

**Founding Document for Establishing the  
International Initiative for Impact Evaluation**

**3ie**

June 25, 2008

## **Purpose of this Document**

This document provides guidance for establishing the International Initiative for Impact Evaluation (3ie) and represents the outcome of deliberations and decisions by representatives of potential member organizations who participated in various committees between September 2006 and June 2008.

This document represents a consensus reached by these representatives after lengthy deliberations and consultations. It is not a formal legal document. Nevertheless, as it represents a considered process of deliberation and consensus building, it provides a foundation for drafting necessary legal documents of incorporation, bylaws, and procedures as necessary. It also will serve as the basis for developing 3ie's procedures and policies, and should provide guidance in those cases where explicit policies or procedures have not yet been developed or approved by 3ie's governing bodies.

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## **1. Preamble**

To contribute to the fulfillment of aspirations for wellbeing, collective efforts are underway to strengthen the respect for human rights, to reduce poverty, and to improve health, education, standards of living, and physical security around the world. These collective efforts take myriad forms and vary in their effectiveness and efficiency. Such efforts can be more successful and have greater impact in contributing to these universal aspirations when they are based upon the lessons from systematically documented experiences and evidence.

The evidence generated by impact evaluations – measurement of the net effects of particular programs or interventions – is one form of knowledge that can inform public and private decisions to improve social and economic development programs in low- and middle-income countries. Such evidence is a public good that tends to be undersupplied without collective efforts to mobilize sufficient investment.

Impact evaluations have produced good evidence on certain questions and many initiatives today are effectively generating and expanding this work. Nevertheless, a collective effort with distinctive features could enhance these activities and accelerate progress. Therefore, an international effort of willing partners has agreed to collaborate in lifting some of the constraints that hinder the production and use of such systematic evidence in policymaking, with attention focused on the subset of evaluation studies that measure impact.

This document establishes the mission, activities, structure, and scope of an independent non-profit institution, governed by a diverse voluntary membership, provisionally called the International Initiative for Impact Evaluation (3ie).

## **2. Mission**

The mission of the International Initiative for Impact Evaluation (3ie) is to contribute to the fulfillment of aspirations for wellbeing by encouraging the production and use of evidence from rigorous impact evaluations for policy decisions that improve social and economic development programs in low- and middle-income countries.

To fulfill this mission, 3ie's objectives will be to:

- Provide public goods that promote the generation and use of good quality impact evaluations in public policymaking
- Help policymakers and researchers plan quality impact evaluation designs when learning opportunities with new programs arise; and
- Promote good quality impact evaluations that address policy questions of enduring interest.

### 3. Definitions

For the purposes of this document, the following definitions will be used:

Rigorous impact evaluation studies are analyses that measure the net change in outcomes for a particular group of people that can be attributed to a specific program using the best methodology available, feasible and appropriate to the evaluation question that is being investigated and to the specific context.

Social and economic development programs are interventions whose primary purpose is to improve a population's quality of life, whether they are financed by public agencies, NGOs or private institutions. This includes programs aimed at improving health, education, employment, incomes, access to credit, infrastructure, and reducing poverty, among others.

Low- and middle-income countries are categories for which 3ie will adopt the definitions of the World Bank's country classification system.

Member Institutions are eligible organizations that fulfill the obligations of membership. Member Institutions can be ministries or public agencies (bilateral, multilateral), private non-profit philanthropic foundations, or other private non-profit organizations whose core mission is to finance or implement social and economic programs in low- and middle-income countries and that are committed to the mission of 3ie.

Associate Member Institutions are eligible organizations whose core business is to conduct impact evaluations, such as universities, research institutions and consulting firms.

3ie Partners are organizations such as professional associations, formal networks and advocacy groups which are not eligible to participate as Members or Associate Members but which share in and support 3ie's mission.

## 4. Principles

3ie will engage with all stakeholders in a spirit of collaboration, mutual empowerment and respect, recognizing and valuing the unique contributions that distinct parties bring to the shared endeavor of improving human wellbeing through better-informed policy decisions.

### Guiding Principles

3ie will be:

- *responsive* to stakeholders when identifying questions, assessing policy-relevance, and providing technical support;
- *strategic and selective* in its choice of impact evaluation questions and funded studies;
- *transparent* in its decision-making; and
- *independent* in its technical reviews of impact evaluations and syntheses of evidence.

