

Table 1: Examples of paying for outcomes (rather than outputs or inputs)

Sector	Inputs	Outputs	Outcomes	Likely indicator(s)
Education	School construction Textbooks Curriculum reform Teacher training Enrollment	Time in class Student completion	Knowledge Competency Skills	<ul style="list-style-type: none"> Assessed completers 12 year olds with basic literacy & numeracy skills
Health	Health professionals Clinic construction Medical training Supplies & drugs	Consultations Vaccinations Growth monitoring Bed nets in use	Mortality Disease prevalence Stunting	<ul style="list-style-type: none"> Child mortality Disease prevalence Stunting
Water	Pipes Reservoirs Tanks Pumping stations	Water connections Water pressure Water service	Water consumption Financial sustainability	<ul style="list-style-type: none"> Households consuming potable water Subsidy for revenues appropriately billed & collected
Transportation	Asphalt & gravel	Road of specified quality	Reduced transportation costs	<ul style="list-style-type: none"> Reduced transportation costs (based on survey)
Deforestation	Community forest-preservation programs Regulatory reforms Laws to protect forests Agricultural subsidies Energy prices	Functional community-programs Enforcement of laws & regulations Higher energy prices	Less deforestation More carbon sequestration Less erosion	<ul style="list-style-type: none"> Rates of deforestation (satellite imagery)
Energy	Generation facilities Distributed generation Efficient stoves Power lines Electricity meters	Energy output (capacity & distribution) Reliability (outages)	Energy use Reduced energy costs Carbon footprint Financial sustainability	<ul style="list-style-type: none"> Households using electricity Energy costs to businesses Average daily hours of electricity Carbon fuel consumption per unit of energy Subsidy for revenues appropriately billed & collected