



EVIDENCE REVIEW ON RESULTS-BASED PAYMENTS

OBJECTIVES

Results-based payment interventions provide funding to actors that are contingent upon the achievement of predefined outcomes, outputs, or activities. An independent third party must verify the reported results. This evidence review will catalogue the effectiveness of results-based payment interventions across sectors, such as agriculture, energy and education, and at multiple levels. It will subsequently investigate where the Green Climate Fund (GCF) has allocated results-based payment project financing to date.

WHAT ARE EVIDENCE REVIEWS? WHY ARE THEY USEFUL?

An evidence review is a comprehensive collation, analysis, and presentation of evidence. Evidence reviews the current availability of evidence in a field to inform future project design and implementation. This review on results-based payments will present evidence in two formats:

- An evidence gap map (EGM)
- An intervention heat map (IHM)

Guided by a meta-theory of change, the evidence gap map will show the results in a matrix of interventions

and outcomes. The review will subsequently use the evidence gap map framework as a template for an intervention heat map. The review will overlay the GCF's current funding flows for results-based payment interventions onto the evidence gap map. The intervention heat map will help assess the extent to which the GCF's activities are informed by evidence. It will also allow the GCF to consider funding projects in areas with a strong evidence base.

THE RATIONALE FOR THIS EVIDENCE REVIEW

If left unchallenged, the effects of climate change will likely be profound. The international community can employ a range of mechanisms to mitigate greenhouse gas emissions and adapt to global warming. All mitigation and some adaptation interventions provide public goods. These are benefits that are enjoyed by all and where the enjoyment by one doesn't reduce the amount available for others. But there are challenges associated with the provision of public goods, especially free-riding, because people can enjoy benefits without having to pay. Results-based payment interventions may have the ability to confront such challenges because of their unique features. This modality provides flexibility to implementers in the delivery of targets. At the same time, they can attract additional resources



from those competing to achieve the targets. They also reduce the risk of excessive payments if targets are not met. The aim of this evidence review is to provide comprehensive insights regarding what works to inform future results-based payment interventions within climate interventions.

METHODS

This evidence review will collate evidence conforming to the following Population, Intervention, Comparison, and Outcome (PICO) criteria:

- **Population:** Studies conducted in developing (non-Annex I) countries and low-income settings in developed (Annex I) countries. This review will also consider studies conducted in non-Annex I and Annex I countries if the study disaggregates the effects.
- **Intervention:** Results-based payment interventions undertaken in any sector, at any administrative level, delivered to any beneficiary, and implemented by any actor. The review will aggregate interventions into three groups: supply-side, hybrid, and demand-side.
- **Comparison:** Studies that identify a comparison or control group.
- **Outcome:** Outcomes measured at any point following the intervention. The review will include outcomes reported at the beneficiary, service provider, investor, and system-wide level. The review will consider both intermediate and final outcomes. The review will quantify outputs at the level of the service provider.

- *Unintended consequences:* The review will consider effects on equity, neglect of other priority areas, general equilibrium effects, and perverse incentives.

The review will include experimental, quasi-experimental, and non-experimental studies published in or after the year 2000. For interventions that utilize conditional cash transfers, the review will only consider systematic reviews. The review will include studies written in English. The review will incorporate both peer-reviewed and grey literature articles.

CONTRIBUTION

This evidence review will contribute to the literature by:

- providing insights to enhance the application of results-based payment interventions within the context of climate change;
- indicating the relative sector-success of results-based payment interventions at inducing consumption of goods and services by end-users;
- assessing the extent to which the GCF's activities are evidence-informed;
- outlining opportunities for the GCF to expand its application of the results-based payment funding modality; and
- distilling clear insights on results-based payment interventions to inform the GCF's use of the modality.

Contact the IEU

Tel.: +82 32 458 6450
Email: ieu@gcfund.org
Website: ieu.greenclimate.fund
Twitter: @GCF_Eval



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