### Complementarity

3ie will choose and conduct its activities so as to best *complement* governments, organizations, groups and initiatives that:

- conduct or improve other forms of monitoring and evaluation;
- promote, finance, or conduct rigorous impact evaluations and the use of evidence for decision making;
- strengthen local capacity for conducting and using impact evaluations; and
- improve impact evaluation methodologies.

### Character of Impact Evaluations Promoted by 3ie

3ie will strive to promote and finance impact evaluations that:

- meet high standards of evidence;
- address questions that are relevant and important to public policy decisions;
- contribute evidence that leverages information from other sources and studies;
- pioneer new methods of data collection and analysis;
- engage appropriate stakeholders; and
- are less likely to be financed through other sources because of longer time frames, larger expense, or greater complexity.

## 5. Activities

3ie will undertake activities that contribute to its mission and that complement and support other initiatives with similar aims. It will concentrate on activities that are not conducted by other organizations and that are ideally suited to its character as an independent non-profit institution governed by a diverse voluntary membership.

In particular, 3ie will reach its objectives by providing:

- *Public goods*, including prioritized lists of enduring questions; quality standards; syntheses; advocacy; information and dissemination services; capacity building; and technical services (e.g. review evaluation designs and results, manage evaluations for members, database of studies and consultants);
- *Timely flexible grants* that help policymakers and researchers to assess and design quality impact evaluations at those moments when learning opportunities arise (e.g. beginning of programs); and
- *Long-term grants* to promote good quality impact evaluations that address policy questions of enduring interest.

In conformance with these criteria, 3ie will:

Identify enduring questions about how to improve social and economic development programs through structured consultation with Member Institutions and others in order to catalyze comparable studies on selected issues and ensure that studies promoted by 3ie are needed, relevant and strategic;

Identify programs that represent opportunities for learning so as to encourage impact evaluations in those instances where studies are feasible, findings can affect policy, and results, when combined with other sources of information, will advance practical knowledge;

Adopt quality standards to guide its reviews of impact evaluations through periodic technical consultations;

Finance the design and implementation of impact evaluations that address questions of enduring importance to policymaking in low- and middle-income countries;

Prepare or commission syntheses of impact evaluations to link the findings from individual studies with broader policy questions;

Advocate for the generation and use of impact evaluations;

Share and disseminate information about opportunities for learning, planned studies, designs, methods, and findings; and

Promote the mutual development of capacity to conduct rigorous impact evaluations and to use evidence in policymaking in low- and middle-income countries.

Other activities that contribute to fulfilling 3ie's mission can be undertaken, depending on resources, opportunities, or Member Institution interest, taking care to complement and avoid unnecessary duplication of activities being carried out effectively by other organizations.

## 6. Governance

3ie is constituted as an independent non-profit institution, with a diverse membership, that will be governed by a **Members Conference** and a **Board of Commissioners**.

### **Composition, Voting Rights and Responsibilities of the Members Conference**

The Members Conference includes one (1) representative from each Member and Associate Member Institution. Only Member Institutions have voting rights. Each Member Institution has one vote and a quorum will be established by the presence of representatives of a simple majority of Member Institutions. By majority vote, the Members Conference collectively:

- appoints the 3ie Commissioners;
- approves membership obligations – both financial and non-financial;
- approves changes to the Founding Document and other governing documents.

### **Composition of the Board of Commissioners**

The **Board of Commissioners** (hereafter, “The Board”) comprises at least five (5) individuals appointed by the Members Conference to serve three-year terms (with a maximum of three consecutive terms) and the Executive Director, serving *ex officio*, as a non-voting member of the Board.

Commissioners must be well-respected among their peers for their integrity, professionalism, and expertise; and have demonstrated a commitment to promoting the use of evidence from impact evaluation studies in public policy decision-making.

In appointing the Commissioners, the Members Conference will strive to assure, in addition, that:

- at least three (3) Commissioners are citizens of low- or middle-income countries;
- at least two (2) Commissioners have expertise related to impact evaluation studies and relevant methodological or practical experience;
- at least one (1) Commissioner has expertise in financial management and issues of fiduciary responsibility;
- at least one (1) Commissioner has international standing to represent 3ie effectively in meetings with the highest level government officials and prominent public fora;
- at least one (1) Commissioner is known as an advocate for citizens and has experience working for a civil society organization on behalf of lower-income individuals affected by development programs; and
- at least two (2) Commissioners have served a term as a 3ie Commissioner.

