Co—Impact

Open Call for Systems Change Grants

ROUND THREE
January 29 – March 31, 2020

Co-Impact's Round 3 timeline and process has been updated in response to the COVID-19 pandemic. Please refer to our website at **www.co-impact.org/how-to-apply** for the most up-to-date information.

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Co-Impact Round Three: Proposal Process

Co-Impact supports a small number of transformative systems change initiatives, each of which is poised to bring about significant and enduring improvements for **millions of women and men in the Global South**. We provide flexible grants, typically of **US $10–25 million over 5 years**, for systems change initiatives in the areas of **health, education, and economic opportunity**, and that address gender equity and inclusion in meaningful ways. We also invest in strengthening program partners so they can achieve strategic coherence and develop critical capabilities needed to effectively advance systems change. We identify grant opportunities through a sourcing process that includes an open call for concepts and referrals from experts within our networks.

After two rounds of grantmaking, our team has reflected on the factors that are critical to achieve systemic change at scale. As a result, we have refined the selection criteria in our third round of grants in three important regards:

First, our experience shows that organizations rooted in the Global South often bring a deep understanding of local contexts and governance, political savvy, trusted relationships, and a long-term commitment that are critical to successful systems change. In Round 3, **we require initiatives to be anchored by organizations that are led by and rooted in the Global South**.

Second, a major driver of underdevelopment is discrimination against and exclusion of women. In Round 3, we are asking prospective partners to **clearly articulate how the initiative addresses gender discrimination and exclusion** at all levels, including in the analysis of the problem, programmatic and system approach, and the participation and leadership of women across the initiative and organization. Because we believe that our portfolio and the prospects of program success are enhanced by strong representation by women, we will **ensure that at least 50% of the initiatives we select are led by women**. For more information, see Annex 3.

Third, because we are an outcomes-focused philanthropy, for Round 3, we will ask submissions to clearly articulate the specific people-level outcomes they seek to achieve, (as contrasted to scaling-up or policy change alone). For Round 3, we will ask partners to **be more explicit about (a) the specific system they are targeting, (b) how their intervention will improve that system, and (c) the system-level measures they will use to track system improvements**.

In summary, in Round 3, we seek to support initiatives that:

- Focus on improving the lives of **one million people** or more;
- Have a clearly articulated approach to **changing systems at scale**;
- Are led by and deeply **rooted in the Global South/countries in which they seek to make a difference**;
- Address **gender equity and inclusion**, and are substantively **led by women** (in at least 50% of the initiatives we will support);
- Have a **strong track record** of results; and
- Use evidence-informed pathways to achieve specific outcomes in **health, education**, and/or **economic opportunity**.

We know that systems change is difficult to achieve, and so we also look to support initiatives with technical competence, organizational strength, and effective engagement with political economy and governance (see Annex 2). More detail about our grantmaking criteria can be found in Section B below.

Co-Impact looks to provide catalytic, but not exclusive, support to systems change initiatives. We believe that complex systems change efforts have the greatest chance for success when they are supported by a cohesive coalition, and so our support is typically limited to 25–35% of the total philanthropic cost of an initiative, and never more than 50%.

We are pleased to **invite submissions** from qualified organizations and partnerships (see Section B below) for our third round of grants between **January 29 and March 31, 2020**. Submissions should respond to the guiding questions in Section C below. We encourage you to read our Handbook before you apply, specifically sections *2.1 What We Fund and Do Not Fund* and *1.4 Our (Evolving) Approach to Systems Change* (also reproduced below as Annex 1 and 2), as well as How We Advance Gender Equity and Women's Leadership (Annex 3).

A. OVERVIEW AND PROCESS

We expect to use the following timeline and process:

Sourcing & initial consideration (January – December 2020, with design grant decision expected in January 2021): 1) Sourcing and initial consideration of all submitted concept notes; 2) further information requests and calls in approximately June and July 2020 with about 20-30 initiatives; and 3) detailed engagement with up to 10 initiatives, likely including site visits in roughly September – October 2020.

Design grants (February 2021 – September 2021): We expect to provide 5-8 of the most promising organizations and partnerships with "design" grants of up to US $500,000 each to advance and pressure-test their systems change initiative, and to develop a robust strategy and proposal. The outcome of this process is meant to be valuable in itself by enabling organizations to further their thinking and work, strengthen their partnerships and support their broader efforts to raise funds (not just from Co-Impact). The typical design grant period is 6-8 months.

