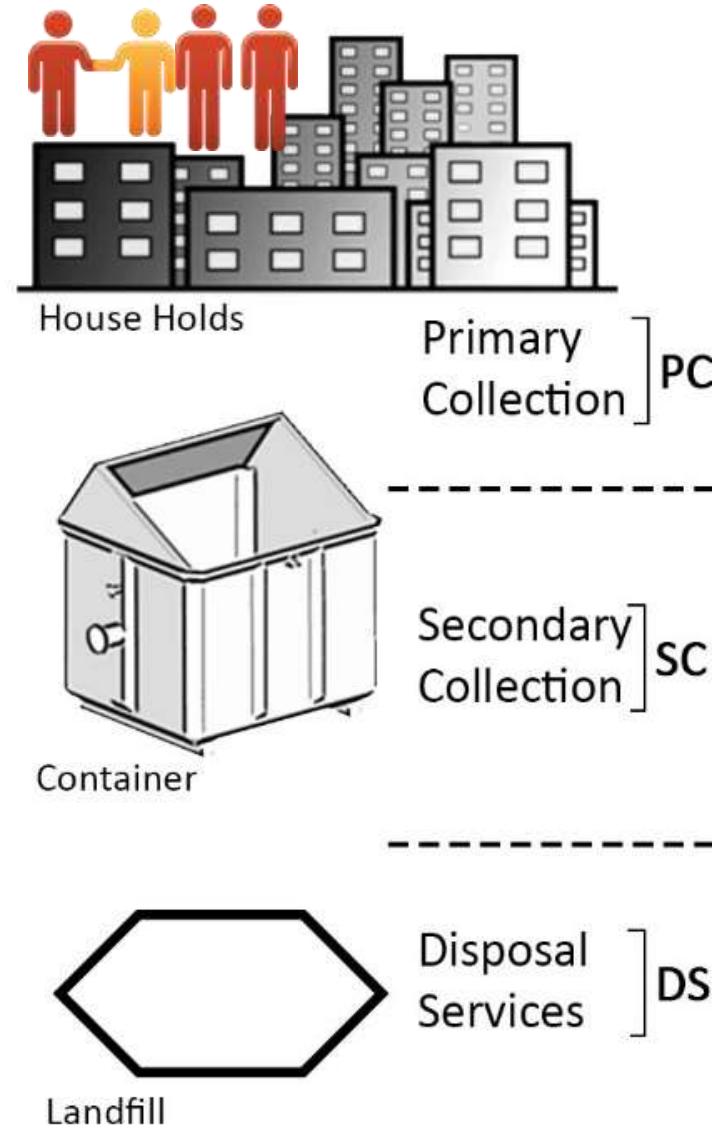
#### Outcome 2: Cost Recovery Improvement

- Increase in JSC Fee Collection Rate
- Reduction in Medical waste treatment cost

# GPRBA: Implementation Arrangements



**JSC-KRM Responsibilities**



Municipal Development and Lending Fund (MDLF): Project Implementing Agency



JSC-KRM: Solid waste service provider/facility owner

# Gaza Solid Waste Management Project: \$30.6 million infrastructure investment + \$2 million from GPRBA

## Key GPRBA Results

- **63% increase in secondary waste collection services** enabled expansion and improvement of services
  - Less than 3% of Overfilled Containers (from the threshold of 20%)
  - 94% Fleet Operational (due to regular maintenance and upkeep)
- The disposal and transfer station facilities **adopted improved operational standards**, resulting in notable service quality improvements (increased beneficiary satisfaction);
- Development and disclosure of **environmental monitoring reports** on JSC website
- Increase in JSC-KRM **cost-recovery to 71%** (from baseline of 50%);
- **90% reduction in infectious medical waste treatment cost** (from US\$2.87/kg to US\$ 0.29/kg - 800 kg/day Infectious Medical Waste Treated and safely disposed).



## Project Results

Over **1,000,000** people (~half the population of Gaza) were provided with safe sanitary disposal facilities