### **Selection of the Board of Commissioners**

Member Institutions will divide into three Membership Groups: low- and middle-income government agencies; multilateral and bilateral agencies; and private non-profit philanthropic foundations and other private non-profit organizations. Each Membership

Group will nominate three candidates that satisfy one or more of the characteristics listed above.

The Members Conference will appoint a Nominating Committee to solicit nominations from the three groups of Member Institutions, Associate Member Institutions, 3ie Partners, the Executive Director, and others.

In consultation with Member Institutions and in communication with the nominated individuals, the Nominating Committee will prepare a slate of five candidates who satisfy the criteria established above to the extent feasible. The slate of candidates will also indicate which candidate is nominated to serve as Chairperson. The proposed slate must include at least one of the nominees proposed by each Membership Group. The Nominating Committee will then submit the proposed slate of candidates to the Members Conference for its approval.

### **Responsibilities of the Board of Commissioners**

The Board will:

- hire and supervise the Executive Director;
- approve the annual work plan and budget;
- evaluate the performance of 3ie and the Executive Director annually;
- consult actively with Member Institutions and other appropriate stakeholders;
- approve enduring questions that will be the subject of Requests for Proposals to conduct impact evaluations; and
- approve contracts and grants or delegate such approval to the Executive Director under transparent guidelines [See “Delegation to Executive Director” in the Addendum]

### **Additional Activities of the Board of Commissioners**

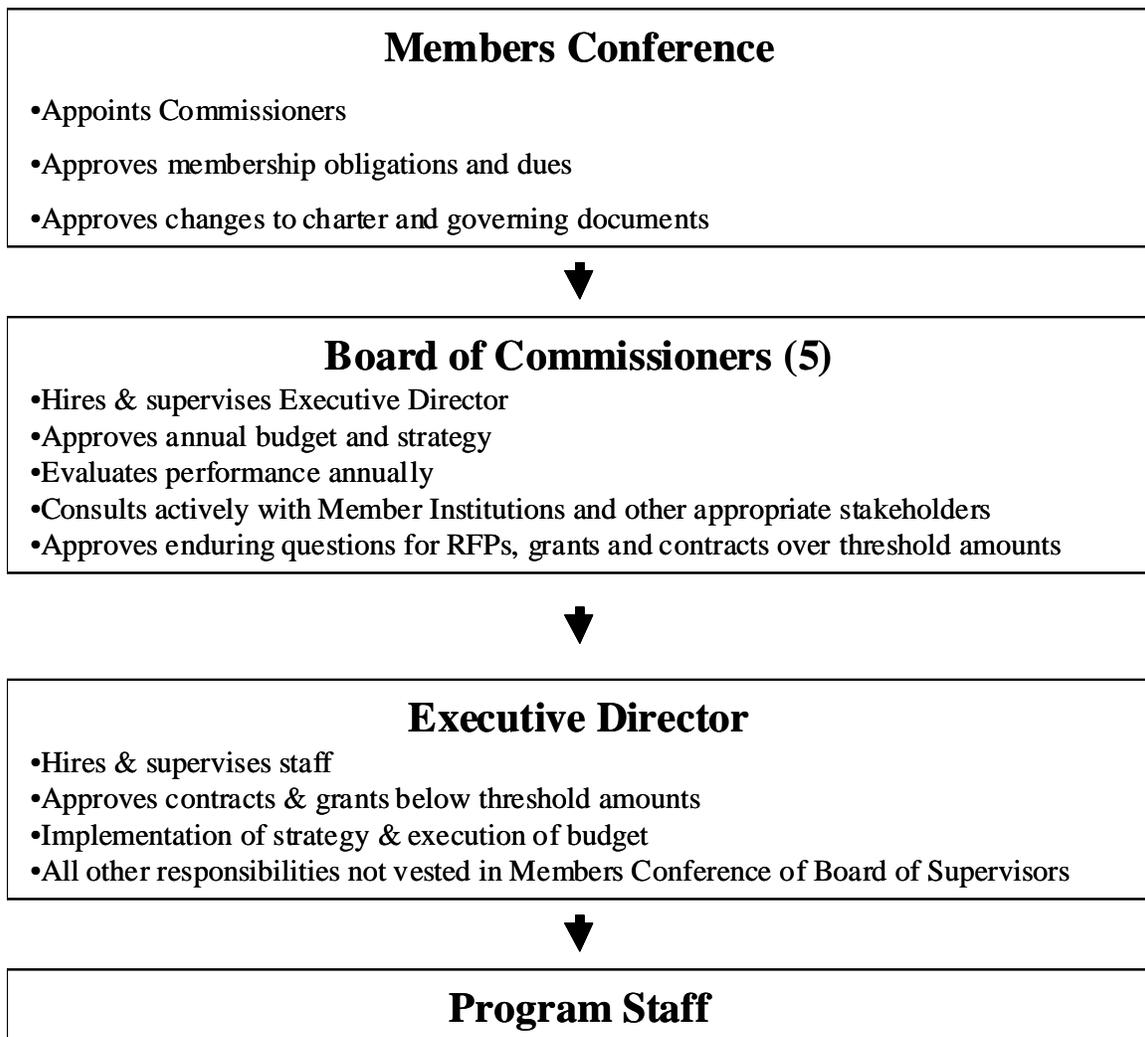
In addition to the responsibilities listed above, it is hoped that Commissioners will also promote 3ie’s success by:

