





www.co-impact.org
info@co-impact.org

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This version of the Co-Impact Handook was updated August 2024.

Front cover

Luzmila Elba Rojas Morales sells fresh produce in the local municipality of La Victoria. She is the president of the Asociación 20 de junio, which comprises 150 perishable produce vendors. The Association assists their members by engaging with the authorities to obtain permits to sell. If they don't pay, they face the risk of being evicted. Luzmila's organization is part of the National Network of Women and Men Self-employed Workers (Red Nacional de Trabajadoras y Trabajadores Autoempleados, RENATTA).

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Foreword and Acknowledgements

As an organization established in November 2017, we saw the need to publicly articulate our thinking about collaborative philanthropy for systems change.

In a world of quick clicks, tweets, and blogs, we recognized the anachronism of creating a long-form document like a handbook. And yet, we found that the deliberative process of convening our team, partners, and trusted experts to draft this document helped to hone our identity and clarify our thinking.

This revision to our Handbook is a continuation of that deliberative process. It reflects the lessons we have learned and the ways in which we have evolved over the past three years. The original Handbook reflected the design, priorities, and governance of our first grantmaking fund; this version incorporates key elements of Co-Impact's second fund that is being formed – the Gender Fund (placeholder name) – as well. These developments include a sharper focus on power and inclusion, and in particular how we think about intersectional gender justice, women's leadership, and systems change. It also reflects an expansion of our grantmaking process, our grant types, and our non-financial support. In addition, we have updated sections on political economy and our approach to learning, measurement, and evaluation.

Because of these changes, you may find elements here that depart from our practice in our first funding rounds and current portfolio of program partners and initiatives. Instead of distinguishing between past approaches and current thinking, this Handbook revision reflects our approach at present and our commitments going forward. As we strive to be an adaptive, learning organization, we expect the views expressed here to continue to evolve in response to experience, feedback from peers and partners, and our continued learning.

This Handbook represents the collective thinking and lessons learned of the Co-Impact team. It has been principally authored by Rakesh Rajani and Jeff Hall. Silvia Bastante de Unverhau and Pam Foster authored key sections related to philanthropy and governance.

Our overall effort has been guided by Olivia Leland. The process of this update has been coordinated by Doris King and Kaila Zitron. The text has benefitted from extensive feedback from the Co-Impact team including Gurgun Balasanyan, Kappie Farrington, Abe Grindle, Geeta Rao Gupta, Anna-Marie Harling, Sara Husseini, Nasra Ismail, Varja Lipovsek, Helen Liu, Yasmin Madan and Alfonsina Penaloza.

This Handbook reflects helpful inputs and lessons from many of our program partners, including feedback collected by the Center for Effective Philanthropy. The original Handbook benefitted enormously from the thoughtful, candid, and encouraging engagement of three experts who served as our independent review panel, each of whom served in her personal capacity: Linda Frey, Anju Malhotra, and Aisha Sykes. We also extend our gratitude to the team at New Venture Fund, whose guidance is consistently timely, practical, and helpful.

The ideas and approaches in the original Handbook drew on the work of several philanthropic leaders. We are particularly appreciative of contributions on effective philanthropy from Fay Twersky (while at the Hewlett Foundation) and Kathy Reich (who leads the Ford Foundation's BUILD program).

Photographs in this document have been kindly shared from the collections of our program partners, funding partners and the wonderful online resource, 'Images of Empowerment'. Photographs are credited individually throughout.

Finally, our thanks go to our Core Partners – Richard Chandler, The ELMA Foundation, Bill and Melinda Gates, IKEA Foundation, Rohini and Nandan Nilekani, The Rockefeller Foundation, MacKenzie Scott, and Jeff Skoll – and their teams, whose commitment to a beginner's mindset, listening and learning, community-centered philanthropy, and transparency and accountability form the foundation of this entire project.

June 2021

Purpose of this Handbook

Co-Impact is a global philanthropic collaborative for equitable systems change at scale.

We invest in initiatives across the Global South tackling the root sources of inequality – the systems that control resources and shape the lives of millions of people – and in partners who can propose ways to shift levers of power in ways that advance intersectional gender equality.

This revised Handbook seeks to articulate who we are, what we stand for, how we work, and how we partner with others. We hope to achieve three purposes with it. First, we use it internally to help orient and guide our work, and to hold ourselves accountable to what we profess. Second, we hope that it will be useful to funders and other actors to explain how we fit into and contribute to the broader gender equality, global development, and philanthropic communities. Third, we hope that it will serve as a helpful guide for current and prospective program partners.

This third purpose is particularly important to us. Too frequently, patterns of exclusion and inequity are perpetuated by secret “rules of the game” that favor the well-connected and elite few. Philanthropy is no exception. We seek to position the resources we curate in ways that offer a more level playing field. A first step towards this end is to be transparent about the way we work, as represented in this document. We hope this transparency helps to cultivate more respectful, clearer relationships with our program partners in ways that help them achieve greater strategic coherence and advance their ambitious objectives related to systems change and intersectional gender justice.

From the core principles that animate us and our approach to systems change to the basics of our grantmaking process, our support model, and reporting and learning, this Handbook describes what we believe and how we hope to work with partners to advance shared goals.

