

Request for LETTERS OF INTEREST

For an Organization to Host the International Initiative for Impact Evaluation (3IE)

1. Letter of Interest (LOI) Overview

The International Initiative for Impact Evaluation (3IE) seeks to identify potential host organizations to provide an institutional home, starting in early 2008. The Center for Global Development is serving as the *pro tem* convener of a group of founding members of 3IE, including the Mexican Ministries of Health and Education, Ugandan Ministry of Finance, UK Department for International Development, Netherlands Ministry of Foreign Affairs, Canadian International Development Agency, African Development Bank, Bill & Melinda Gates Foundation and William and Flora Hewlett Foundation. This group is working to establish 3IE by recruiting an Executive Director, identifying potential host institutions, confirming membership commitments, and recruiting other member institutions.

This group is requesting Letters of Interest (LOI) from existing organizations with the capacity to provide a strong administrative base and institutional home for 3IE. Letters of interest should explain why the interested organization is an appropriate match for 3IE and how it satisfies the criteria laid out in this document. The information gained from this LOI process will be used to provide 3IE Member Institutions and the Executive Director with a list of suitable potential host institutions¹ with which to begin a selection process.

This document describes the background of 3IE, the qualifications of an appropriate host institution and instructions for responding with Letters of Interest.

2. Background

Leading governments of low- and middle-income countries, bilateral and multilateral donor agencies, private actors and other non-state organizations have agreed to form a new, collective institution to improve the evidence base for development programs; the institution has provisionally been called the International Initiative for Impact Evaluation (3IE). The rationale behind the establishment of the organization is straightforward: Global progress depends on the success of programs to improve health, literacy and learning, and household economic conditions – and year after year governments, NGOs and private actors dedicate resources to design and implement promising and innovative approaches to achieve those goals. Yet after decades in which donor agencies have disbursed billions of dollars for development programs, and developing country governments and NGOs have spent hundreds of billions more, we know relatively little about the net impact of many important approaches. 3IE is designed to address this gap in knowledge by systematically building more evidence about what works in development programs through increased coordination

¹ Letters of Interest from groups of institutions that wish to create innovative ways to jointly host the initiative are also welcomed.

of and investment in a particular kind of evaluation – those that measure the net effects on health, education, household welfare and other conditions.

The organization will have a role in coordinating, technical review, funding and dissemination of impact evaluation studies. The main activities of 3IE will include:

- Encouraging clustering of impact evaluations around important policy questions of common interest through a broad consultative process;
- Adopting quality standards through periodic technical consultations;
- Financing the design and implementation of impact evaluations that address questions of enduring importance to policymaking in low- and middle-income countries;
- Preparing or commission syntheses of impact evaluations, linked with broader policy questions;
- Advocating for the generation and use of impact evaluations;
- Sharing and disseminate information among Members regarding planned studies, designs, methods, and findings; and
- Promoting the mutual development of capacity around the world to conduct rigorous impact evaluations and to use evidence in policymaking.

Additional information about core functions and governance can be found at:

http://www.cgdev.org/doc/eval%20gap/3IEfound_doc.pdf.

Projections for a “medium-scale” scenario envision that 3IE would expand from its start-up phase to the point in year 6 where it is able to award approximately US\$7 million in grants annually. If successful, a “high-scale” scenario envisions that 3IE would, after 6 years, have an annual grant program of almost US\$13 million per year. The scale of 3IE’s activities of technical support, capacity building, synthesis of evidence, and grants will depend on the quality of its work and the ability of the Executive Director and host institution to demonstrate the value of the new entity to its membership.

Currently, the Mexican Ministries of Health and Education, Ugandan Ministry of Finance, UK Department for International Development, Netherlands Ministry of Foreign Affairs, Canadian International Development Agency, African Development Bank, Bill & Melinda Gates Foundation and William and Flora Hewlett Foundation have made commitments to help establish 3IE. Other countries and institutions are welcome to become members and are being actively recruited among a range of international agencies, NGOs, developing country governments and foundations who have expressed interest. The minimum cost of participation in 3IE varies by type of member, but all members are expected to contribute to the financing, governance and activities of 3IE.

3IE will be constituted as an independent non-profit institution, with a diverse membership that will be governed by a Members Conference and a Board of Commissioners. The Members will appoint the Commissioners; make decisions about membership and governance, and commission performance evaluations and financial audits. The Board of Commissioners will appoint and supervise the Executive Director and will provide oversight for the annual work plan and budget. An Executive Director who will lead the initiative and direct its small staff currently is being recruited through an executive search firm with international reach.

To provide a solid foundation for start-up and to reduce administrative costs, the founders of 3IE are seeking to identify an appropriate institution to host the initiative. It is expected that the host institution would contribute some in-kind institutional resources to the start-up of 3IE, and be provided with grant resources to compensate for institutional requirements associated with 3IE. The first step in the process of identifying a host is the solicitation of Letters of Interest from interested institutions; a “short list” of qualified institutions will then be prepared, with the expectation that the selection of the Executive Director and host institution will be completed in the third quarter of 2007.

