

Terms of Reference – Independent Evaluation of the Global Innovation Fund (GIF)

May 2023

1. Introduction

We are seeking an Evaluation Supplier to conduct an evaluation of the Global Innovation Fund (GIF) on the terms set out in this document. This Terms of Reference provides an overview of the Global Innovation Fund since the last independent evaluation (2019-2023), and a statement of the evaluation requirements, including deliverables and timeframes. The main benefits and challenges will be explored, to identify lessons and implications for a potential Phase II to this programme.

2. Outline of programme

The Global Innovation Fund (GIF) is a non-profit innovation fund that accelerates evidence-based social innovations and business models that will improve the lives of millions of the world's poor. GIF uses flexible instruments including grant, debt, equity and quasi-equity to invest in the piloting, rigorous testing and scaling of innovations. GIF uses [staged financing](#) of grants and investments to support a portfolio of innovations that collectively open up opportunities and improve lives for hundreds of millions of people across the developing world.

GIF utilises an 'open innovation' approach to investing; believing that the best ideas for solving some of the world's most critical problems can come from anyone, anywhere. GIF also have a strong poverty reduction focus, with their [funding criteria](#) mandating the need for innovations which bring benefit to those living under \$5 dollars a day; they are especially interested in solutions which benefit those living on less than \$2 dollars per day. Through grants and risk capital investments, they support breakthrough solutions to global development challenges from social enterprises, for-profit firms, non-profit organisations, researchers, and government agencies. GIF also disburse investment through their recently created '[Innovating for Gender Equality](#)' and '[Innovating for Climate Resilience](#)' sub-funds which target the complex interrelations between these themes and poverty reduction. GIF's current portfolio has over [60 investments](#).

GIF is a registered charity of England & Wales and is the sole member of a U.S. corporation incorporated in Washington, D.C. and registered as a US 501(c)3 (public charity).

GIF brings together partners from the public, private, and philanthropic sectors in the pursuit of that impact. GIF's commitment to the forecasting and evaluation of impact sees it funding the generation and dissemination of high-quality evidence concerning the effectiveness of innovations in the form of rigorous impact evaluations and peer-reviewed papers for publication. This work advances GIF's dual mandate by promoting the social value created through evidence-based innovation and contributing to the global knowledge base in the field.

GIF has received funding from multiple donors including FCDO, SIDA, GAC, DFAT, USAID, as well as other philanthropies and corporate partners.

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3. Reviews and other documents

Recent FCDO annual reviews of GIF are available [here](#). Detailed resources on GIF's output, approach and impact measurement can be found [here](#). Upon request, further information to the contracted supplier, including on expenditure and funding.

There have been two other external evaluations of GIF (see [here](#) and [here](#)), the first in 2019 commissioned by GIF themselves, as set out in their founding Articles and Byelaws. The second in 2021 in collaboration with Global Affairs Canada, who sought to evaluate the initial investments made through the Innovating for Gender Equality sub-fund. The commissioning of this evaluation fulfils the requirement set out under article 29 in FCDO's Memorandum of Understanding for the Global Innovation Fund programme.

4. Purpose, scope and evaluation questions

4.1 Purpose

The evaluation will be used for both accountability and learning purposes. In addition, FCDO would like to use the evaluation to demonstrate the results of its investment, while also providing a vital resource to inform outcomes of a programme 'Phase II'.

The primary objective, therefore, is to evaluate:

- Whether GIF's open innovation model for selecting and supporting innovations on a journey to scale remains a relevant and effective approach for delivering strong impact and value for money.
- GIF's performance in recent years for helping to bridge the 'missing middle' funding gap for high-impact innovations; both in a) selecting high potential innovations and supporting journeys to impact at scale, and b) GIF's operating model and organisational structure, to assess the effectiveness of its portfolio management.
- To what extent have GIF-supported innovations generated and shared rigorous evidence pertaining to their impact and scalability, what role has GIF played in supporting dissemination, and how well these outputs align with FCDO definition of research.
- To what extent are GIF's current business and operating models sustainable for long-term impact investing.