The text that follows is structured around three sections:

- **Section One**, “Who We Are”, describes our vision, values and goals, our approach to systems change, our place in the philanthropic community, and the values that underpin our work.
- **Section Two**, titled “Our Grantmaking Process”, describes the way that we structure our funding opportunities and select potential program partners.
- **Section Three**, “Our Engagement with Program Partners”, is especially important to us, because we believe how we relate with and support our program partners is crucial to achieving enduring impact. In this section, we describe what program partners can expect from us to help ensure that they succeed in their work, including our approach to planning, achieving results, communication, reporting, learning, and adaptation.

We bring a beginner’s mindset to our work; learning and adaptation are core values that underpin our ways of working. Many of the key sections of this Handbook have been informed by the feedback we have received from program partners. In addition, we have sought the advice of our team and Advisory Board, as well as practitioners and scholars in the field of social change, especially those in the Global South who work with, or represent, historically excluded groups. As we continue to learn, we expect to update this document on a periodic basis and share it on our website.

Glossary

Agency

The ability to make and act on decisions, influence how things are shaped, have bargaining power, and control over resources.

Critical Organizational Capabilities

The most important abilities to be and do that an organization needs to achieve its core mission. Co-Impact categorizes these into four clusters: leadership, organizational arrangements, partnerships, and funder relationships. (see section 3.3)

Ecosystem Approach

Undertaking a funding approach which recognizes that there is no single, silver-bullet approach to systems change and solving gender inequalities, and that it takes the collective action of multiple, diverse actors.

Gender Equality

The state in which access to rights or opportunities is unaffected by gender and other intersectional markers. A world which all people, and particularly those who have been excluded, have the opportunity to exercise power, agency, and leadership at all levels.

Gender-Equitable Outcomes

Outcomes for all people across the gender spectrum which are: (i) disaggregated by sex/gender and by other relevant contextual markers of inequality (where feasible); (ii) the achievement of which would support the rebalancing and/or achievement of intersectional gender equality, particularly given historical exclusion of women and girls.

Global South-Rooted Organizations

Organizations based in and led by individuals from the countries or regions that are the focus of the work, who hold decision making power.

Intersectional Gender Justice

Seeking to understand, address and overcome patriarchal structures and barriers to women's agency and power, and how this intersects with race, caste, ethnicity, class, disability, sexual identity, and other biases which fuel exclusion and perpetuate inequality.

Market systems development

This approach focuses on improving the lives of the poor by stimulating growth and expanding access. It works to identify and understand the root-causes of market failures, and to design solutions that improve how the entire market performs, including enhancing demand and supply functions, and the enabling context that crowds in more market actors.

Political Economy

How power is institutionalized, distributed, and exercised in society and in key systems, and how these arrangements can enable or constrain change.

Practitioner-Oriented Research

Research that supports practitioners to develop approaches, methods, and tools to continually evaluate and improve their practice and better achieve their goals.

Program Partner

An entity that has received funding from Co-Impact. We prefer this term to “grantee” because we do not think an organization should be defined by the fact that it receives funds.

Program Partner-Centered Approach

An approach where funders see program partners as the architects and leaders of change and where program partners feel trusted and respected by funders. In this view the funder is in service of the program partner (and not the other way around). The rules, requirements and processes of engagement work well for program partners, are simple and reliable, and reduce burdens and transaction costs.

Strategic Coherence

The ability to focus on the organization’s core purpose, and make choices that strengthen that purpose, including saying no to activities and funding that distract from core purpose.

Structural Barriers

Critical dynamics, such as social and institutional norms, biases, policy, reinforced within a system that work against women and other excluded groups from being drivers of equitable outcomes and access to rights, resources, and opportunities, and from exercising power and agency.

Systems Change

Realigning the underlying norms, policies, relationships, functions, incentives, and motivations to higher, outcome-focused, and more inclusive equilibrium; such that millions of people, and in particular historically disadvantaged constituencies, experience meaningful and sustained improvement in their lives.

Women-led Organizations

Organizations where women make up all or the majority of senior leadership and board positions.

Winning Coalitions

A collective group of actors that is powerful enough to make change happen and have that change last over time. An effective coalition typically reflects a solid political economy analysis of the diversity of actors who are needed to change, including holders of both formal and informal power. For the change to be inclusive, a winning coalition needs to include representatives of historically excluded constituencies.

SECTION ONE

Who We Are



Courtesy of Jonathan Torgovnik/Getty Images/Images of Empowerment

1.1

What is Co-Impact?

Co-Impact brings together local changemakers and funders from around the world. We provide flexible grants to locally-rooted partners making health, education, and economic systems stronger and more inclusive – creating impact that lasts.

Societies all over the world are organized into systems. These norms, policies, laws, and institutions determine access to resource and opportunity for millions. Health, education, and economic systems should provide vital services and uphold basic human rights. Yet discrimination blocks girls and women from benefitting from and shaping these systems.

Our support to program partners focuses on advancing education, improving health, and expanding economic opportunity for people in low- and middle-income countries in the Global South. In each of these domains, we take an intersectional gender approach (see box) in the ways that we analyze problems, make grants, and engage with partners. We believe that systems change is only possible when discriminatory structures are consciously addressed, and women and other excluded groups can exercise their full share of agency and power.

