A blue-tinted photograph of a street in Latin America. The street is lined with ornate, multi-story buildings featuring arched windows and balconies. Several street lamps with glowing yellow light are visible on the left side. A flag is partially visible on the right. The overall scene is vibrant and detailed, typical of a historic urban area.

**Lessons from the most vibrant  
results-based financing ecosystem  
in Latin America**

## Where we started

*Workforce Development (WfD) programs whose effectiveness was constrained by:*



Misalignment between policy objectives and service providers' delivery



Limited use of data and evidence to inform decisions and adjust actions accordingly



Difficulty in ensuring programs' sustainability due to lack of policy outcomes (evidence)

## Where we are today

*After 10 years of ecosystem-building*



RBF employment programs implemented at greater scale



Increased investment in RBF employment mechanisms



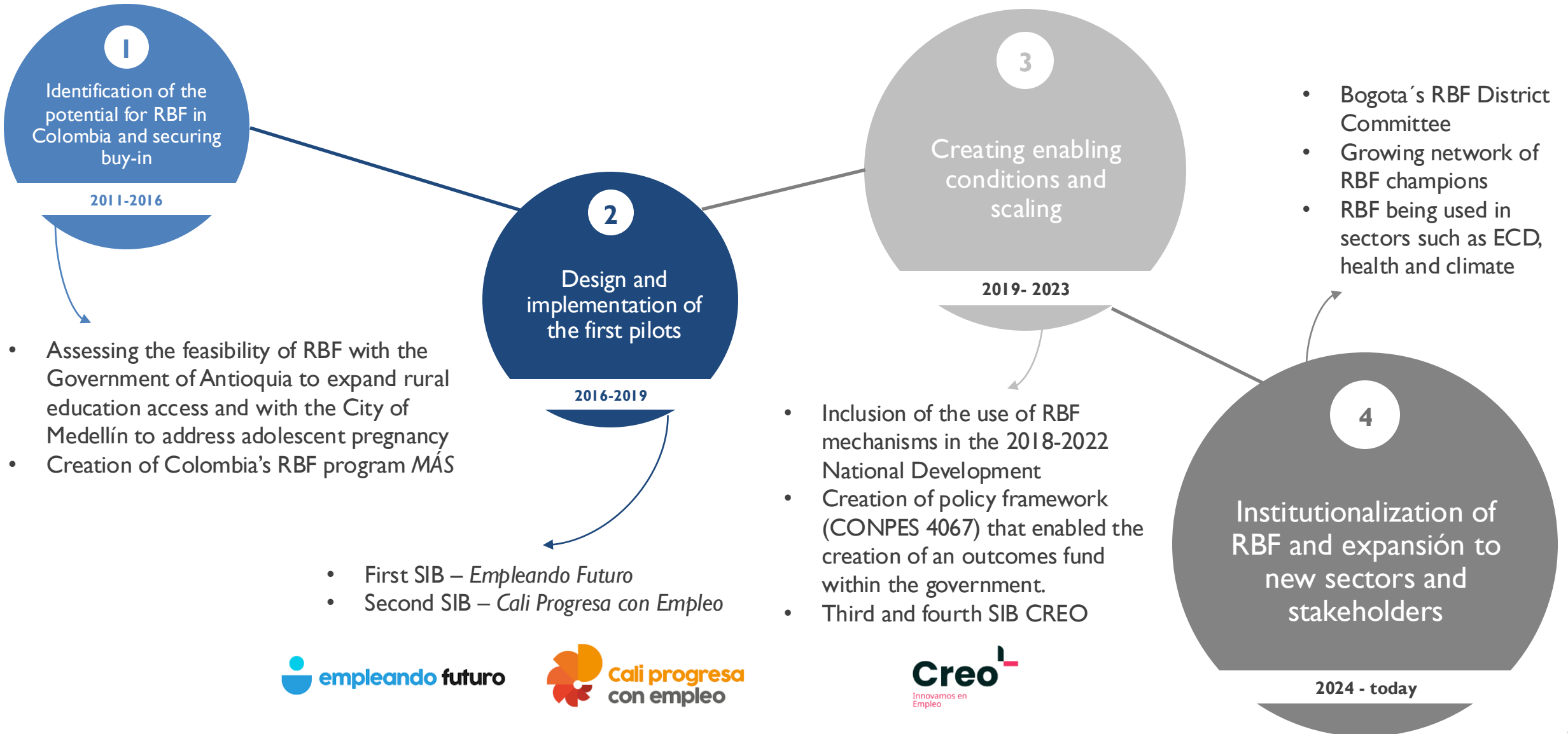
New stakeholders and sectors adopting RBF mechanisms



RBF institutionalized in Colombia, positioning the country as an international benchmark



# Evolution of the Colombian RBF ecosystem



# SIBs: The Starting Point of Colombia's RBF Ecosystem

*In 2016, addressing youth and women unemployment was a pressing concern. To tackle this issue and enhance the employability of vulnerable populations, Instiglio pioneered the first SIB in a low/middle-income country (3 SIBs followed suit)*

## Why?

01

SIBs emerged as an innovative public procurement instrument that could help the National Government increase the effectiveness of their spending and improve results in the social sector.