4.2 Scope

The scope of this evaluation will be 2019-2023 covering all activities in the period since the last independent evaluation.

4.3 Evaluation questions

The evaluation will need to address a challenging set of questions, some of which should be addressed in more depth to meet the primary objective. A draft list follows.

Suppliers are invited in their proposals to comment on draft questions and, as they wish, to suggest revisions. Finalisation of questions will take place – by agreement between FCDO

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programme team (in consultation with GIF) and the evaluation supplier – during the inception phase.

1. Considering GIF's open innovation approach to scaling innovations:

- 1.1 What evidence exists on the strengths and weaknesses of the open innovation model?*
- 1.2 To what extent has GIF evidenced their ability to contribute to bridging the missing middle in development financing?*
- 1.3 What are the key opportunities and challenges of GIF shifting from an entirely open innovation model to one which prioritises Climate and Gender investments?*
- 1.4 What role does GIF play in the broader investment story of their innovations? i.e Is GIF investment catalytic, who else is investing, How much are others investing, and at what stage of growth? Is there a counterfactual?*
- 1.5 To what extent is there coherence internally across GIF's investment portfolio?*

2. Considering organisational management, operating model and value for money:

- 2.1 What are the strengths and weaknesses of the organisational model for delivering priorities in GIF's current 5-year strategy?*
- 2.2 Is GIF agile enough and resourced appropriately across Grants, Risk Capital, and its corporate functions to meet their scaling requirements?*
- 2.3 How has the programme demonstrated value for money against FCDO's 4 criteria: efficiency, effectiveness, economy, and equity?*

3. Considering GIF's Evidence portfolio:

- 3.1 How effective is GIF's current approach to disseminating research and evidence to influence the sector?*
- 3.2 How does the quality of these outputs align with the Frascati research principles? What steps could GIF take to better align with FCDO's definition of research?*
- 3.3 How robust are GIF's impact measurement approaches? Do they evidence GIF's catalytic role in leveraging scale and sustainability in the impacts achieved?*
- 3.4 How have GIF and other international development stakeholders used GIF's research and evidence portfolio? To what extent has it helped them to achieve their impact objectives?*

4. Considering GIF's long-term sustainability:

- 4.1 How effective is GIF's fundraising strategy and performance - how could it be improved? How important is corporate fundraising to GIF?*
- 4.2 Is the GIF resourcing model effective in allowing the organisation to scale and support a diverse and varied portfolio of investees?*
- 4.3 How effectively has GIF built internal capacity around gender and climate investing?*
- 4.4 To what extent is the resource model flexible to adapt to future emergent thematic priorities from donors?*
- 4.5 To what extent do GIF co-ordinate investment activity with other innovation funders?*

Bidders will recognise – from the evaluation questions and FCDO policy statements – the importance attached to gender, disability and social inclusion. This must be taken into account throughout the conduct of the evaluation and addressed appropriately in findings and lessons.

5. Recipient and target audiences

The recipient for the evaluation will be FCDO's Technology & Innovation Unit who will retain ultimate approval rights over the appointment and conduct of the independent evaluation. The evaluation is expected to be of substantial value to FCDO and GIF. The findings will:

- a) Provide FCDO detailed evidence to be used when considering future replenishment of GIF.
- b) Provide GIF valuable insights which can be used to further refine and strengthen their business and operational models. and
- c) Will likely to be useful for a wider audience including other current and prospective donors to GIF, and other teams across FCDO.

6. Approach and methodology

A multiple methods approach, which systematically triangulates evidence, is required. Collection of new evidence is envisaged, to meet both the objectives of this evaluation. Of course, optimal use should also be made of existing data.