- serving as advocates for improved rigor in impact evaluation studies;
- serving as advocates for the use of good evidence in policymaking;
- mobilizing additional financial resources for 3ie’s grants and activities;
- nominating successors;
- consulting actively with Member Institutions and others to assure that 3ie is well-understood internationally and to inform 3ie regarding important issues, opportunities, and needs;
- providing guidance and advising the Executive Director; and
- representing 3ie in meetings and conferences.

## Compensation and Reimbursement of Commissioners

Commissioners are entitled to an annual honorarium and to reimbursement for reasonable travel expenses related to fulfilling their responsibilities as 3ie Commissioners. [See “Compensation for Commissioners” in the Addendum]. The Commissioners can change the annual honorarium by unanimous vote at any of the Board’s official meetings; however, the change will not go into effect until 30 days after reporting the modification to Member Institutions and only if no Member Institution submits a formal objection to the change in that time period. If a formal objection is issued, the matter will be referred to the Members Conference.

## 3ie Governance Structure



## 7. Membership Eligibility, Benefits and Obligations

### Eligibility for Member Institutions and Associate Member Institutions

To be eligible to join 3ie as a Member Institution or Associate Member Institution, an organization must meet the criteria set forth in the Definitions (Section 3) and any other criteria established by the Members Conference [See “Eligibility for Membership” in the Addendum].

### Member Institution Benefits

All Member Institutions will have the same benefits of membership and equal engagement in the governance of 3ie.

Priority for funding: Once they have satisfied all the conditions and have passed the review process, research proposals from Member Institutions can be given priority over proposals from non-Member Institutions. The Board is authorized to limit this benefit if its exercise would involve approving an excessive share of 3ie grant resources to proposals from any single Member Institution, this share being determined by the Board. See “Limits on Priority for Funding” in the Addendum]

Input on enduring questions: Member Institutions can participate formally in selecting enduring questions that will be the object of 3ie’s solicited proposals.

Coordination: Member Institutions can exchange information on planned and ongoing impact evaluations and reach agreements on clustering research around themes or areas of common interest.

Technical review: Member Institutions can have access to technical review services and networks of researchers developed in the course of 3ie’s work.

Learning: Member Institutions can have regular contact with an organization that is generating useful information on topics related to their work.

Recognition of good governance: Member Institutions will benefit from being associated with an organization that has the explicit aim of generating knowledge for better results – a reflection of “good governance.”

### Member Institution Obligations

Membership in 3ie is voluntary and becomes effective upon fulfilling the obligations of membership as established by the Members Conference. The Board is authorized to approve Member Institution status for organizations that fulfill these requirements. Member Institutions can withdraw from 3ie after fulfilling all outstanding commitments and giving appropriate notice, as determined by the Members Conference.

### *Member Institution Categories*

For the purpose of defining financial obligations of membership, Member Institutions will initially be classified into one of the following categories:

- Low-income country government ministry or agency
- Middle-income country government ministry or agency
- Multilateral development bank
- Bilateral development agency
- Private non-profit philanthropic foundations
- Other private non-profit organizations

### *Contributions*

All Member Institutions are expected to support 3ie through:

- a minimum annual contribution;
- additional contributions; and
- contracting or implementing their own impact evaluations.