We support our partners to pay careful attention to power and political economy (see section 3.2), and to engage with the legal, political, and economic arrangements within systems. Changes to law, public policy, economic and market incentives, social norms, and political opportunity feature prominently in our partners' strategies. Given the public sector's role in shaping these fields, our partners work closely with government to leverage the mandate, networks, workforce, and significantly larger resources that governments bring to bear. Some of our partners also focus on helping to make market systems more inclusive and work better for all people.

Within this context-driven approach to systems change, we recognize the role of organizations representing historically excluded people, including women's rights organizations and feminist movements in catalyzing and sustaining systemic change. Likewise, we believe women's leadership at the household, community, organizational, and systemic level can help ensure that principles of equity and inclusion are integrated and sustained within a system. This is especially true in law and economics, given these fields' significant influence on public policy and resource allocation.

What do we mean by “intersectional gender justice”?

Co-Impact takes an intersectional gender approach to systems change. We believe that power is at the heart of all systems. Power defines the way that systems function, who sets agendas and makes decisions, who benefits from the system, and how these benefits are shared. In most health, education, and economic systems, this power is inequitably distributed to benefit a few. In particular, systems have traditionally been designed to exclude girls and women from exercising power within these systems or reaping their benefits. For example, health systems are designed in ways that both diminish concerns of women and place the burden of care on women while excluding them from leadership; education systems create curricula that perpetuate patriarchy and fail to protect girls and women from sexual harassment; and economic systems are governed by tax regimes and informal “rules” that stifle the advancement of women and other excluded groups.

Thus, in every system, we seek to understand the barriers to women’s agency and power, and how these may be overcome. We start with gender because discrimination against women affects all societies. Gender discrimination often intersects with race, caste, ethnicity, class, disability, sexual identity, and other biases to fuel exclusion and perpetuate inequality. Like gender, these markers also tend to be used by those in power to exclude people from representation and decision-making, and in so doing contribute to inequitable outcomes. Thus, true, enduring and equitable systems change must focus on reforming the way that power is wielded and distributed, so that women, particularly from excluded groups, can exercise their full share of voice and agency and reap the system’s benefits.

We support systems change through a program partner-centered approach to grantmaking (see section 3.1). Using a rigorous sourcing process, our team identifies and supports a portfolio of bold and promising initiatives poised to catalyze systems change at scale, driven by organizations rooted in the Global South and dedicated to advancing intersectional gender justice. In our second fund that is under development, the Gender Fund (see box or see section 1.3), we expect to take a broader “ecosystem approach” that includes support for feminist activists, think-tanks, researchers, movement builders, and advocates for women’s leadership. This approach is designed to support organizations that can help shift systems in ways that enable historically excluded constituencies to shift prevailing norms and practices, advise on alternatives, develop innovations, hold institutions accountable, and envisage more inclusive forms of governance.

Large scale systemic change requires strategic coherence. Co-Impact’s grantmaking approach includes support for program partners to achieve strategic coherence and strengthen their critical organizational capabilities (see section 3.3). Our long-term grants typically include funding for organizational strengthening, and our team connects partners with others who bring experience, networks, and practical tools. Similarly, because we and our partners care about achieving impact, we prioritize learning, measurement, and evaluation (see section 3.4). We support program partners to foster cultures of curiosity, test ideas, improve and adapt practices, and share knowledge as an open, global resource.

Systems change is a collaborative enterprise, and collaboration sits at the heart of our work. We convene and support a global community of funders to learn, collaborate, and collectively support initiatives that have the potential to enable enduring and large-scale change (see section 1.4). We hope to learn from the work of others with similar aims, and we seek to inspire other funders – through our practice and results – to join the effort. More broadly, we seek to advocate for a more program partner-centered and trust-based philanthropy that provides large, long-term, and flexible support to program partners to achieve their visions of inclusive systems change.

For more details on our evolving grantmaking approach see Sections 2 and 3 below. For the latest information about the criteria and calls for proposals for these grants, please visit our website www.co-impact.org.

What is a program partner?

We use “program partner” to refer to an entity that has received funding from Co-Impact. We prefer this term to “grantee” because we do not think an organization should be defined by the fact that it receives funds. Our program partners work with other organizations and institutions, including governments, to pursue just and inclusive systems change.

1.2

Our Vision, Values and Goals

At Co-Impact we envision a world where all people can live fulfilling lives, where systems are just and inclusive. We stand for gender justice, where all women have the opportunity to exercise power, agency, and leadership at all levels.

In all that we do, we bring a rights-based approach that strengthens the agency of historically disadvantaged constituencies to be the authors of their own destinies. As we pursue this vision, we seek to:

- **Be outcomes-focused:** We focus on meaningful, lasting, and inclusive impact for millions of people, especially women and others who have been historically excluded. We provide program partners with the space and flexibility they need to achieve powerful results.
- **Be program partner – and community – centered:** We meet our program partners where they are, and support them to exercise leadership, form winning coalitions, and become stronger, more inclusive organizations who can contribute to building just and inclusive societies.
- **Bring a beginner’s mind:** We challenge our assumptions and frameworks. We recognize that systems change isn’t a straight line; we recognize failure and seek to continually learn and adapt.
- **Draw from unity in diversity:** Our work is stronger when informed by different perspectives, especially from people who have been historically excluded from shaping philanthropy.
- **Build trusting partnerships:** We actively seek to build and sustain relationships of trust with and among all of our partners.