Systems change grants (estimated decision December 2021): Co-Impact expects to award 3-5 systems change grants, which are typically between US $10-25 million each over 5 years, to a subset of the design grant organizations/partnerships. We also provide support for learning, adaptation, and organizational strengthening. Each award is intended to provide substantial support, but will typically only represent 25-35% (and not more than 50%) of the total funding needs of a given systems change initiative.

B. QUALIFICATIONS

Please ensure that you fulfill the following criteria before writing a concept note. We regret that we cannot consider organizations or partnerships that do not meet these criteria.

01. Outcomes: Enable enduring change in health, education, and economic **system(s)** that significantly improve the lives one million or more disadvantaged women and men, disaggregated by sex (in one or more low or middle-income countries in the Global South) within 5 years, related to <u>one or more</u> of the following people-level outcomes[1]:

    • *Significantly improved <u>economic opportunity outcomes</u>, measured as increases in one or more of the following areas:*
      - Quality (safe, stable, fairly compensated) income-earning opportunities/jobs
      - People entering and remaining in quality income-earning opportunities/jobs
      - Net earnings realized from income-earning activities, and/or household assets
      - Value of household assets that demonstrably increase the household's resilience and/or income-earning potential
    • *Significantly improved <u>health outcomes</u>, due to improved access to and/or quality of health care, measured as reduced rates of one or more of the following:*
      - Mortality
      - Morbidity
      - DALYs (disability-adjusted life years)
      - Reduced rates of stunting and wasting of young children

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[1] These outcomes are meant to provide a clear sense of the people-level change we seek to support; in your detailed submission please provide the framing that works best for you.

- *Significantly improved <u>education outcomes</u>, measured as increases in one or more of the following areas:*
    - Improved rates of children who are "school-ready" when starting primary school
    - Basic literacy and numeracy in primary grades and/or adult literacy
    - Completion of secondary education, particularly for girls
    - Attainment of measurable, critical "deeper learning" skills (e.g., ability to analyze, reason, think critically, problem-solve)

02. **Scale of Impact:** Proposed initiative has a high potential for **large-scale change** and is poised to:

a. Improve **one million lives** or more in 5 years, in at least one of our target outcomes; and

b. Enable "**adoption at scale**" of a proven model (distinguished from "scaling up" – see Annex 2)

In exceptional circumstances, we will consider initiatives which may be able to improve close to but not fully one million lives in 5 years where they can demonstrate a credible and compelling path towards systemic change at scale. Initiatives that will likely impact substantially less than one million lives in 5 years will not be considered.

03. **Global South Rootedness:** The anchor partner/lead organization is led by and rooted in the Global South, meeting <u>at least 2 out of the 3</u> of the following criteria:

- **Global Head Office** <u>and</u> majority of total staff presence are in a Global South country (with a strong preference for them to be in the country(ies) that the initiative is targeting).
- The **anchor organization or initiative leader** <u>and</u> **at least 50% of the senior leadership** are from a Global South country (with a strong preference for leaders from and/or a national of the country(ies) the initiative is targeting).
- The anchor organization/initiative has **long-term roots in the region**, as demonstrated by 10+ years of working on strengthening systems in the target country or region, and can demonstrate long-term and substantial working partnerships with local actors and commitment to investing in local talent for leadership positions.

04. **Gender:** Proposed initiative has a proactive and strategic approach to addressing discrimination against women and girls to exercise voice and participation, set agendas and make decisions. This commitment needs to be embedded within their programmatic work, own organization, and analysis of the problem as well as design for systemic change. For further details please see <u>Annex 3</u> below. Specifically, we consider gender in our selection process as follows:

a. <u>All</u> selected initiatives demonstrate a **proactive approach to addressing gender equity and inclusion** in the analysis of the problem, the design and model of systems change, definition of the outcomes they seek to achieve and metrics for success, and in promoting women's leadership at all levels of the initiative and their own organization(s).

b. <u>At least 50% of the initiatives that we will select</u> are substantively **led by women**. We define "substantive women leadership" as when the primary leader and a significant portion of the senior leadership of the anchor organization or initiative are women. In addition, the gender composition of the anchor organization's Board is also a factor that influences our selection.