### *Minimum Annual Contribution*

The Board of Commissioners will propose specific amounts for the minimum annual contribution to the Members Conference for their consideration and approval. The amounts may vary by membership categories listed above [See “Minimum Annual Contributions” in the Addendum]. Member Institutions that have not completed payment of their minimum annual contribution to 3ie as of 7 days prior to the annual meeting of the Members Conference will not be able to vote.

### *Additional Contributions*

All Member Institutions are encouraged to contribute additional funds to 3ie in excess of the minimum contribution in an amount that constitutes their “fair share,” as determined voluntarily by the Member Institution in relation to its own financial resources, its technical capacities, and the scale of its programs in developing countries. The Board of Commissioners will propose guidelines on the appropriate range for these additional contributions to the Members Conference for their consideration and approval. The amounts may vary by membership categories listed above. [See “Minimum Annual Contributions” in the Addendum].

### *Own Impact Evaluations*

All Member Institutions are expected to contribute funds for, directly commission, or implement their own impact evaluations to expand the evidence-base for policymaking in low- and middle-income countries in amounts voluntarily determined by each Member Institution.

### *Form of Contributions*

All Member Institutions are encouraged to provide unrestricted contributions to 3ie; however, financial contributions to 3ie will be structured to accommodate the character, norms, and legal restrictions governing each participating Member Institution.<sup>1</sup>

### *Additional Member Institution Responsibilities*

In addition, Member Institutions or their appointed representatives are expected to:

- participate in the Members Conference deliberations and decisions;
- advise the Board of Commissioners on selecting the Executive Director;
- participate in discussing and selecting enduring questions;
- encourage qualified staff to participate in 3ie's grant review panels and methodological discussions;
- inform 3ie of the Member Institution's social and economic development programs that represent potential learning opportunities, at the earliest stage in their preparation or approval that is feasible according to the Member Institution's legal and operational norms and without creating an unreasonable burden;
- inform 3ie about planned and completed impact evaluation studies;
- provide 3ie with impact evaluations conducted by or funded by the Member Institution along with primary data for re-analysis when possible and with appropriate safeguards for confidentiality of information about individuals in accordance with 3ie's ethical guidelines;
- commit to applying rigorous standards for impact evaluation studies, informed by the standards adopted by 3ie in the course of its periodic consultations and reviews; and
- commit to collaborate and coordinate with other institutions engaged in similar activities to maximize complementarity and reduce unnecessary duplication.

These responsibilities will be specified more fully in 3ie's guidelines and policies.

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<sup>1</sup> Alternatives to direct unrestricted contributions that have been discussed include funds that are earmarked for a particular region (e.g. to accommodate restrictions on regional development banks); payments in the form of overhead to 3ie for supervising and administering an impact evaluation grant; or a demonstrated increase in a Member Institution's spending on its own impact evaluations, provided they meet standards that are compatible with 3ie Principles.

## **Associate Member Institutions Benefits and Obligations**

Associate Member Institutions will enjoy the following benefits:

- They can participate in the Members Conference deliberations (but do not have voting rights);
- They may be invited to participate in 3ie's information exchange and knowledge building activities; and
- They may be invited to participate in technical review panels and methodological discussions.
- Associate members will be automatically informed of 3ie's requests for proposals

To receive Associate Membership status, the institution is obligated to demonstrate its continuing commitment to promoting rigorous impact evaluation work in developing countries. This obligation can be fulfilled by submitting a significant share of their own impact evaluations to 3ie for assessment or by providing alternative acceptable evidence of adherence to appropriate standards. The Executive Director is authorized to approve Associate Member Institution status for organizations that fulfill this requirement according to procedures approved by the Board.

## **3ie Partners Benefits and Obligations**

3ie Partners will benefit from inclusion in 3ie's outreach, consultation and dissemination activities. In particular, they may be invited to participate in information exchange, knowledge building activities, technical review panels, selection of important research questions, and methodological debates.

To qualify as a 3ie Affiliate, the candidate institution is obligated to demonstrate that its own mission and activities substantially support and further 3ie's mission. The Executive Director is authorized to approve 3ie Affiliate status for organizations that fulfill this requirement.

## **8. Management**

### **Responsibilities of the Executive Director**

The Executive Director is primarily responsible for:

- hiring and supervising staff;
- approving and signing contracts that are no more than US\$250,000;
- authorizing and disbursing grants that are no more than US\$1,500,000;
- proposing 3ie's strategy and implementing it, once approved;
- proposing 3ie's budget and executing it, once approved; and
- all other responsibilities not vested in the Members Conference or Board.