We invite our partners to engage with us on the basis of these values, and to hold us accountable to live them out in our relationships and in practice.

Co-Impact seeks to achieve two sets of goals:

Our first goal is to support inclusive systems change and advance gender justice in the Global South. To this end, we help program partners to:

1. Transform health, education, and economic systems to ensure gender equitable and inclusive outcomes for millions of people.
2. Increase women’s leadership and influence, power, and agency across these “foundational” systems and in law and economics.
3. Challenge discriminatory gender norms, and advocate narratives that advance intersectional gender equality.
4. Strengthen key organizations and institutions to advance intersectional gender equality.
5. Generate and disseminate a solid body of evidence on how to support this work effectively.

Our second goal is to advance collaborative, “trust-based philanthropy” for systems change and gender justice. To this end, we seek to:

1. Grow the level of resources available for inclusive systems change and gender justice in the Global South.
2. Influence philanthropic funding to be more significant, supportive, flexible, longer term, and to focus on locally-rooted, primarily women-led organizations and those that are led and governed by underrepresented groups.
3. Foster philanthropy that is centered on supporting program partners to advance their visions for change.

More detail about our work in pursuit of these two goals follows in the two sections below.

1.3

Systems Change for Intersectional Gender Justice

Our first goal is to support, through grants and other non-financial supports, efforts to achieve inclusive, meaningful, and enduring systems change and results for millions of people in the Global South.

The Problem

This goal responds to the fact that, despite significant progress in recent decades, hundreds of millions of people still live precarious lives. Too many systems operate sub-optimally and fail to deliver outcomes. Structural inequalities that benefit an elite few and gender-based discrimination are pervasive. Women and girls face deep-seated discrimination and entrenched barriers, including internalized and externally imposed gender stereotypes; an unequal burden of care; sexual harassment; exploitation and abuse; explicit bias in laws concerning employment, asset ownership, and physical mobility; and implicit bias that pervades organizations and entire disciplinary cultures, among others.

What is “systems change”?

For us, systems change means realigning the underlying policies, relationships, functions, incentives, and motivations to higher, outcome-focused, and more inclusive equilibrium; such that millions of people, and in particular historically disadvantaged constituencies, experience meaningful and sustained improvement in their lives.

As a result:

- **Systems that provide basic services like health, education, and economic opportunities are often ineffective and exclusionary.** Governments spend billions of dollars and allocate resources in ways that do not always produce good outcomes or benefit everyone equally. Systems fail to convert inputs into outcomes, incentives and accountability are not aligned with purpose, and staff lack adequate support and motivation. **Market systems similarly tend to produce inequitable outcomes.** For example, rural populations tend to pay higher prices for materials and have less access to markets and technology, even as their income levels tend to fall below those of urban populations.
- **Women and girls are left out of these systems, and solutions are not designed to address their needs.** For example, health systems are designed in ways that both diminish concerns of women and place the burden of care on women while excluding them from leadership, and education systems create curricula that perpetuate patriarchy and fail to protect girls and women from sexual harassment. **Meanwhile, “rules of the game” keep women out of leadership positions and from being involved in decision making.** For example, economic systems and tax regimes tend not to value women’s productive labor or their reproductive role, leading employers to view time spent in these activities as waste, and women as less worthy of advancement.
- **Funding focuses on addressing symptoms, rather than root causes of the problem.** Philanthropic funding is often directed at gaps in government funding and to “project” workarounds, instead of making government resources more effective in serving all people at scale and sustainably.

The root causes of these problems are systemic:

- **Public and market systems do not deliver a just and inclusive society.** In recent decades, economic inequality has surged. Similarly, structural barriers and inherent bias within systems limit women and girls from having equitable access to rights, resources, and opportunities, and from exercising power and agency. These barriers are exacerbated when gender discrimination intersects with other forms of bias due to race, caste, ethnicity, class, disability, and sexual identity, among other factors.
- **Women do not have equal rights and are excluded from leadership roles.** Not all women have the basic rights to education, health, or economic opportunities. Bias within individuals, institutions, policies, and practices undermines women's leadership at the household, local, regional, and national levels. As a result, women are not always at the table where decisions are made.
- **Norms and narratives perpetuate discrimination against women and girls.** Norms and harmful gendered narratives lower aspirations, prevent progress, and negatively impact women and girls. Even if the two problems above were addressed, discriminatory norms would continue to perpetuate injustice, impede change, and reinforce harmful behaviors.

The Response

We espouse a systems change approach to help organizations address these problems. Our approach draws from experience and evidence and continues to evolve as we learn from our partners and practice. We support Global South-rooted organizations to address the root causes of gender inequality and transform systems to achieve equitable outcomes for millions.