We are not prescribing a detailed methodology, but the design is expected to incorporate:

- *Review of key documents.* A table of key programme and project documents will be prepared by FCDO/GIF and provided to the evaluator with further assistance available if required.
- *Interviews* should be held with a range of GIF staff, Board Members, a selection of investees (past and present), other investors in GIF's portfolio, beneficiaries of research from GIF's portfolio and other GIF Donors.
- *Bellwether interviews with key stakeholders in the innovation/scaling for impact ecosystem* (such as Development Impact Ventures) who will have a good awareness/understanding of GIF and its business model.
- The evaluation team may wish to consult key thematic experts to assist in answering certain evaluation questions.
- *Surveys or other data collection methods* to solicit input from additional GIF partners and/or stakeholders. If surveys are to be used to produce estimates, these should be rigorously designed with appropriate sampling methods and expectation of acceptably high response rates. Alternative or complementary approaches, such as online discussion fora, could be considered.
- *For VfM assessment*, data should build on existing analysis conducted by the GIF team as well as from the administrative reporting systems of GIF.

The tender will be open, and published on GIF's website. Tenderers are asked to propose an approach and methods which they believe will most effectively and efficiently meet the purpose of the study within the time available.

Tenders should spell out as fully as possible the evaluation design and methodology they propose to use, including a draft evaluation framework. This should include modes of data capture, as well as methods for data analysis and synthesis. We welcome proposals to extend the range of methods applied. Please note, though, that we are committed to quality and rigour in line with international good practice in evaluation.

FCDO, in consultation with GIF, will decide the outcome of the tender process and appoint the Evaluation Supplier.

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The successful tenderer will refine their proposal, in consultation with FCDO, GIF and other relevant stakeholders, during an inception phase of approximately three weeks.

7. Evaluation outputs (deliverables)

i. Inception report

To include:

- proposed refinements/amendments to the evaluation questions
- evaluation framework
- full methodology including sources of data and analytical methods
- implications / qualifications on the degree to which the evaluation questions can be answered robustly
- work plan and timescales
- confirmation of quality assurance and risk management processes
- a communications plan for the evaluation

ii. Presentation of interim findings to FCDO/GIF management group (including confirmation of plans for final data collection and analyses)

iii. Interim report

To include (though not necessarily in precisely this structure): Preliminary overview of key observations, findings (in multiple sections) and Recommendations

iv. Final report

To include (though not necessarily in precisely this structure):

1. Cover page.
 2. Table of Contents.
 3. 2 page 'evaluation digest' of the final evaluation Executive Summary:
 4. Introduction to GIF and evaluation
 5. Overview of evaluation approach and methodology, with limitations
 6. Findings (in multiple sections)
 7. Lessons (to include short learning briefs targeted at GIF management and donors)
 8. Recommendations
- Annexes – additional supporting evidence and detailed methodology.

N.B FCDO's evaluation report template is available, but not mandatory for use.

v. A presentation/facilitated discussion of the findings to FCDO and GIF.

Drafts of the inception and final report will be reviewed by FCDO's Evaluation Quality Assurance and Learning Service (EQUALS)

Proposals for additional outputs of various forms, which may enhance the utility of the evaluation, will be welcomed. The supplier will grant FCDO an irrevocable right to publish and re-use the outputs from the evaluation.

8. Budget

The evaluation budget is approximately £100,000, excluding VAT. This includes all travel and related costs. An output-based contract is preferred. Value-for-money – ability to apply sufficient skills and resources at economical rates to answer the evaluation questions robustly – is critical. The bids should provide detailed breakdowns of the proposed budget. The budget should include travel to GIF offices in London.

9. Timetable and Workplan

This evaluation will run from May 2023 to October 2023. The contract start date is expected to be 6th June 2023 and the end date 6th October 2023, but dates will be agreed with the preferred bidder. Based on a start in early June 2023, key milestones are expected to be as follows:

Date	Activity/deliverable
13 th June 2023	Contract begins with start-up meeting with FCDO & GIF
22 nd June 2023	Inception report delivered
6 th July 2023	Inception report revised and approved by GIF and FCDO
7 th July - 11 th Aug 2023	Data collection and analysis (including interviews with GIF staff, Board Members & Investees)
15 th August 2023	Interim presentation to GIF and FCDO management group
16 th August - 7 th September 2023	Further data collection and analysis (including bellwether interviews) as required
22 nd September 2023	Draft report delivered for review by GIF and FCDO
6 th October 2023	Feedback from GIF and FCDO
13 th October 2023	Final report approved by GIF and FCDO

Proposals should include a work plan for this evaluation, including activities, using a Gantt chart.