05. **Countries:** Proposed initiative is focused on one or more low- and middle-income countries in the Global South. We do not support work in high-income countries. Initiatives need to explain how the country(ies) in which they seek to work have at least minimal civic and governance conditions that are necessary to undertake – and sustain – a meaningful systems change effort. We do not have a pre-selected list of countries that qualify, but we expect you to provide compelling explanation as to why your work will succeed if you if you propose to work in countries where civic and governance conditions are obviously challenged.

06. **Evidence:** Independent, third-party evaluation shows that the core approach/model/idea(s) at the center of the initiative works and achieves the intended people-centered outcomes. While this evaluation needs to be relevant, rigorous and of high quality, we do not require the use of any particular methodology.

In exceptional circumstances, we will consider initiatives which may not have rigorous third-party evaluations where they can provide credible alternate evidence and make a persuasive case as to the veracity of the approach.

07. **Scale:** The proposed or very similar systems change initiative is already well underway (not a start-up or initial pilot), and in the past year has benefited at least 10,000 persons in a significant way.

08. **Organization(s):**

- Initiatives has significant capacity and track record to work at scale; the annual budget in the last audited financial report of the Lead Organization is at least US $1 million or equivalent.
- Partnerships between multiple organizations are encouraged but not required; partnerships should designate a lead organization, which must meet the criteria stated in No. 3 above.
- Organization/partnership is not a political campaign promoting a specific candidate or party. While policy interventions may be a part of an initiative, lobbying organizations primarily seeking to change legislation are not eligible.
- For-profit organizations are eligible provided the primary objective of the effort is to achieve lasting social impact for millions of people in the domains described above.

C. GUIDELINES FOR CONCEPT NOTES

Please review and respond to the guidelines below in this MS Word template. Please be concise and specific in your responses. Please submit your application by no later than March 31, 2020. We can only consider submissions in English, but we do not require fluency from non-native English speakers. Thank you for your understanding.

01. **Summary (250 words maximum)**

- Summarize your core initiative and why you think it should be supported. Please be clear and concise. This will be read by all reviewers and is the most important aspect of your submission.

02. **Overview of the problem (400 words maximum)**

- Provide an overview of the nature of the problem, the impact of the problem on people's lives, its gender dimensions, and who is most affected.
- What are the factors that permit the problem to persist (e.g. cultural, political, technical)?
- Which systems are impacted by, contribute to, and/or perpetuate the problem?
- Summarize prior and current efforts to address the problem, and why they have not been adequate.

03. **Systems change initiative (400 words maximum)**

- What is the specific system you will seek to shift or improve?
- How will your intervention improve that system? What "fulcrum(s)" or "lever(s)" have you identified where effort can have outsized impact?
- What gives you confidence that your approach is the right one? Why do you think this approach will succeed when previous efforts may have faltered?

04. **Results (300 words maximum)**

- What people-level outcomes do you aim to realize through your initiative? Select up to 3 outcomes specified above and elaborate/refine as appropriate. Who will benefit and what specific improvements in people's lives will you achieve in 5 years?
- What are the systems-level measures you will use to track systemic change? How you will know that the system has improved? What would success look like?
- How will these changes be sustained after 5 years? What gives you confidence the improvements in people's lives will persist over time?

05. Approach (650 words maximum)

- What partnerships/relationships/engagement with others will be critical to achieving these outcomes, and why? What partnerships are already in place, and which ones will need to be developed?

- How do you think about political economy and governance in your work, and how will you address these? In your judgement, do the countries where you plan to work exhibit the necessary civic and governance conditions to undertake – and sustain – a meaningful systems change effort?

- How will you address gender meaningfully in your work, intervention design, outcomes measurement and leadership at all levels? Is inclusion of other disadvantaged groups also a significant part of your work? If so, how?

- What is your approach to learning in this initiative? How do you plan to track progress? How do you intend to learn from and adapt your work?

06. Track record (400 words maximum)

- What results have your efforts achieved to-date in relation to this initiative? Describe your team's previous efforts or relevant experience that demonstrates your ability to deliver outcomes.

- What is your team's history in the geographic area where you are proposing to work?