Our program partners:

- **Address power and the political economy.** We support partners to understand and address root problems; particularly political and institutional gender constraints, and other socio-contextual factors that underlie exclusion, inequality, low performance, and lack of accountability.
- **Focus on key levers that drive change.** Systems have multiple challenges; working on all can quickly become unwieldy. Instead of addressing everything, our approach supports partners to identify a few key levers such as policy, laws, mandates, system financial resources, and/or formal and informal incentives, and accountability that can improve functioning of core parts of the system, and lead to adoption at scale or institutionalization of key innovations.
- **Build effective and powerful coalitions for change.** We support partners to undertake power analyses and develop relationships that support a coalition of government (or market) leaders and other actors that is powerful and focused enough to achieve shared outcomes.
- **Deepen strategic coherence and strengthen key capabilities.** Systems change requires strong organizations with formidable capabilities – we invest in partners to focus on core mission, develop strategic coherence (align organizational resources with purpose), and develop critical capabilities. We invest in both achieving powerful outcomes and in strengthening these organizations to become even more powerful and effective.
- **Focus on learning and adaptation to achieve better results and contribute to field-building.** We support a learning orientation across our program partners, and work to generate and disseminate a body of rigorous evidence to serve as a global resource about what works at scale.



Courtesy of Paula Bronstein/Getty Images/Images of Empowerment

The Foundational Fund

Our Foundational Fund is focused on advancing inclusive systems change in health, education, and economic opportunity. We believe that by focusing on systems and working with organizations directly we can positively impact societies. As a funder, we recognize that there are many paths to systems change and there is no singular theory of change. We rely on our program partners who share our values and goals to help us understand what change is possible, and how it can be achieved. Nonetheless, drawing from engagement with program partners, activists and experts, and a review of the evidence, we have identified several key elements of systems change that leads to impact at scale. We bring these elements to inform our conversations even as we are curious and open to being persuaded by differing conceptions of systems change.

In most cases, our partners work with governments and others to improve the way systems are governed – such that ideas, expertise, evidence, policy, human and financial resources, and accountability relationships are optimized to produce and sustain results.

In some cases, partners work to improve market systems so that goods and services are exchanged more efficiently, especially for women and other excluded groups. Importantly, we distinguish between market-based solutions (like social enterprises, social franchising, or public private partnerships) and market systems reform (see box).

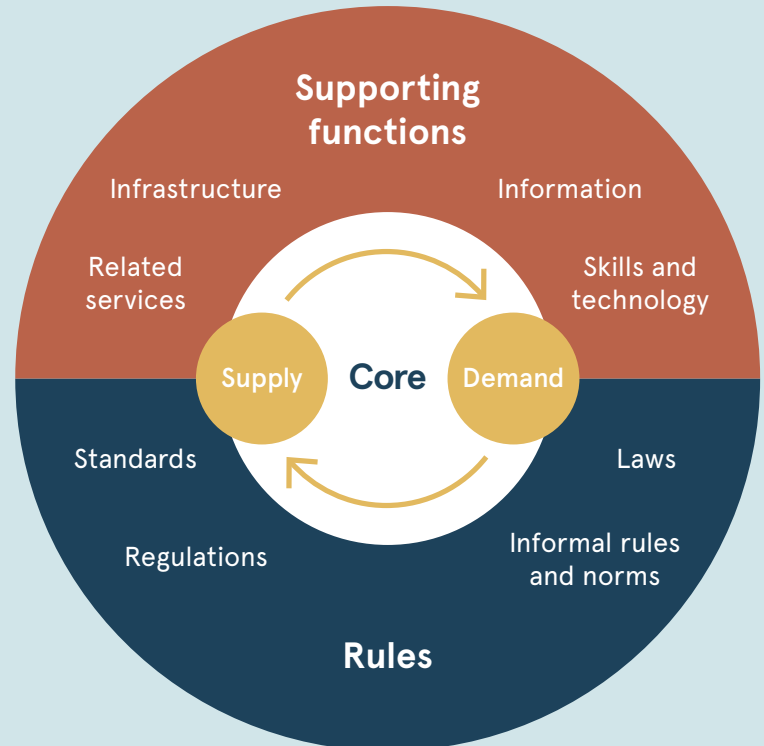
Each element of our evolving thinking is further described below. Because we remain open to other approaches to systems change, not everything we support reflects all these elements. In particular, as Co-Impact evolves to taking a broader ecosystem approach to our grantmaking, we recognize that some program partners may only contribute to one or two of these elements, and that overall systems change will be achieved through the collective impact of multiple actors.

Co-Impact's Approach to Market Systems

Co-Impact recognizes the importance of addressing market failures to solve social problems. There are many ways to develop and engage markets. Social enterprises market products and services that provide social benefits, social franchising can scale effective approaches to meet the needs of underserved communities, and public-private partnerships can enhance cooperation between governments and private sector in ways that leverage the strengths of each. Co-Impact's approach focuses ways to address market failures and better serve the poor through market development. This could include market facilitation to crowd in new market actors, building the capacities and aligning incentives of existing market actors, and improving the enabling environment for the market through government stewardship. We take this markets systems approach, rather than direct scaling of any specific initiative. We recognize that the government plays an important role in the market – as an actor, as a regulator, and as an enabler.