In addition, the Executive Director is responsible for:

- conducting 3ie's business in accordance with the Principles enumerated in Section 4 of this Founding Document;
- Entering into contracts with institutions and individuals to conduct 3ie's activities;
- programming and supervising activities to fulfill 3ie's mission;
- managing technical peer reviews of proposed and completed impact evaluation designs and studies;
- proposing policy changes and Founding Document amendments to the Board of Commissioners and Members Conference as necessary;
- reviewing fulfillment of membership obligations by Member Institutions;
- organizing 3ie's internal management and administration; and
- all other day to day activities required to fulfill 3ie's obligations and mission.

### **Authority of the Executive Director and Staff**

In addition, the Executive Director and Staff will have the authority to:

- approve and execute grants;
- monitor funded studies to assure compliance with the standards adopted by 3ie;
- issue requests for proposals on identified enduring questions;
- solicit funds from and provide services to Member Institutions;
- convene meetings and commission work to guide 3ie in setting standards for rigorous impact evaluations;
- collect and disseminate impact evaluation studies;
- prepare or commission syntheses of impact evaluations to link the results of the individual studies with broader policy questions;
- manage and disburse funds;
- publicly disseminate information about 3ie, its mission, activities and membership through a dedicated website and other media;
- conduct activities that advocate for the production of rigorous impact evaluations and the use of the information they generate;
- convene meetings of the Members Conference and Board, and provide organizational and logistical services for those bodies;
- submit operational and financial reports of 3ie activities to the Members Conference and Board;

- coordinate 3ie's work program and activities with Member Institutions, other appropriate stakeholders, and other initiatives that share the aims of 3ie's mission; and
- other activities necessary to fulfill the mission as established by the Members Conference and Board of Commissioners.

### **Internal Organization**

To fulfill these responsibilities, the Executive Director will organize 3ie staff to address three operational requirements: general administration, grant administration, and technical services.

General administrative functions include, but are not limited to management of funds, office space, equipment and maintenance, and personnel.

Grant administration will include but not be limited to drafting requests for proposals, encouraging applications for funding, and administering the grant review procedures.

Technical services will include but not be limited to identifying technical experts to serve on grant review panels and peer review panels of completed studies; assuring public access to impact evaluation studies and primary data generated by 3ie activities; advocating for the production of impact evaluations and the use of information they generate; and serving as a technical resource for Member Institutions. Technical services will be provided by senior professionals with internationally recognized expertise in the methods and practice of rigorous impact evaluations to the greatest extent possible.

## 9. Characteristics of the Grant Program

3ie's grant program will support rigorous impact evaluations that address questions of importance to policymaking in low- and middle-income countries.

### Funding Windows

The Grant Program will comprise at least four "funding windows":

- (1) funds for technical assistance and initial activities to begin rigorous impact evaluations during a program's design phase;
- (2) funds for unsolicited impact evaluation proposals;
- (3) funds for impact evaluation proposals that are submitted in response to 3ie's requests for proposals on enduring questions ; and
- (4) funds for meta-studies that synthesize the results of impact evaluations.

### Criteria for Awarding Grants

3ie's grant program will give priority to supporting studies that are **relevant** in the sense that the study is likely to provide evidence useful to policy decisions in low- and middle-income countries. This includes studies of interventions that are likely to be replicable in other contexts and/or to be scaled up and extended to more people. It also includes studies that provide sufficient documentation of the intervention's implementation to guide efforts to improve management, redirect the intervention toward more successful approaches, and/or assist in judging the generalizability of the impact evaluation findings. Impact evaluations are more likely to meet this standard of relevance if they engage project implementers, policymakers, evaluation experts, and affected communities and individuals in defining the evaluation questions and in designing, implementing and interpreting the study.