- Please provide a very brief summary of third-party evidence of the effectiveness of your core idea/approach in a comparable context. Please also submit a copy of the third-party evidence with an Executive Summary including results, in English.

07. Budget (200 words maximum)

- What is your rough estimate of the 5-year cost for the initiative, in USD? How much of this is expected to be covered by existing resources, and how many new resources will be needed? At a high level, briefly explain the key cost drivers of your initiative and how the Co-Impact grant funding would be spent.

- Are there any committed or high-potential funders for this initiative? How much of existing expenditures (e.g. government resources) will you leverage?

08. Team (550 words maximum)

- How is your team positioned to deliver results? Why do you believe you have the right capabilities, experience, and commitment to execute? How representative is your team's composition of the people you seek to benefit from the initiative?

- If your team consists of two or more organizations, why it is important to collaborate? What can your organizations accomplish together that they couldn't accomplish alone? Why do you believe this will be an effective collaboration? Have the partners successfully worked together in the past?

- Will this proposed plan stretch your organization and challenge it to grow over the next 5 years? What new capabilities or skills might you need to develop? What organization-level outcomes will you seek to strengthen and track?

- Please include short (100-word max) biographies of the Initiative leader and 2-3 key staff.

D. NEXT STEPS

We thank you in advance for taking the time and effort that goes into preparing this submission. We hope the information provided here was helpful.

We will acknowledge receipt of your concept note, and expect to get back to you on our initial review by no later than **June 30, 2020**. Thereafter, we expect to follow the steps outlined in Section A above.

Questions and conversations: Please note that, unfortunately, with a small team, we are generally unable to hold individual conversations or provide individual feedback. We plan to hold at least three public webinars early in the open call period to run through the process and answer questions – see here for more details. Please click here to sign up to receive an email about any updates we may produce regarding the open call process. We will also provide periodic updates on our website as needed. Thank you for your understanding.

Please note that we may consult with partner organizations, experts and other third parties about the information you provide in your submission. The final decision will be made at the sole determination of Co-Impact considering the best fit for the Co-Impact portfolio. Thank you for your understanding.

Annex 1:
What We Fund
and Do Not Fund

Philanthropy supports many different worthwhile objectives, across a range of issues and types of support. Some funders support idea generation and testing; others focus on service delivery or advocacy. Some funders inject large capital to supplement government budgets to pay for critical infrastructure (e.g. schools or clinics) or key inputs (e.g. textbooks or medicine).

Our approach fills a very particular gap in the philanthropic landscape and will not be suitable for most organizations. We do not fund work outside of low- and middle-income countries in the Global South, or on issues other than our three main themes of health, education and economic opportunity. We do not focus our funding on the "beginning of the story" by supporting critical startups, pilots or innovation incubators. Nor do we support initiatives that have only worked at a smaller scale (see further detail below), or do not have rigorous third-party evidence to validate that they have been implemented successfully at scale. Likewise, we do not fund the "end of the story" where a good idea is already being implemented at large-scale and has become "the new normal".

So where do we fit? We make a targeted set of relatively large-sized grants to well-established efforts to change systems and have impact at scale with rigorously tested, proven ideas in low- and middle-income countries in the Global South.

We only fund efforts that contribute to achieving outcomes related to health, education, and economic opportunity. The initiatives we support tend to have received funding from other funders for many years, and have both a strong evidence base and coalition of support that positions them to shift systems. Our support helps bridge successful pilots and sustainable "adoption at scale" from within the system itself.

We also recognize that systems change takes longer than the five years of our grant period. But by helping successful initiatives grow, we seek to support program partners to prepare for, accelerate, and expand commitments by larger entities, such as bilaterals, multilaterals, and country governments.

WHAT WE FUND	WHAT WE DO NOT FUND
✓ "Meso-level" systems change initiatives	✗ Start-ups, pilots, innovation incubators
✓ Health, Education and Economic Opportunity	✗ "End of the story"
✓ Low- and middle-income countries in the Global South	✗ Initiatives without rigorous evidence for success at scale
✓ Strong evidence base	
✓ Coalition of support	

Co-Impact offers two stages of support: Stage 1: a "design" grant and limited technical assistance to help organizations advance their work and thinking, and develop/refine a rigorous five-year strategy for systems change. We intend for this support to be helpful to the change initiatives regardless of the Co-Impact's final decision regarding systems change grants. Stage 2: On the basis of the design phase, we will then award a subset of organizations five-year systems change grants, as described below.