Source: *The Operational Guide for the Making Markets Work for the Poor (M4P) Approach – Second Edition*

www.enterprise-development.org/wp-content/uploads/m4pguide2015.pdf



Critical Elements of Systems Change

I. 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 contribute to change that will impact millions of people. And we believe that in order to reach this level of scale, the core idea should:

- Respond to a clearly identified problem, especially its gendered manifestations, within its political and institutional constraints.
- Be phrased in clear terms that most people can understand and explain back to you.
- Have credible evidence of effectiveness from similar, real-world contexts (even as we acknowledge that a good idea cannot simply be copied and pasted). This evidence should give us a working hypothesis for the way that an idea will advance more equitable, inclusive, and improved outcomes in the targeted system.

2. We do not try to change every aspect of the system, but instead focus on key levers. We work on institutionalizing change at scale rather than linear scaling up.

When pursuing large-scale change, it is tempting to 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, we support systems change efforts that focus on one or a few key aspects (fulcrum) of the system that are critical to its core functioning and have 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, weak muscles, and poor mental health, one can look for a similar critical lever in health, education, and economic systems.

In addition to shifting a system toward more effectively producing outcomes, a “fulcrum” needs to address the deep-seated gender discrimination and structural barriers faced by women and girls and other underrepresented constituencies common in many health, education, and economic systems.

Without addressing the problems faced by half the population, and the ways in which discrimination against women and girls compounds on the basis of race, caste, ethnicity, class, disability, sexual identity, and other factors, it is not possible to achieve systems change that is significant and enduring.

We believe that improving outcomes for millions of people requires *achieving enduring change in one or more key aspects of a system at scale*, which improve how the system works, and thereby results in better outcomes for all the people it serves. Key features of this approach involve ownership by key actors responsible for a system’s management and functioning, and how these changes become *institutionalized* in policies, practices, norms, and cultures of how the system functions. We distinguish such “systems change” from the notion of “scaling up”, an approach that typically pilots an initiative and then works to replicate or “scale up” the successful pilot linearly, without necessarily achieving structural and enduring changes to the underlying system.

In taking a systems change lens, an organization moves its focus of attention from further linear growth of their direct work, to anchoring on what the system itself needs, and how they and others can contribute to that.



Courtesy of Yagazie Emezi/Getty Images/Imagines of Empowerment

3. Systems change needs strategic organizations with great leadership.

Strong organizations that are able to focus on and advance their strategically coherent vision are the starting point of deep and lasting change. Our program partners serve as catalysts for systems change and provide powerful leadership. They tend to:

- See through noise and inertia to focus on what matters most in achieving inclusive outcomes.
- Be purpose-driven and pragmatic; they know how to work with what they have.
- Apply an intersectional gender lens across their work, from analyzing roots of the problem to program design, from defining and measuring success, to representation in leadership and governance.
- Demonstrate a solid track record, integrity, and strong ethical values.
- 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.
- Strive for diverse and inclusive leadership, rather than reliance on a single charismatic leader.

4. Systems change requires a “winning coalition” of key actors.

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

This coalition of actors need not include everyone — a carefully selected set of actors can help a coalition adapt and move quickly, while maintaining fidelity to the core idea. Moreover, not every actor needs to be engaged in the same way. In our view, a healthy and effective coalition reflects a solid political economy analysis of the diversity of actors who are needed to advance the idea and sustain reform in the midst of real-world power dynamics. In particular, it needs to meaningfully include representatives of historically excluded constituencies.

Since governments play a key role in all public and market systems, our partners work with government reformers who see the opportunity for change within the system, and are looking for ideas, resources, and expertise to advance key changes. These internal government champions — who may include both politicians and senior or mid-level civil servants — are critical to success. They can help place key reforms on political agendas and provide an “authorizing environment” for other staff to advance an idea, as well as help institutionalize reforms across how bureaucracies function in day-to-day practice.

Our approach recognizes the key role that civil society groups can play in catalyzing and sustaining this coalition. For example, academics can bring evidence to bear; funders can bring much-needed resources; the private sector can help align markets; technologists can help accelerate change; faith groups can give normative power to an idea; and media and notable personalities can help popularize an idea and its promise.

Given the discriminatory structures that define many failing systems, an effective coalition will often include women’s rights organizations and groups positioned to advance women’s leadership, with particular attention to intersectional factors that compound to deepen exclusion. Evidence shows that women’s rights groups and feminist movements have often played a catalytic role they in achieving reforms at policy level and in demanding accountability in implementation. Likewise, advancing women’s leadership within a system, such as through support for professional associations, can both open up access to leadership and help institutionalize more inclusive decision-making.

Nurturing a systems change coalition is no small task. We typically expect a coalition to have the most important elements in place prior to acquiring Co-Impact support. We also support our program partners as they work to attract the institutions and organizations that are best suited to advance change in each political context.

5. 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 an organization is — doggedly following a blueprint does not work because social change is always complex and rarely goes according to plan.

We look for and support organizations that are deeply committed to learning and adaptation. These organizations use a variety of sources of evidence in their problem analysis, the design of their theories of change, and their action plans. Moreover, they 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 mindset among partners who have the courage to ask, “How will we know if our approach is not working?”