**96%** of waste generated in southern Gaza sanitarily disposed

**Over 12.6 Ha** of dumpsites and contaminated land were closed and rehabilitated

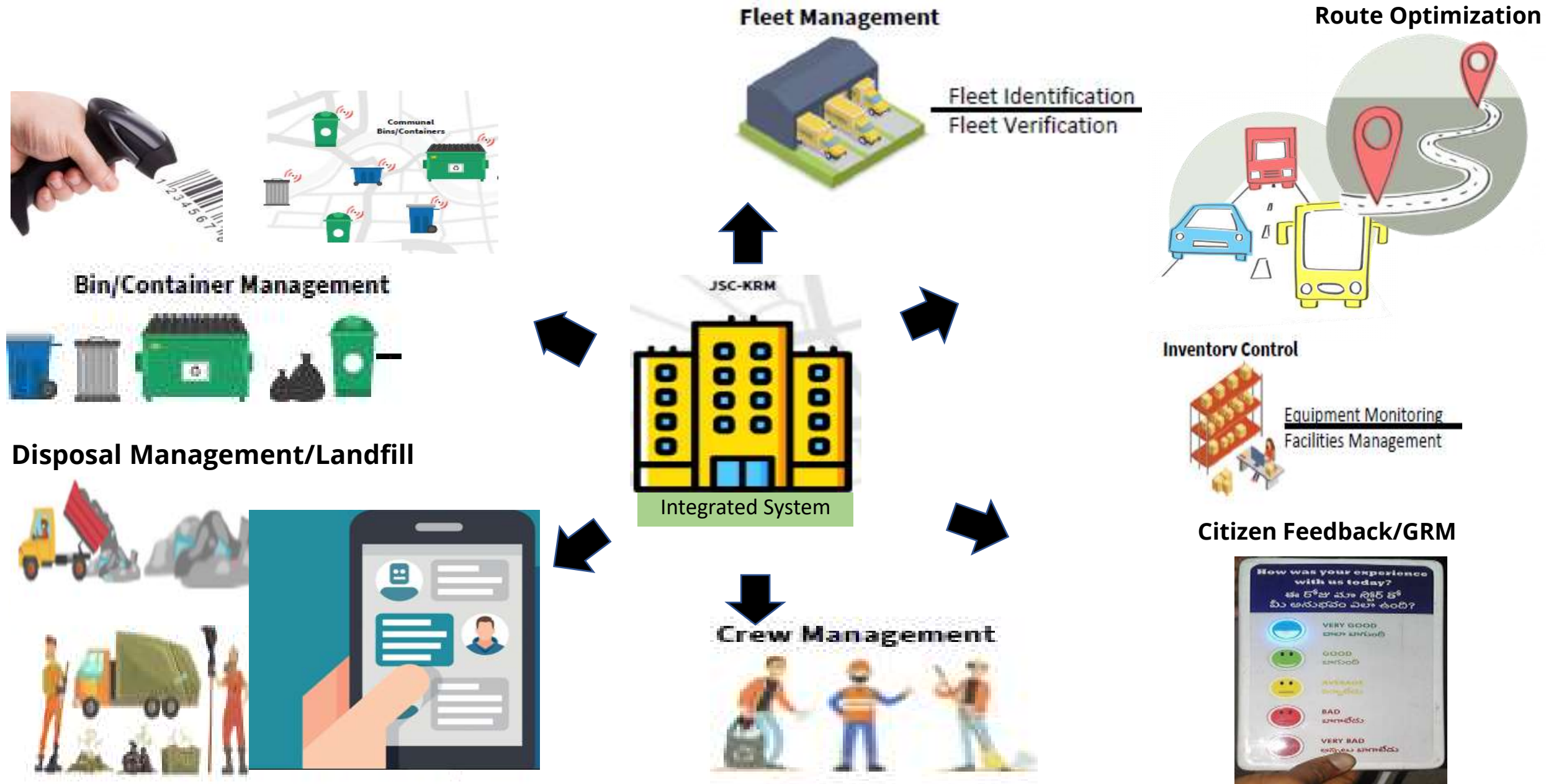
Restored improved livelihood for **16 waste-pickers**



91% of citizens reported satisfaction with solid waste related services provided by the service provider (JSC) GHG reduction, groundwater safety, air quality and other environmental improvements



# Institutionalization of the GPRBA results indicators and monitoring through Waste information Management System (WIMS): first-of-its-kind WMIS in Palestine



# Key Lessons Learned

- ***Well-targeted incentives deliver good operational performance.*** GPRBA funding was critical for the quality service improvements and cost recovery achieved under GSWMP.
- ***Incremental improvement through telescopic and realistic targets:*** performance targets should be designed in an incremental manner and aim for realistic outcomes.
- ***Expand GPRBA area of support to outcomes:*** such as climate change, gender etc.
- ***Bridging operational cost gap:*** GPRBA funding is instrumental in providing the initial funding for the increased operational cost due to newly constructed infrastructure, while building the capacity of implementing agency.
- ***IVA as performance feedback tool:*** beyond their monitoring function, IVA schemes should be actively utilized for improving implementation performance through constant feedback. This requires ensuring IVA<sup>18</sup> services have sector familiarity and expertise to provide recommendations and corrective actions, serving as feedback tool.
- ***Integrated Approach vs. Add-on:*** Integrate GPRBA as part of larger investments at project design to allow for more strategic focus on results and sufficient time for the incentives to impact improvements at a meaningful scale.





