

Exploring the Opportunity and Assessing Feasibility of the Social Impact Bond (SIB): Lessons from the IMAGINE AGYW and Other SIBs

WEBINAR REPORT

11 June 2024

Invest4health Webinar series

Developing and implementing social impact bonds: from theory to practice June – November 2024

WEBINAR 1:

Exploring the opportunity and assessing feasibility of the social impact bond (SIB): lessons from the IMAGINE AGYW and other SIBs

11 JUNE 2024
14:00-16:00 (online)

AGENDA

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| <ul style="list-style-type: none">Identifying the opportunity for a SIB:
<i>What health or social issue needs to be addressed and what factors guide where to focus?</i> | SAMRC (intermediary) |
| <ul style="list-style-type: none">Convening partners and securing preliminary commitment:
<i>How does this happen, what is needed to convince partners</i> | SAMRC (intermediary)
NACOSA (implementer)
DBE (outcomes funder)
ABSA (investor) |
| <ul style="list-style-type: none">Choosing the financing and contracting mechanism:
<i>What criteria to consider and when are SIBs the right choice?</i> | GoLAB (research and policy partner) |
| <ul style="list-style-type: none">Assessing the regulatory and legal landscape:
<i>Is the landscape conducive to SIBs and what are key factors to consider in design and implementation?</i> | SAMRC (intermediary) |
| <ul style="list-style-type: none">Conduct preliminary costing and budgeting for programme implementation:
<i>How to assess the feasibility of a SIB from a cost perspective?</i> | Genesis Analytics (technical advisors) |



Nevilene Slingers
(SAMRC)



Steve Cohen
(Genesis Analytics)



Mara Airoldi
(GoLAB)



Janeli Kotzé
(DBE)



Fareed Abdullah
(SAMRC)



Marieta De Vos
(NACOSA)



INTRODUCTION

On June 11, 2024, the South African Medical Research Council (SAMRC), in collaboration with its partners NACOSA, the University of Cape Town's Bertha Centre, and Genesis Analytics, facilitated the second webinar as part of the Invest4health Learning Action Network (LAN). This webinar was the first session in a series dedicated to exploring the development and implementation of social impact bonds (SIBs) from theory to practice. Titled 'Exploring the Opportunity and Assessing Feasibility of the Social Impact Bond (SIB): Lessons from the IMAGINE AGYW and Other SIBs,' the event aimed to provide valuable insights into the design and implementation of SIBs.

During the session, experts delivered presentations and engaged in an interactive Q&A segment to discuss some key considerations, challenges and lessons learnt as it related to setting up social impact bonds.

This virtual event was attended by over 80 participants.

PRESENTATIONS AND SUMMARY OF KEY POINTS



The image shows a title card for a webinar series. At the top, the text 'invest4health' is written in a green, lowercase, sans-serif font. Below this, a horizontal line separates the title from the text 'WEBINAR SERIES' in a dark blue, uppercase, sans-serif font. Underneath that, the title of the webinar is displayed: 'Webinar 1: Exploring the opportunity and assessing feasibility of the SIB' in a dark blue, sans-serif font. Below the title, the date '11 June 2024' is shown in the same dark blue font. At the bottom of the card, there are two logos: on the left, the 'invest4health' logo with the tagline 'Advancing social outcomes' in small text; on the right, the 'saMRC' logo with the tagline 'advancing life' in small text.

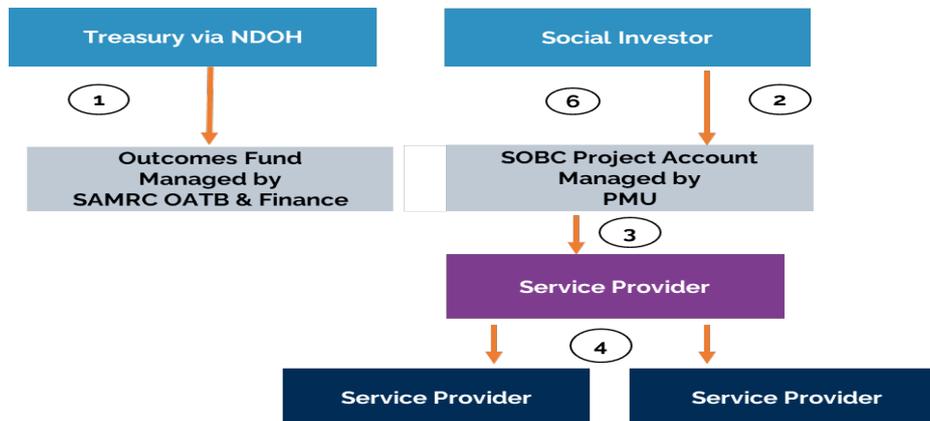
Choosing the Financing and Contracting Mechanism: Reflections on the Choice of Using a SIB

Mara Airoidi from the Government Outcomes Lab (GO Lab) at the University of Oxford highlighted several advantages of outcomes-based financing, and SIBs specifically, such as value for money, since the government only pays for successful outcomes. This ensures that public funds are utilized effectively, maximizing the impact of investments in social programs. Additionally, SIBs leverage expertise and resources from a variety of sectors to achieve desired social outcomes, fostering collaboration and bringing diverse perspectives and skills to the table.

