OECD Guidance on Outcomes-Based Financing

Public consultation on the annotated outline: a summary of what we heard

Note to consultation participants · OECD Development Co-operation Directorate in partnership with Outcomes Finance Alliance (OFA)

≈60
written submissions received

40+
organisations, government entities, and networks

3
channels: online form responses, email submissions, and commented outlines

This note summarises what the written submissions told us about the annotated outline of the OECD Guidance on Outcomes-Based Financing (OBF): where respondents endorse the proposed approach, what they asked us to strengthen, and where their advice points in different directions. Its purpose is descriptive. Decisions on the draft Guidance will follow, informed by this feedback, and we will continue to consult as the text takes shape. Positions are reported without attribution; every submission has been logged in full for the drafting record.

> *This is an informal summary prepared by the Secretariat of both teams for consultation participants. It does not represent the official views of the OECD or its members, and it does not prejudge any decision on the draft Guidance.*

1. Introduction

Between mid-June and early August 2026, the OECD Development Co-operation Directorate, in partnership with the Outcomes Finance Alliance (OFA), invited written feedback on the annotated outline of the proposed OECD Guidance on OBF: a Principles Brief for senior decision-makers, and a Playbook for outcome commissioners, technical teams and practitioners. The outline built on discussions with the OECD Advisory Council on OBF (March 2026), OFA Summit in Cape Town (March 2026) and the first session of the OECD Peer Learning Circle on OBF (April 2026); several partners had shared early reflections from March onwards, before the outline was published.

Every submission was reviewed in full, including tracked changes and margin comments, and coded against each section of the outline. The purpose of this is to summarise the views shared, before our own drafting choices are made.

2. Who took part

Around 60 written submissions were received from more than 40 organisations, government entities, and networks. Many were detailed and experience-grounded; a considerable number were accompanied by internal guidance, tools, datasets and case material. The range of contributors is itself a finding.

Respondents volunteered case studies from four continents, sector notes and offers of co-authorship, readiness diagnostics, contract templates, learning reports, datasets, internal guidance for reference and offers of review. Governments offered their legal instruments and learning systems, and practitioners the accumulated material of years of delivery.

The consultation also has limits. While civil society organisations contributed, they were fewer in number than other constituencies, and organisations representing the people OBF programmes serve remain a smaller share of the respondent pool. Government voices are richest from Latin America, while francophone Africa, Asia and the Pacific are thinner; and humanitarian actors are few. We read the results with those limits in mind, and we intend the next phases of engagement to reach further.

WHO RESPONDED, AND FROM WHERE

Partner-country governments	National and subnational level	Latin America · Southern Africa · West Africa
Bilateral development partners	Ministries of Foreign Affairs, development agencies	Asia · Europe · North America · Oceania · MENA
Multilateral system	Development banks, United Nations entities, pooled funds	Global
Philanthropy	Philanthropic foundations	Latin America · Southern Africa · Europe
Civil society	International and community-based organisations delivering services	Africa · Asia · Latin America
Market intermediaries	Outcome funds, intermediaries and advisory practices	Across the OBF market
Research and evaluation	Academic researchers and independent evaluation experts	Global

3. A mandate confirmed: what respondents endorsed

Two-part architecture

The Principles Brief plus Playbook split.

Four pillars

Right ground covered; rebalancing and renaming, not replacement.

Lifecycle and decision nodes

Welcomed as a practical way to structure hard choices.

Maturity lens

Graduated readiness diagnostic drew interest at every scale.

The clearest message is support for the endeavour itself. Respondents across every constituency confirmed the demand for shared OECD guidance: practice has significantly expanded and a shared understanding is needed. No respondent rejected the proposed two-part architecture of a short Principles Brief for senior decision-makers alongside a practical Playbook, and many endorsed it explicitly as a fair answer to the competing demands of brevity and depth. The four proposed pillars were broadly accepted as covering the right ground, with suggestions for rebalancing, sharper naming and reordering rather than replacement. The Playbook's structure of lifecycle steps and decision nodes was welcomed as a practical way to identify hard choices, and the proposed maturity lens, including a graduated readiness diagnostic, drew interest from respondents working at varying scales.

Respondents especially welcomed two positions in the outline:

- The first is honesty about limits: framing OBF as one approach within a broader financing toolkit rather than a universal solution. Respondents from every constituency affirmed this position, and, as Section 4 records, suggested to further emphasise it.
- The second is that readiness can be built over time rather than treated as a precondition; a view that respondents from governments, funders and delivery organisations all echoed.

Just as consistent was the demand for practicality. Respondents asked for decision aids, checklists, templates, worked examples and honest case material, including lessons learnt, risks and failures.

4. Key themes: what respondents asked us to strengthen

Beneath the endorsement sits a set of constructive and substantive suggestions. Eight themes recur across the comments received, and we note where respondents' advice diverges.

4.1 Lead with suitability: when to use OBF, and when not

A consistent request across the consultation was for the Guidance to incorporates the question of fit: when OBF is appropriate, when it is premature, and when it should not be used. Respondents also proposed a short decision aid at the front of the Playbook to route readers by situation; a more structured treatment of red flags in the Principles Brief, distinguishing contexts where the answer is "not yet", and readiness can be built, from those where it is "no"; and a value proposition stated as evidence-based. Several respondents asked for political economy and incentives to be part of this analysis from the start. Whether OBF fits depends not only on technical conditions but on institutional incentives and readiness, considered before outcomes are defined.