10. Required skills and qualifications of evaluation team

The essential competencies and experience that the Evaluation Team will need to deliver the work are:

- Experience conducting similar independent evaluations
- Ability to work to an accelerated timeline
- Relevant understanding of innovation for development.
- Strong understanding of the Impact Investing sector
- Expertise in assessing value for money
- Excellent written and oral communication skills in English
- Capability to integrate gender and social inclusion analysis

Proposals from suitably qualified organisations and consortia are equally welcome. A gender balance is preferred within the evaluation team, and roles for Southern evaluators are encouraged. It is not a requirement for the team to include evaluators based in the GIF programme countries but this will be considered an advantage.

11. Ethics and Safeguarding

Proposals should outline their view of the ethical considerations for this evaluation and spell out how they plan to address these. Suppliers will be expected to have an ethics policy/code and apply ethical clearance protocols, where appropriate. Bids should set out how they propose to uphold the principle of 'Do no harm' and to ensure the confidential treatment and secure storage of project documentation and data collected throughout the evaluation.

The successful evaluation supplier will need to be fully cognisant of the importance FCDO attaches to Safeguarding and understand and follow relevant guidance throughout the conduct of the evaluation.

12. Evaluation risks

There will be a number of risks and challenges that the evaluation team may encounter. These could include (but are not limited to);

- Awareness of biases; including confirmation and selection/sampling bias
- Lack of access to relevant information
- Inadequate stakeholder engagement
- Time Constraints

Therefore, proposals should set out risks and how these will be mitigated, as well as specifying a system for identifying, managing, and reporting risks during the implementation of the evaluation. A full risk assessment should be conducted during the inception phase.

13. Evaluation management arrangements and reporting

A management group (MG) will be established to oversee the evaluation. It will consist of at least the following: FCDO Programme Responsible Officer for GIF and Tech & Innovation unit Portfolio lead. Two senior stakeholders from Global Innovation Fund.

Bidders should expect frequent interaction with the MG. MG meetings will be held at least once every six weeks, with the expectation of some shorter 'catch up' meetings and/or requests for short written updates from the evaluation team.

Inception will begin with a start-up meeting. The majority of meetings will be entirely online. However, if the team leader and/or other senior member(s) are UK based we would expect to meet in person, probably in London, for the start-up meet and at least once during the conduct of the evaluation (in addition to presentations).

In their proposal, bidders should explain how their team will be structured, what the anticipated roles and responsibilities will be, and be clear on leadership and points of contact. Bids should set out how quality will be assured throughout the evaluation and by whom, including assuring that all draft outputs are delivered complete and to a high standard throughout.

Bidders should also explain how they will ensure close working relationships with FCDO and GIF staff while ensuring independence. Proposals should include an explanation of how bidders will avoid a conflict of interest, and how they would handle any situations of undue pressure.

The MG group will be responsible for commenting upon and approving the outputs, with the aim of providing a full set of comments within three weeks of receipt

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14. Break point

There will be a formal break point in the evaluation contract after the Inception Phase, and continuation beyond this point will depend on both satisfactory performance and FCDO and GIF's decision on the affordability and value of further evaluation activity.

15. Duty of Care

The Services Provider is responsible for the safety and well-being of their personnel and third parties affected by their activities under this agreement. They must confirm in their response to the tender that

- They fully accept responsibility for security and duty of care
- They understand the potential risks and have the knowledge and experience to develop an effective risk plan
- They have the capability to manage their duty of care responsibilities throughout the life of the agreement.

Annex 1 – Global Innovation Fund Theory of Change