02

SIBs allowed to shift financial risk to investors, enabling innovation in a context where the government was willing to experiment but remained risk-averse

## Key Results of the Four SIBs Implemented in the Country:



Budget

**USD 4.7 M**



Job placements

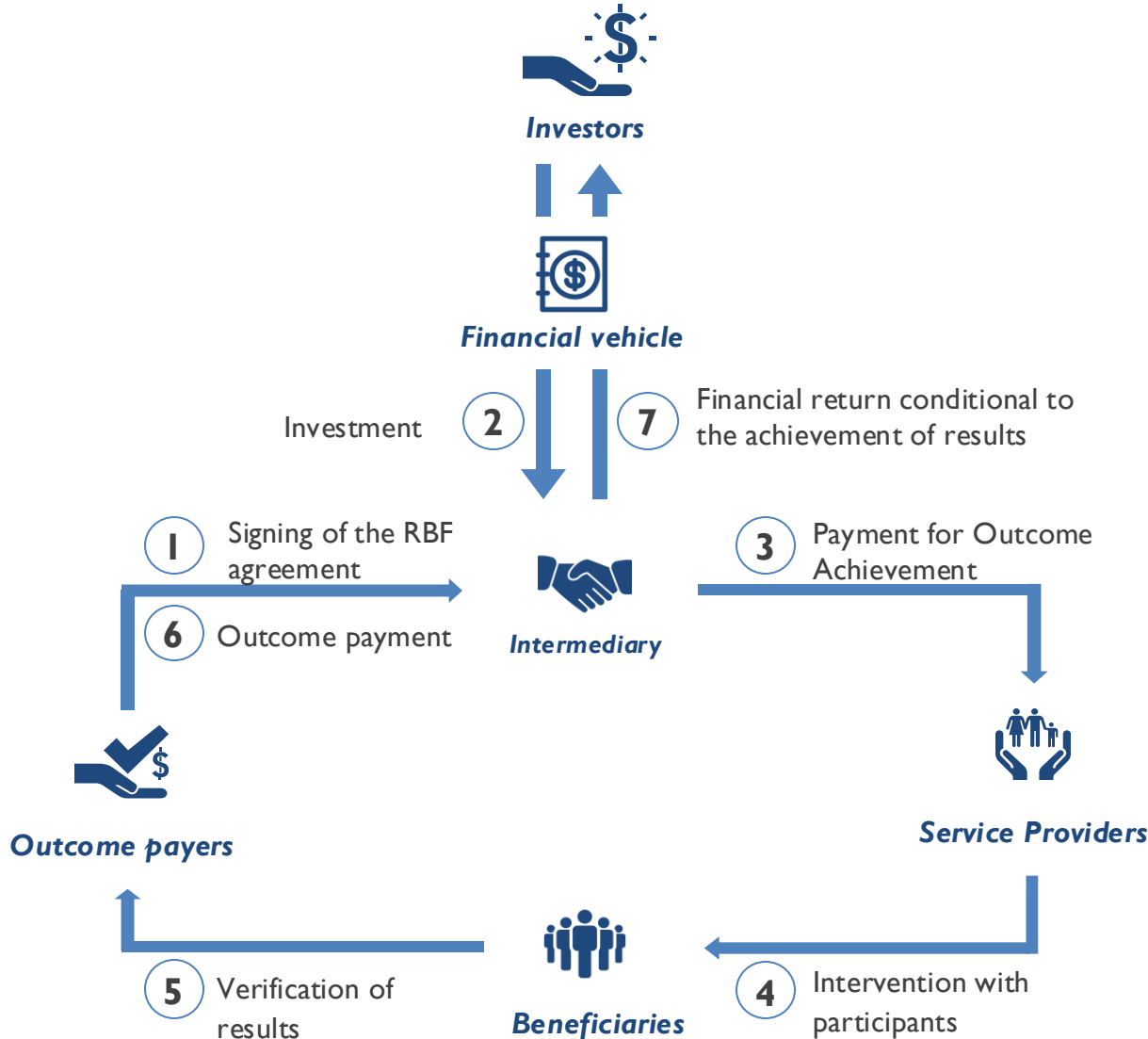
**4.874**  
(110%-112%)



Retention for 3 months

**3.389**  
(91%-103%)

# More than 20 stakeholders participated in the SIBs



Department for Social Prosperity  
IDB Lab, SECO, Cali's Mayors Office,



Corona Foundation, Davivienda Foundation, Santo Domingo Foundation, WWB Foundation, Plan International, World Women Corporation, Comfama, Juanfe Foundation, Fraternidad Medellin Foundation, Bancolomia Group, Nutresa Foundation, Promigas Foundation, Inversor



Carvajal Foundation, Kuepa, Volver a la Gente, Colombia Incluyente Foundation, Alvarice Foundation, Comfama, Juanfe Foundation, Volver a la Gente Corporation, Colsubsidio, Minuto de Dios Corporation



Corona Foundation, Inversor, Comfama

# SIBs improved program effectiveness and provided relevant lessons for future interventions



## Capacity-building across actors is essential

*Cultivating the skills and experience of all actors involved significantly increases the likelihood of achieving results.*



## Experience under RBF improves results

*As service providers gained experience working under a results-based approach, they made operational adjustments that led to better performance.*



## Strong Performance Management (PM) capabilities matter

*Strengthening PM capacities among service providers was essential to track performance, adapt implementation, and improve outcomes over time.*



## Access to and use of public data for verification purposes enables scaling

*Using public data and information systems as verification mechanisms is key to scaling RBF models within public policy.*



## RBF designs should explicitly encourage innovation

*Allowing room for innovative strategies to achieve results brings new opportunities to the table and improves target achievement.*



## Intervention pathways must match beneficiary realities

*Shorter, more flexible employment pathways are better aligned with the needs of vulnerable populations.*

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