DESIGN GRANT →	SYSTEMS CHANGE GRANT
• Intended to help 5-8 organizations advance their thinking and work on systems change, strengthen their partnerships, pressure-test their systems change initiative • Helps orgs develop a compelling 5-year strategy • Includes light technical and writing support where needed • Positions org to raise funds (not just from Co-Impact) • Typically, up to $500,000 over 6-8 months	• A sub-set of 3-5 design initiatives are considered for systems change grants • Intended to help organization(s) advance a systems-change initiative that will benefit millions of people • Includes support for learning, adaptation, and organizational strengthening • Typically, $10-25 million over 5 years. • Typically, meant to cover approximately 25-35% of cost of initiative • See our web site for descriptions of our first round of grants

Please see pages 20–27 of our Handbook for more information.

Annex 2:
Our (Evolving) Approach
to Systems Change

We recognize that there are many paths to systems change. Our particular approach reflects several key characteristics. Most importantly, we look for a transformative idea that has the potential to impact millions. In order to advance this level of impact, we look for evidence of a key lever or "fulcrum" that can help the idea grow to scale and shift underlying norms. In most cases, this also involves supporting partners to work with governments and others to strengthen local and national governance – such that ideas, expertise, evidence, policy, human and financial resources, and accountability relationships are optimized to produce and sustain results.

We also recognize that it takes a special type of organization to facilitate this kind of change. We look for organizations with exceptional leadership qualities, as well as the right partnerships needed to succeed. Moreover, because we believe systems change is complex, we look for organizations that can adapt and learn as they pursue their goals. And, because we focus on sustainable systems change, we typically only work in contexts which meet at least basic political and governance conditions, and expect our program partners to provide a thoughtful political economy analysis and approach to managing risk (see pages 28-29 of our Handbook).

Each element of our approach is further described below. We do not expect everything we support to mirror this thinking; we are open to be persuaded by other approaches to systems change. But we do expect applicants to make a carefully argued, evidence informed case. We share these here in the interest of sharing our thinking, and to be transparent about the "lenses" we will use to assess your approach.

01. Systems change starts with a transformative Idea

We believe that good ideas deserve to spread and scale. Yet not all good ideas are suited to successful systems change efforts. To start, we look for ideas that have the potential to improve the lives of millions. And we believe that in order to reach this level of scale, the core idea should:

- Respond to a clearly identified problem, including its political and institutional constraints.
- Be phrased in simple terms that people can understand and explain back to you.
- Have independent, rigorous, third-party evidence of effectiveness from similar, real-world contexts (even as we acknowledge that a good idea cannot simply be copied and pasted).

02. We do not try to change every aspect of the system, but instead focus on a key lever or "fulcrum". We work on adoption at scale rather than scaling up.

When pursuing large-scale change, it is tempting to comprehensively diagnose and address everything that is wrong with a system. But the challenge with this approach is that it can become overwhelming, complicated, prohibitively expensive, and simply too much to address all at one time. We know that having fifty priorities is the same as having none and believe that more can be achieved by focusing on what matters most. Thus, our approach to systems change focuses on one aspect of the system that is critical to its core purpose and has the potential to catalytically influence other parts of the system. Just like exercise can help a person deal with diabetes, hypertension, obesity, coronary heart disease, low energy, weak muscles and poor mental health, we look for similar critical levers in global development systems. Our partners identify one key change to the system that is meaningful in itself and can serve as a fulcrum for inspiring broader transformation within that same system and/or others like it elsewhere. Ultimately, this transformation should improve the lives of millions of people.

In order to benefit millions of people, a systems change initiative must clearly be adopted at scale. But we distinguish between "adoption at scale" and "scaling up". Our partners pursue "adoption at scale" by working on the key levers of systems so that the system itself scales the transformative idea through its own self-sustaining momentum. Our approach is distinct from other approaches that pilot an initiative and then work to replicate or "scale up" the successful pilot, without necessarily achieving structural and enduring changes to the underlying system.