4.2 Define ownership clearly

The outline names ownership among its pillars, and respondents asked the Guidance to be explicit about whose ownership it means. In development effectiveness usage, "ownership" denotes partner-country leadership over priorities and results frameworks; in the outline it can also be read as the commissioning institution's own commitment. Partner-country governments, national and subnational, with support from bilateral and multilateral respondents, asked for both to be named and for country leadership not to be left implicit.

In practical terms, respondents asked the Guidance to recognise partner-country governments as commissioners more explicitly, including those funding OBF from their own budgets; treat the strength of national statistical, administrative and monitoring systems as a readiness question; work within country systems rather than adding parallel data requirements; and address subnational governments as a distinct audience. In fragile and lower-capacity settings, advice ranged from caution about using OBF to adapting designs with technical assistance and stronger monitoring.

4.3 Shared accountability: funders and providers

One recurring suggestion concerns the role and capacity of the outcome funder. Contributors with delivery and commissioning experience, particularly from the Global South, observed that the outline treats provider capacity and financial risk in depth, while taking the outcome payer's readiness as a given. They asked the Guidance to address multi-year budget authority, fiduciary and escrow arrangements, and remedies where payment is delayed. The mirror concern is delivery financing. Pre-financing and working capital determine who can take part at all. If payment terms require organisations to wait long periods before being reimbursed, only organisations with sufficient reserves can accept them, excluding precisely the local and smaller providers many respondents want OBF to reach. Requirements, reporting included, should be proportionate to contract size and provider capacity.

4.4 Verification that is credible and proportionate

Respondents asked the Guidance to define the independence that matters in verification functionally: impartial, free of conflicts of interest and resistant to manipulation, rather than by default with an external verification firm. They asked for more systematic use of credible government and administrative data, with several describing a progression from external audits towards reliable national data sources; for a clear distinction between verification, which confirms results for payment, and evaluation, which asks whether the intervention caused them and was worth it, with both needed and neither substituting for the other; for assurance tiered to the stakes; and for dispute and appeal routes distinct from verification itself. Respondents were equally clear that credibility is essential to OBF. Their ask is proportionality, with rigour where it matters most.

4.5 Beneficiary voice, equity and transparency: broad support, differing views on status

Beneficiary voice, equity and transparency drew comment from across the constituencies, and respondents treated the question as an important one for the Guidance. Most who engaged with it favoured a stronger commitment, arguing that the three belong across the whole lifecycle rather than in isolated technical steps, with clear minimum expectations, safeguards against serving only the easiest to reach and accessible grievance channels. Several also noted candidly that implementing these commitments consistently remains challenging in practice. Support was not unanimous: a small group would treat voice and transparency as good practice rather than defining principles.

4.6 Design for uncertainty: shocks, renegotiation and disputes

Many practitioners suggested accounting for potential external shocks and operational risks during delivery, such as inflation, exchange-rate movements, political disruption, or climate events. Contracts that do not account for these risks may inadvertently transfer them to whoever is least equipped to manage them. Respondents asked for explicit treatment of force majeure and adjustment mechanisms; for renegotiation protocols agreed before they are needed; for dispute-resolution and adjudication arrangements distinct from verification; and for payment structures that handle partial performance deliberately rather than all or nothing. No design should transfer risks to parties that cannot reasonably manage them.

4.7 Definitions, language and the discipline of evidence

Respondents asked for a clear conceptual spine: help in recognising the OBF terms in circulation and how they relate; clarity about levels of analysis, from approach to arrangement to individual instrument; and explicit treatment of the choice between paying on outputs and paying on outcomes. Language matters here. Several cautioned that “mainstreaming” could be read as making OBF a default; the guidance should therefore state plainly that mainstreaming means applying OBF only where it is suited. The same discipline applies to the claims made for OBF: they should be stated as testable, their conditions named, and failures documented alongside successes.

4.8 Make it usable: audiences, sectors, instruments and learning

Respondents asked the Playbook to speak to different readers in their own terms: outcome commissioners in funder capitals and in partner-country ministries, multilateral banks working through sovereign instruments, subnational governments, and first-time users who need to know where to start. Several suggested the two modules be treated as iterative rather than strictly sequential. Responses also converged on examples woven through the Playbook, drawn from a wide range of instruments, sectors, regions and institution types, and placed where the relevant design choice arises, rather than in stand-alone modules or annexes. A smaller number asked for instrument-specific modules, but the prevailing preference was for a common core with instrument differences illustrated in the decision nodes and signposts to existing specialist guidance. A recurrent thread, finally, asked the Guidance to treat learning as a product of OBF in its own right: capture what programmes reveal, adapt during delivery rather than only at contract end, and publish what fails as readily as what succeeds.

5. Next steps, and our thanks

The Secretariat teams will now prepare the full draft of the Principles Brief and Playbook, working from this feedback and from the materials respondents shared. Engagement continues as the text takes shape: through the OECD Advisory Council, and the OECD Peer Learning Circle, with the wider OFA community, and through targeted outreach. Participants will have the opportunity to engage with the full draft, and the outline’s ambition to test the Guidance in practice with partners stands.

Respondents gave us some of the scarcest resources in this field: senior time, institutional candour and hard-won delivery experience. Submissions engaged the outline section by section; they shared what has failed as well as what has worked; several argued positions at odds with their own institutional convenience. The Guidance will be stronger, more practical and more credible. We are grateful, and we do not take the effort for granted.

The outline described this Guidance as co-developed with the field. That was an ambition; your responses have made it a method. We intend to keep working in that spirit, until the Guidance is complete – and beyond it.

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