Priority will also be given to impact evaluations that are important, enduring, feasible, rigorous, in-demand, undertaken at the level of interventions, and contribute to capacity building. A study will be considered:

- *Important* if it informs policies that affect large numbers of people, imply large resource outlays, and/or have large effects on particular subpopulations;
- *Enduring* if it addresses policy questions that are likely to continue being important in 5 to 10 years time;
- *Feasible* if information can be collected and analyzed in ways that make it possible to attribute impact to a particular program;
- *Rigorous* if it meets accepted standards of evidence for attributing impact to a particular program;
- *In-demand* if program managers, policymakers, and/or affected communities and individuals demonstrate their interest in the study through letters of support and/or active engagement in the study's design and conduct;

- *Undertaken at the level of interventions* if the activities being studied are expected to have a direct impact on a specific population that is both measurable and attributable to those activities; and
- *Contribute to capacity building* if the study engages individuals and institutions in a process of mutual learning that increases the supply of rigorous impact evaluation expertise, strengthens institutions that conduct or support impact evaluations, and/or develops the ability to use evidence in policymaking.

### **Grant Review Procedures**

The Executive Director is authorized to approve grants for amounts not to exceed an amount established by the Board and under procedures determined by the Board. [See “Grant Review Procedures” in the Addendum].

### **Requirements for all Grants**

To assure appropriate review, dissemination and availability of findings, all studies financed by 3ie:

- will be prospectively registered in a publicly accessible database of studies;
- will be subject to independent review of their research design and final reports;
- will be assessed to assure that they are ethical, particularly with regard to treatment of study participants;
- will be publicly accessible once they have been approved through an external review process;
- will make their data available for re-analysis and replication, with appropriate measures taken to protect the privacy of individuals who participate in the studies; and
- will provide sufficient information about context to assist people in assessing generalizability of the findings.

## **10. Amendments**

Any Member Institution can propose amendments to this Founding Document.

A proposed amendment needs to be approved by the Commissioners before submission to the Members Conference. The proposed amendment will come into force when approved by the Members Conference.

## **11. Provisions for Dissolution**

After an initial period of three years, any Member Institution can propose dissolution of 3ie.

A proposal to dissolve 3ie must be submitted to the Members Conference for debate with documentation to justify the proposed action, written responses from any other Member Institutions opposed to dissolution and an opinion of the Commissioners. The proposal to dissolve 3ie will come into force if it is opposed by no more than three Member Institutions, at least one of which must be a representative from a low- or middle-income country.

Upon approving a proposal to dissolve 3ie, the Members Conference will develop a plan for dissolving the institution, addressing all financial and legal obligations, and distributing the assets (or apportioning liabilities) among Member Institutions.

## **12. Transitional Provisions**

Until such time as the Members Conference and/or Board shall take action, the provisions of the Addendum shall be in force.

### **Ratification**

The Founding Document will come into force when at least three (3) ministries or agencies of low- or middle-income countries, three (3) bilateral or multilateral development agencies, and three (3) private non-profit institutions effect payments of their minimum annual contributions (as set forth in the Addendum) and convene a meeting in which they unanimously approve this Founding Document.

### **Contracting and Supervising the First Executive Director**

The Members Conference and Board will honor commitments made to the provisional Executive Director who was selected by the provisional Member Institutions in 2007 and who was contracted by the secretariat based at the Center for Global Development in 2008.

The provisional Executive Director will be offered a three-year contract to begin the day after this Founding Document comes into force.

The Members Conference will be responsible for supervising the Executive Director until the Board of Commissioners is convened, at which time the Board will assume full responsibility for supervising the Executive Director.

Upon the completion of the first Executive Director's three-year contract, the Board will determine whether to renew the appointment or seek a new candidate.

### **Selecting the First Board of Commissioners**

The Member Institutions will establish an ad hoc committee that includes representatives, from each of the Membership Groups described in Section 6 and who will be responsible for soliciting nominations and selecting a slate of candidates who will serve as 3ie's first Board of Commissioners. The ad hoc committee will propose a slate of candidates in conformance with the criteria set out in Section 6, with the exception of the criteria regarding prior service as a 3ie Commissioner. The ad hoc committee will propose the slate of candidates to the first Members Conference for its approval.

Subsequent Boards will be selected according to the procedures in Section 6.

## Addendum

The following sections provide detailed procedures and guidance for 3ie to begin operating. They illustrate the kinds of procedural and operational elements that will be addressed by the Board and Management to fulfill the responsibilities enumerated in the Founding Document. They also represent a consensus of 3ie's first Member Institutions on these issues.