03. Systems change depends upon strategic organizations with great leadership

Our program partners provide the strategic leadership that ambitious systems change initiatives require. They tend to:

- See through noise and inertia to focus on what matters most in achieving outcomes.
- Be purpose-driven and pragmatic; they know how to work with what they have.
- Have a solid track record, integrity, and strong ethical values.
- Have the capacity to work at a high level of scale and sophistication.
- Have deep roots in and strong relationships with people in local contexts. They know the people the initiative is meant to serve. They exemplify both credibility and legitimacy.
- Be humble and curious; they recognize the complexity and uncertainty of their endeavor, and continually test and refine their hypotheses, while moving forward, not paralyzed by indecision.
- Promote equity in all that they do. Women and historically excluded groups are reflected in their analyses and represented in leadership and senior positions.

04. Systems change requires an effective coalition of key actors.

No single organization, no matter how strong, can realize the kind of ambitious systems change goals we aim to achieve. In our view, an idea requires collaboration among a range of organizations, people, and institutions if it is to take hold and gain traction.

This "winning coalition" need not include everyone – too many actors can slow the pace of change and affect the fidelity of the core idea. Moreover, not every key stakeholder needs to be engaged in the same way, or even formally. An effective coalition reflects a solid political economy analysis of the diversity of actors, including women and excluded groups, who are needed to advance the idea and sustain reform in the midst of the real-world power dynamics of the systems we wish to change.

Most importantly, to reach and sustain impact for millions, in most cases our partners work with governments, who need to design and uphold smart policies, typically provide the bulk of the funding and staff, and ensure effective implementation. Often, our partners focus on government reformers who see the opportunity for change within the system, but do not have the power, resources, or expertise to advance it on their own. These internal government champions — who may be senior and/or mid-level — are critical to success. They help set a political agenda, and provide an "authorizing environment" for other staff to advance an idea, as well as more permanent civil service who will be responsible for implementation at scale. These civil servants are particularly important to the sustainability of systems change, since political leaders change over time.

The strength of a winning coalition is critical. Different actors in society can play different roles in advancing different aspects of the change we seek. For example, civil society groups can help to model ideas, press for scale and ensure accountability; governments can scale and sustain change; funders can bring much-needed resources; the private sector can incorporate market-based solutions; technologists can help accelerate change; faith groups can give normative power to an idea; and media and notable personalities can help bring attention to an idea and its promise.

Building such a coalition is no small task. We expect program partners to have the most important elements in place. But we also support our program partners as they work to recruit and attract the institutions and organizations that are best suited to advance change in each political context. We also recognize that as political and social conditions change, a coalition must also adapt to be effective.

05. **Complex systems change initiatives require learning and adaptation.**

Learning and adaptation are critical to success when addressing complex systems change problems. It doesn't matter how smart and how well prepared one is – faithfully following a blueprint does not work because social change is always complex and rarely goes according to plan.

Rather, we support organizations who are willing to test, refine, retest, and adapt their theories of change over time. In our experience, this type of learning depends on humility, curiosity, and a "beginner's mind" among partners who have the courage to ask, "How will we know if our theory of change is not working?"

This deep commitment to learning must begin with an organization's executive, but not end there or be siloed in a "learning department". Rather, tools and practices that elicit feedback, draw from the data, and adapt, must permeate the organization (see section below for further information).

06. **Our approach requires minimally enabling political and institutional conditions and action to foster a more enabling environment.**

People with the greatest need for health care, education, and economic opportunity often live in countries with difficult political and institutional systems and serious governance challenges. To be successful, our program partners need to continually assess the constraints, opportunities, and risks posed by these institutional realities, and craft pathways of action that are politically astute and flexible. These pathways of action may require steps to improve the enabling environment through institutional change, and contributions to strengthening local governance.

That said, Co-Impact's approach cannot work well in every context. Our emphasis on engagement between government and civil society leaders, commitment to learning using data and evidence, and emphasis on innovation and continual improvement requires the presence of minimal civic and governance conditions that make such attributes possible. These may include basic consideration of rule of law, robust governance processes, human rights, and space for society to engage and work on improvements. We are willing to take on significant risk where the potential for impact is high and we are persuaded by measures to mitigate risk. But we are unlikely to work in places where there is high disregard for rule of law or where violent conflict is pervasive.