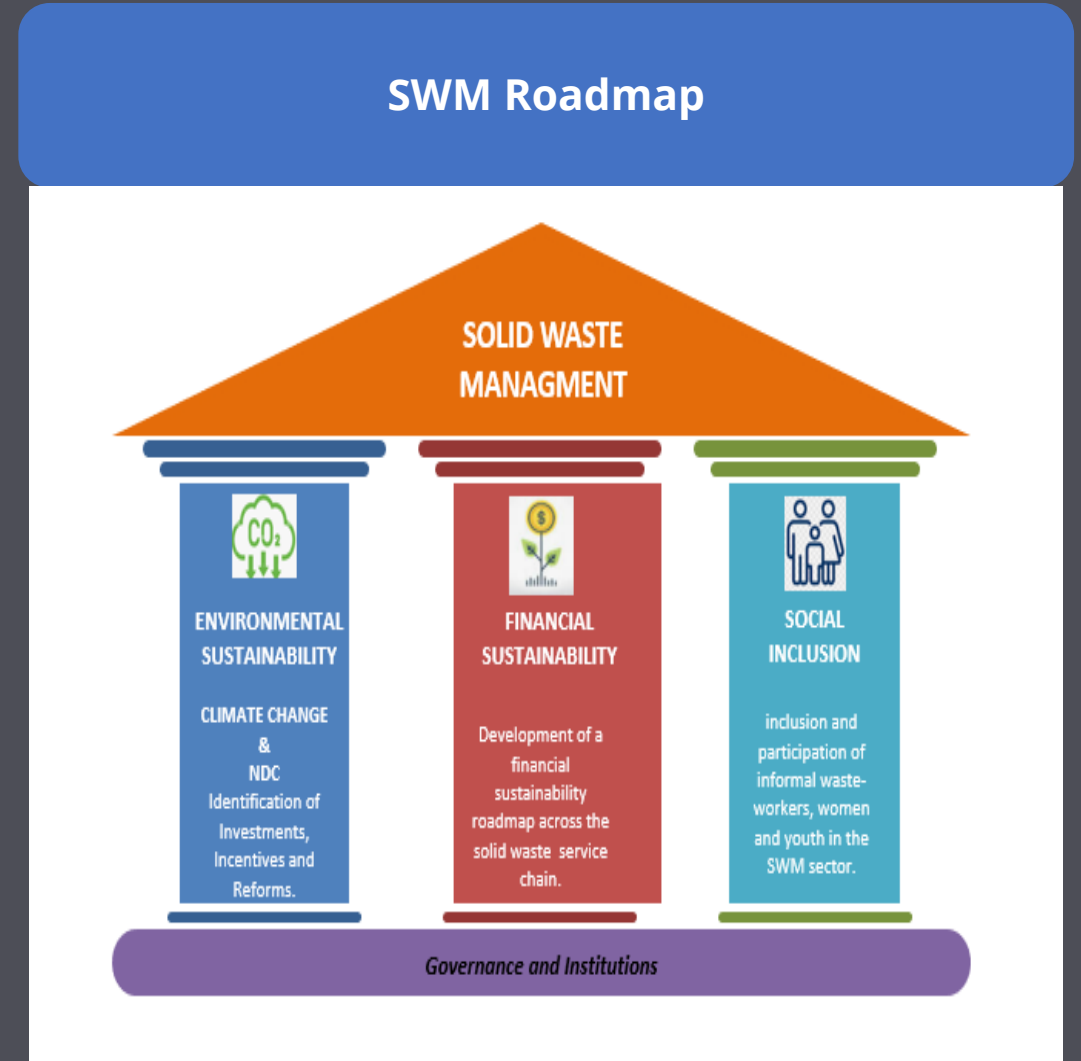
# Going Forward

Integrate the lessons learned from GSWMP incl. GPRBA led improvements  
→ Develop Solid Waste Sector Roadmap for West Bank & Gaza

## Technical Assistance for Solid Waste Sector Assessment (GPRBA + PID-MDTF)

Develop an integrated roadmap that will enable sustainable management of solid wastes focused on the following pillars:

- (i) minimizing waste disposal at landfills through diversion, recovery and achieving efficiency through appropriate policy actions, optimized collection and transfer for final disposal
- (ii) maximizing Climate Change Considerations and NDCs in the Solid Waste Management sector through improved Landfill Management; and
- (iii) achieving financial sustainability in the Solid Waste Sector.



Thank You