Such an organizational orientation to learning and adaptation is particularly important when addressing the deeply embedded discrimination and exclusion in systems: systems often make formal changes to satisfy demands for inclusion, while retaining substantive discrimination. Thus, to be effective, organizations must scrutinize reform for its true character, and adapt to meet these tough challenges.

In our experience, we find that this deep commitment to learning begins with an organization’s leader, and includes a strong learning department, but does not end there. Rather, learning mindsets, tools and practices that elicit feedback, draw from sex-disaggregated data, and encourage adaptation permeate across the organization. In particular, we support our program partners to solicit feedback from people meant to benefit from the system, with an emphasis on historically underrepresented communities who are rarely asked to give their views or shape a program. By doing so, organizations and systems can better understand what change is necessary and how to achieve it. Given this orientation towards listening, leaders of these organizations are open to admitting when things do not work and learning from their experiences. (see section 3.4)

6. Our approach requires minimally enabling political and institutional conditions.

People with the greatest need for health care, education, and economic opportunity and advancing gender equality 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, our commitment to learning using data and evidence, and our emphasis on innovation and continual improvement require the presence of a basic enabling civic and governance environment for systems change, particularly within the specific institutional and systems context that is the focus of the initiative.

This enabling environment includes basic elements of the rule of law, democratic governance, human rights, and civic space. We are willing to take on significant risk where the potential for impact is high and we are persuaded by our partners’ mitigation strategies. But we are unlikely to support work in places where there is widespread disregard for rule of law or where violent conflict is pervasive. For the Gender Fund, we will only consider supporting work in 12-15 countries that will be listed on our [website](#), and the bulk of our country level support will go to a set of 6-8 countries across sub-Saharan Africa, Asia and Latin America that reflect these enabling conditions.

7. Systems change requires working on ideas and shifting norms.

Many systems change efforts focus on reforming policies, practices, and resource flows within a system. Indeed, these reforms are often the most visible successes of systems change work. And while these changes are crucial indicators of meaningful shifts, there are often underlying norms and mental models that can either anchor or undermine the sustainability of these important changes.

Unspoken social norms and mental models help define the narrative around a particular problem or issue. Narratives, in turn, help to drive or undermine public support for a particular course of action. For example, in the United States, police brutality was viewed as an isolated problem by the majority of the population, until the Black Lives Matter movement showed its deep roots in the country’s racist legacy and its widespread harmful effect on black people. Worldwide, sexual harassment against women at work, in educational institutions, in public and private spaces continued to persist, until feminist activists spoke up to reveal its pernicious effects, and reframed it in terms of women’s agency, dignity and bodily integrity. Issues around land, natural resource management and climate are similarly being reframed in terms of basic rights and sustainable futures. In all these cases, core narratives are shifted, creating space for new social norms and mental models to inform social discourse and expand the imagination of what is possible.

We believe that these types of shifts in norms are often critical to the success and sustainability of systems change efforts. As people change their habits of thought and deeply held beliefs, systems change can become much more possible and powerful. These shifts are especially important with respect to systems and structures that perpetuate discrimination and exclusion of women and other groups. In this context, social justice and women’s movements can play an especially critical role in shaping ideas and challenging entrenched norms. These movements tend to thrive when women have the mobility and the civic space to organize.

The Gender Fund

We are now setting up our second fund – the Gender Fund (placeholder name) – which builds on the Foundational Fund experience and approach to systems change. Our thinking is evolving as we consult with women’s rights scholars, activists, and leaders and continue to bring together the initial group of funders to support this work. Its purposes are centrally focused on advancing intersectional gender equality and women’s leadership across health, education, and economic opportunity as well as the professional domains of law and economics. The second fund takes a broader ecosystem approach to change, in comparison to the Foundational Fund, and accordingly will focus most of our grantmaking to 6–8 countries of the Global South. Specifically, the Gender Fund seeks to achieve the following objectives:

- **Systems change in health, education, and economic opportunity.** These sectors are among the most critical pathways for human advancement, and they represent significant portions of national budgets, workforce, and infrastructure. We support coalitions of civil society actors and governments to make these service delivery systems gender transformative and inclusive so that they produce equitable outcomes.
- **Institutional change in the fields of law and economics.** We strengthen pathways for women to rise to leadership positions in the critical domains of law and economics, given their influence on public resources and policy. We support partners to transform the rules of the game within key institutions, including barriers to entry, support for women to thrive, and pathways to advancement.

- **Dismantling structural barriers and discriminatory gender norms.** We support partners to demonstrate what an inclusive system looks like, and what it takes to establish a supportive pathway for women’s leadership. We support tackling critical barriers, such as gender-based violence, lack of safety, curtailed reproductive rights, and the burden of unpaid care and work, including lack of quality childcare and early childhood development services.
- **Enabling women and girls’ voice, power and agency in systems and institutions.** We focus on gender equality and women in leadership because it is the right thing to do, and not only because it can lead to better outcomes for all. We support partners to ensure that women are able to exercise power, agency, and leadership at all levels – from the household and community to national and global – and to make this the new normal.
- **Amplifying scale and impact of evidence informed solutions.** We support partners to draw on right-fit evidence and experience from similar contexts to scale programs, coupled with a learning orientation that collects data on progress, seeks feedback from constituents, and makes course corrections as needed. We support research and evidence for learning – to help our program partners continually improve their work, and over time, create and share widely a robust body of evidence of what works.