### Minimum Annual Contribution

For the purposes of ratifying this Founding Document as set forth in Section 12, the minimum annual contributions for the different Membership Categories, along with suggested targets for additional contributions, shall be:

Category	Membership Contributions (US\$ per year)			
	Minimum	Low	Targets Mid Level	High
Low-income country government agencies	20,000	20,000	20,000	20,000
Middle-income country government agencies	50,000	50,000	50,000	50,000
Multilateral Development Banks	100,000	200,000	300,000	500,000
Bilateral Development Agencies	100,000	350,000	600,000	1,000,000
Private non-profit Philanthropic Foundations	100,000	600,000	1,000,000	2,000,000
Other Private Non- Profit Organizations	20,000	20,000	100,000	200,000

These amounts can be modified by the Members Conference at its annual meeting.

### Compensation for Commissioners

Commissioners will be paid an annual honorarium of US\$5,000. The Board of Commissioners can modify this amount by unanimous vote at any of its meetings according to procedures in Section 6.

### Limits on Priority for Funding

Until the Board of Commissioners determines otherwise, 3ie will seek to assure that no more than 25 percent of grant-funding for impact evaluations, over any given three-year

period, is awarded to a single Member Institution, either individually or as part of a collaborative research proposal.

### **Delegation to Executive Director**

The Board of Commissioners will initially delegate authority to the Executive Director to approve contracts that are less than US\$250,000 and grants that are less than US\$1,500,000.

### **Grant Review Procedures**

The Executive Director is authorized to approve grants for amounts not to exceed US\$1,500,000 under procedures determined by the Board. For grants in excess of US\$1,500,000, the Executive Director must empanel a group of at least five (5) external reviewers and submit the panel's report and recommendations to the Board for their approval.

The Executive Director is authorized to approve grants for amounts not to exceed US\$1,500,000 by one of three procedures: Expedited, External Review or Review Panel. The Board will determine the maximum amounts of grants that can be approved by the Executive Director under each procedure.

Initially, the Executive Director may follow:

- the Expedited Procedure for grants that do not exceed US\$25,000;
- the External Review Procedure for grants that do not exceed US\$100,000; and
- the Panel Review Procedure for grants that do not exceed US\$1,500,000.

The Board of Commissioners may modify these amounts at any of its meetings.

Under the *Expedited Procedure*, the Executive Director will determine to his/her satisfaction that the proposed grant meets the criteria set out below and is compatible with 3ie's mission and strategy. The Executive Director can then approve the grant after documenting the reasons for an affirmative decision.

Under the *External Review Procedure*, the Executive Director will submit the grant proposal for review by at least two external reviewers who have recognized expertise on the relevant topic and no conflicts of interest that could potentially bias their judgment or create the appearance of impropriety. Based on the written opinions of the external reviewers, the Executive Director will then determine whether the proposed grant meets the criteria set out below and is compatible with 3ie's mission and strategy. The Executive Director can then approve the grant after documenting the reasons for an affirmative decision.

Under the *Review Panel Procedure*, the Executive Director will convene a panel of at least five (5) individuals who have recognized expertise on the relevant topics and no conflicts of interest that could potentially bias their judgment or create the appearance of

impropriety. This panel will review one or more proposals according to criteria provided by 3ie that meet the criteria below and are compatible with 3ie's mission and strategy. The panel will submit a written report of their deliberations with recommendations to the Executive Director as to which grants should be awarded. The Executive Director can then approve grants based on the panel's report. If the Executive Director determines that the panel's report is substantively flawed and decides that its recommendations should not be followed, he/she must submit a report with justification to the Board requesting that the Commissioners either nullify or uphold the panel's report and recommendations

For grants in excess of US\$1,500,000, the Executive Director must follow the Review Panel Procedure and submit the panel's report and recommendations to the Board for their approval.

### **Eligibility for Membership**

In addition to fulfilling the definition established in Section 3 of the Founding Document, organizations which seek to become Members of 3ie must also finance or implement no less than US\$1,000,000 annually, averaged over any given 3-year period, in social and/or economic development programs oriented to improving wellbeing of people in low- and middle-income countries.

In addition, organizations and countries can have more than one membership in 3ie if each Member Institution satisfies the conditions for eligibility and fulfills their obligations. Multiple memberships will not increase the organization's access to 3ie benefits that are already conferred upon it by its first membership except to increase its representation in the Members Conference."

Example: The Evaluation Department and the Research Department of a large government agency could each be a "Member Institution" if the agency finances or implements at least US\$100,000,000 in social and/or economic development programs (i.e. twice the minimum US\$50,000,000 set out in Section 7) *and each* Department makes at least the minimum annual contribution.