Identifying the Opportunity for a SIB: IMAGINE AGYW

As presented by **Dr. Nevilene Slingers**, the IMAGINE SIB aims to improve outcomes related to HIV and pregnancy among school-going adolescent girls and young women in South Africa. This initiative

is a collaboration between SAMRC, the Department of Basic Education (DBE), the National Department of Health (NDOH), the Department of Science and Innovation (DSI), and the Treasury. For this SIB, Rand Merchant Bank is the investor and NACOSA (Networking AIDS Community of South Africa) the implementer, the latter being selected through a competitive bidding process. She highlighted several reasons why a social impact bond was deemed an appropriate financing mechanism, including fostering a focus on performance, impact, and value for money, enabling new interventions, and bringing together expertise from various fields.



Putting the Partnership Together

Fareed Abdullah (SAMRC) and **Marieta de Vos (NACOSA)** highlighted several lessons learned during the partnership formation for the IMAGINE SIB. The contracting process took longer than expected, causing changes in implementation workflows and requiring repeated data system revisions. Another key takeaway was the need for the beneficiary group to test and refine planned interventions. **Janeli Kotzé (DBE)**, shared insights on the South Africa ECD Outcomes Fund and how they managed to garner support and funding for this initiative. A key factor here was having a first mover’ investor in the form of the DBE itself.

We asked the audience what the first words are that come to mind when they think of “innovative financing”. The results were as follows:

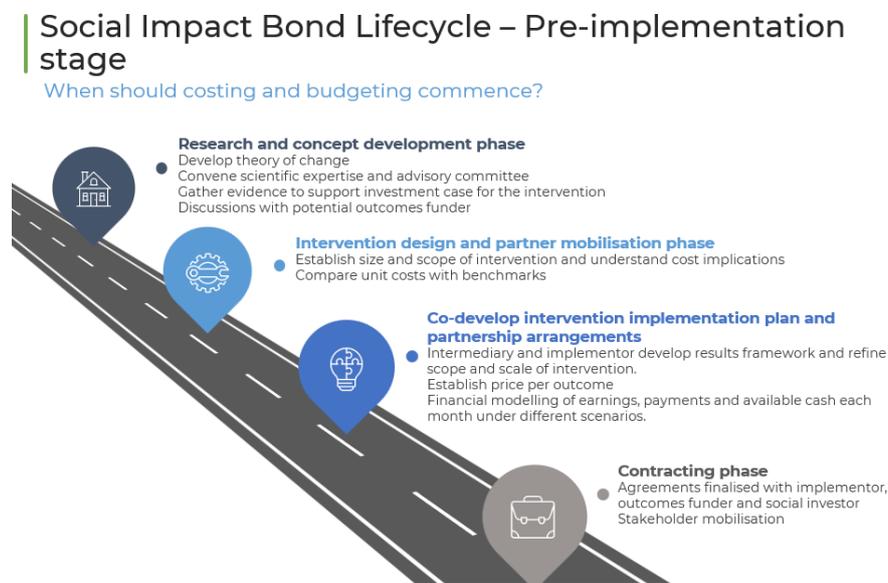


Negotiating the Regulatory and Legal Environment for SIBs – The Experience of the SAMRC

Fareed Abdullah (SAMRC) discussed navigating various legal requirements, including obtaining approvals from the SAMRC Board, the Ministry of Health, and the Ministry of Finance. Additionally, the transaction was treated as a loan, which required approval from the Treasury Fiscal Liabilities Committee.

Costing and Budgeting for SIB Interventions

Steve Cohen (Genesis Analytics) emphasized the importance of assessing whether proposed interventions and financing mechanisms provide value for money in terms of procurement, cost efficiency, cost-effectiveness, and equity. He stressed starting costing and budgeting from the conceptualization phase, including detailed information on service delivery models, service packages, and resource requirements. He also highlighted the planned economic evaluation of the IMAGINE SIB to assess costs and cost-effectiveness for future government decision-making.



WHAT'S NEXT?

This webinar was the first in a planned series of three exploring the development and implementation of social impact bonds (SIBs). Further details about the upcoming webinars will be communicated soon.

USEFUL LINKS AND FURTHER READING

- [Invest4health website](#)
- [Go Lab toolkits](#)

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