3. Characteristics of a Host Institution

An appropriate host institution (or group of institutions) would have the following characteristics:

Legal status – The institution should be a non-profit organization or parastatal organization with a legal status that permits it to issue grants and contracts, and receive funds from public and private sources, including international agencies, private foundations and other sources. It would be incorporated in a fashion that allows it to host and administer a membership organization like 3IE.

Position within international community – 3IE has to develop a reputation for technical excellence, intellectual integrity, and policy relevance. This is more likely if it is affiliated with an institution that has relevant expertise, capacity, and reputation. Therefore, a host institution will be more attractive if:

- Its own reputation contributes to building 3IE’s reputation for integrity within both development agencies and developing country governments,
- It facilitates 3IE’s ability to mobilize funds from a wide range of stakeholders, and
- It can assist 3IE in attracting non-financial resources (including qualified staff) and active collaboration by governments, agencies, foundations, and NGOs.

Technical expertise – The success of 3IE will rely in part upon its technical rigor and the extent to which its clients and audience view it as a technical authority. Therefore, host institutions which also have a reputation for strong technical expertise in rigorous, independent research (though not necessarily in performing impact evaluations) will be preferred. It would be better if the host institution could also facilitate connections between 3IE and research institutions with expertise in impact evaluation.

A service and support institution – 3IE will primarily serve developing country governments that are trying to improve public policy through learning from impact evaluations. Its grant facilities will directly serve this purpose, and will provide technical services and support in administering grant reviews; facilitate contacts between experts and agencies; and convene meetings to exchange information. 3IE will serve international agencies, bilateral agencies, and private foundations indirectly by promoting learning about social development programs in developing countries, and directly by serving as a reliable

administrator of impact evaluation grant funds and nexus for communication regarding impact evaluation work. The host institution should be able to facilitate 3IE's ability to conduct competitions for funding, and to issue grants and contracts. It should also be able to support 3IE's ability and commitment to disseminate information gained through its work.

Independence and Legitimacy – A critical contribution of 3IE will be to support and disseminate the findings from impact evaluations that are administered completely independently of the implementing agency. For its work to be considered legitimate, 3IE should be housed within an institution that also is independent from any outside agency or governing body that might generate a genuine or perceived conflict of interest, and should be resistant to external pressures. To avoid potential conflicts of interest, the host institution will agree to forego applying for grants from 3IE but, on the basis of negotiations, will be compensated for its services and may receive some fixed annual payments for its own impact evaluation work, if any.

Administrative and financial controls – The host institution must have robust administrative and financial controls, with independent auditing. These controls should be effective while preserving 3IE's ability to react in a timely and flexible fashion to new opportunities, and to take advantage of methodological or institutional innovations. The prospective host institution should consider how it will economize on startup and operational costs and adhere to high standards of financial and administrative management.

Communications capabilities – To enable transparency and support information-sharing, 3IE must have strong communications functions including an effective internet presence. An appropriate host institution would have existing capacity to support these communications efforts, or the ability to incorporate communications capacity quickly.

Size and staffing – 3IE will have a small secretariat consisting of core staff (an Executive Director, Senior Technical Expert, Grant Administrator, Financial Officer) and technical staff (senior and junior Researchers to assist in grant review, training, technical support to members, convening meetings, reviewing standards, dissemination, etc.). Projections for a “medium case scenario” envision that by year 6, 3IE would have a Director and 3 senior level staff, an administrative budget close to US\$2 million annually, and a grant program of approximately US\$7 million annually. A “high scenario” envisions similar staffing, administrative expenses above US\$2.5 million and an annual grant program of almost US\$13 million. 3IE would pay the host institution to provide administrative and financial services as negotiated. Host institutions that can contribute staff time from its own technical experts to 3IE's activities, especially review processes, will be preferred. Host institutions that can enhance 3IE's ability to recruit and retain high-quality leadership and staff are also more likely to be selected.

Location – The host institution should be located in a country with political commitment to promoting and using impact evaluation in public policy. It should have the ability to interact with a local community of researchers and policymakers familiar with impact evaluation. It should be relatively accessible for international travelers and have a reasonable

standard of telecommunications infrastructure. Among equally qualified institutions, preference will be given to institutions based in the global south.

4. Instructions for Responding to the LOI

Interested organizations possessing the characteristics detailed above and that strongly support the mission of 3IE should submit a Letter of Interest via e-mail by **15 July 2007** to:

Ruth Levine
Center for Global Development
1776 Massachusetts Ave, NW, Third Floor
Washington, DC 20036
Fax: (202) 416-0750
Email: rlevine@cgdev.org

The Letter of Interest should be no longer than 10 pages and should address the following items in clearly labeled sections:

1. A brief description of the host institution with emphasis on its history, mission, main activities, overall budget, and legal status.
2. Indication of how the host institution's mission and activities are consistent with and/or promote the goals and objectives of 3IE
3. Description of how the organization meets each of the criteria set out in this document
4. General indication about the in-kind institutional resources that the host institution proposes to apply to the start-up of 3IE. (The specific commitments will be negotiated at a later date.)
5. Additional reasons that the organization is particularly well-suited to host 3IE.

Responses will be acknowledged, and information will be provided to interested organizations about subsequent steps in the process. Questions may be directed to the address above.