These minimal conditions should be more robust within the specific institutional context that the systems change initiative targets. For example, we look for demand for change from within the institutions themselves – usually from reform-minded government officials working in partnership with others. Similarly, while we cannot expect that the tough places where we work will be corruption-free, our government and civil society partners driving the systems change effort need to have the highest levels of integrity, and be taking steps to improve institutional transparency, accountability, and capacity.

Across the contexts in which we work, we examine the ways that women and excluded groups can participate in a systems change initiative, and how an initiative will affect gender dynamics and inclusion. Meaningful systems change is not possible when women cannot exercise agency; therefore, we generally do not invest in partners or political and institutional contexts where this is not the case.

07. **Systems change requires working on ideas and shifting norms**

Successfully changing a system in one place can lead to large-scale improvements there, but not just through mechanical replication of a successful intervention. True and enduring change at scale usually comes from an idea that changes perceptions of what is possible, shifts norms and mental models, revises rules, raises aspirations, and sparks further innovations. These broader changes rarely happen automatically or on their own – they require investments in curators, validators, and purveyors of ideas in the ecosystem. These may include people who can write and tell the stories of failure and success; credible researchers who can vouch for the validity of the story; advocates and legal professionals who can craft and promote needed rule changes; a web of opinion makers who continually promote a new norm; and a set of generous practitioners who are open with their time and experience to help others borrow, riff, and adapt. For Co-Impact and our partners, this will likely require us to develop a deeper understanding of how ideas take shape and fly. Over time, we may need to strengthen the ecosystem of actors working on achieving outcomes.

Annex 3:
How We Advance Gender Equity and Women's Leadership

We believe that effective systems change requires a resolute focus on gender equity and inclusion – and needs to explicitly address discrimination against girls and women and barriers they face to exercising voice, setting agendas and making choices. These include in the problem analysis, program design, outcomes definition, measurement, and women's leadership. It also requires support for strengthening organizational capabilities to effectively design and promote gender savvy programs. Accordingly, we expect and support our program partners to grapple with gender as follows:

01. **Problem Analysis:** Because discrimination against and exclusion of women is a major and systemic driver of underdevelopment, we seek to understand the specific gender manifestations of the problem, as well as the gender dimensions of why the problem exists and persists. This includes who gets to define agendas, determine priorities, set norms and enforce actions. Where gendered systems intersect with other forms of discrimination – such as race, ethnicity and class – we will support our partners to address how these social elements compound to curtail opportunity.

02. **Program Design:** Consequently, to succeed, we expect that any response to the problem will address and correct for the root causes of gender discrimination, in substantive and meaningful ways. Gender aspects need to be explicitly addressed in the design of the systems change initiative, including questions of voice, power, agency, representation and accountability.

03. **Outcomes Definition:** Co-Impact seeks to simultaneously advance three types of outcomes: people-level, systems-level, and organizational-level. For each of these, we support partners to articulate and disaggregate outcomes by sex, as well as reflect gender analysis in the choice of outcomes.

04. **Measurement:** Because what is measured is what counts, we work with partners to construct, collect, and analyze measures of progress in relation to gendered outcomes and dynamics, as well as women's leadership. We support partners to interpret and use this data to adapt and improve program design, practice and decision-making. Our commitment also includes nascent efforts to integrate constituency feedback in systematic, ongoing and meaningful ways, so that both women and men meant to benefit from the initiative are listened to and able to exert influence.

05. **Leadership:** Patriarchal norms and structures are serious constraints to the effectiveness and fairness of global development. We therefore pay close attention to participation and leadership of women at all levels, in initiatives, organizations and partnerships, and particularly in relation to senior management teams and governance boards. We also emphasize women's representation in the choice of experts we consult, public meetings we convene, and how we communicate our work.

06. **Organizational Strengthening:** Each of our systems change grants includes a substantive amount (typically US $500,000) to support our partners to strengthen critical capabilities and attain strategic coherence. In most cases, gender aspects highlighted above – particularly program design and leadership – will be core elements of organizational strengthening over five years of the grant.

07. **Selection Process:** Gender is strongly called out in our Open Calls process, including the criteria we use for assessment. Our review and selection process places significant weight on how gender is addressed and on women's representation in decision-making. In our upcoming (third) round of grant-making we will ensure that <u>at least 50% of the initiatives we select are led by women</u> (defined as where the CEO *and* a substantial proportion of the senior leadership of the partner organization are women). The sex composition of the organization's board will also be considered.