The core elements of the Gender Fund approach are summarized in the diagram on the following page, and the specific ways in which we address intersectionality across the program process are provided on pages 20 and 21.

Our values, analysis, and approach seek to uncover and address the power and privilege imbalances that exist in every system. Because our partners will challenge established power and norms, some of them are likely to face backlash. We will not shy away from it nor expect our partners to do so. Rather, our approach will be to work with partners to understand factors driving backlash, and to support them to better protect themselves, mitigate its effects, and respond effectively.

- Core problems**
- Systems are inequitable, ineffective and exclusionary.
 - Women and girls are left out of leadership and decision-making.
 - Funding focuses on addressing symptoms, rather than root-causes of the problem.

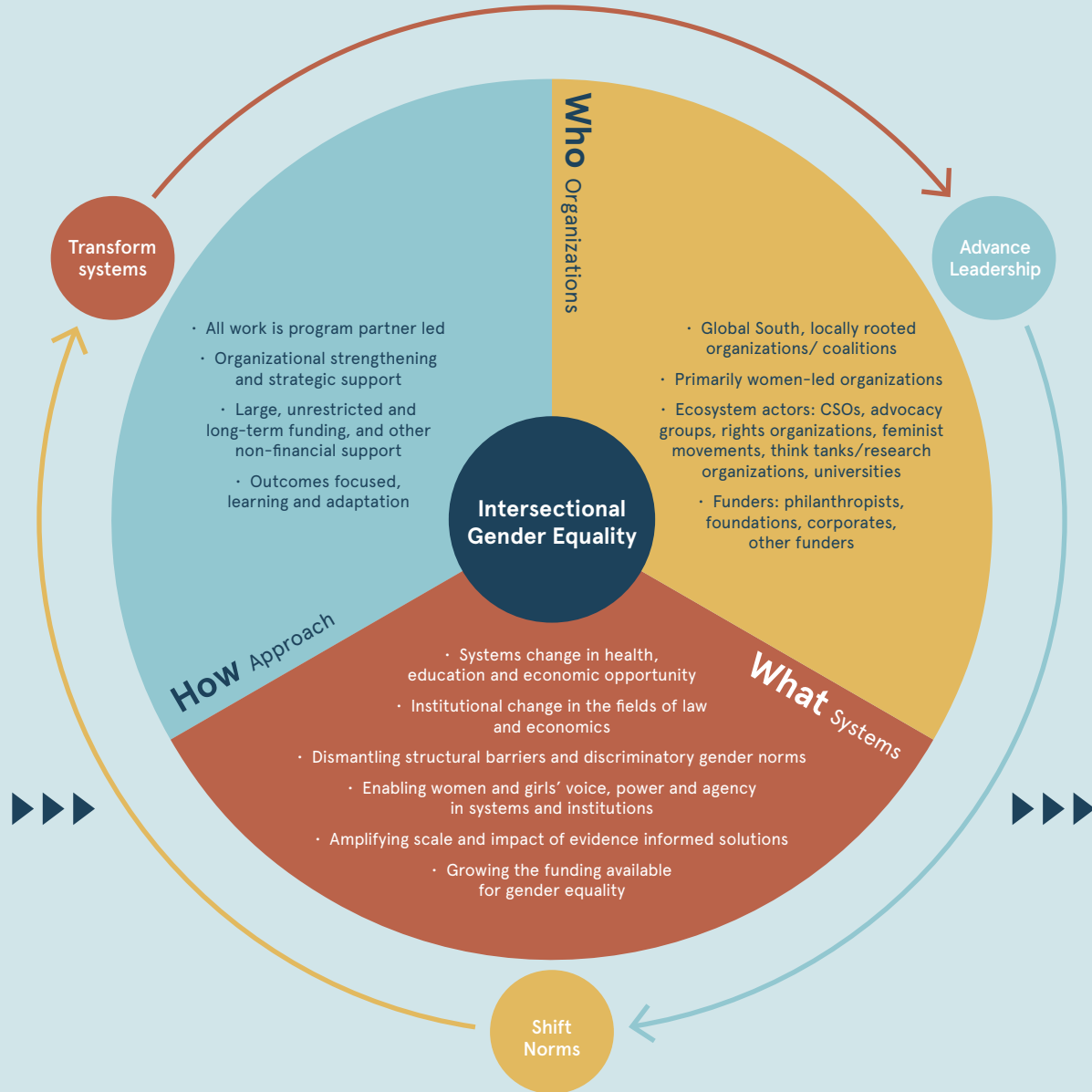
Root causes

We believe the root causes of these problems are systemic:

Structural barriers and inherent bias within systems limit women and girls from having equitable access to rights, resources and opportunities, and from exercising power and agency.

Women are excluded from leadership and decision-making. Bias within individuals, institutions, policies, and practices undermines women's leadership at the household, local, regional, and national levels.

Norms and narratives perpetuate discrimination and harmful gendered narratives lower aspirations, prevent progress, and negatively impact women and girls.



- Outcomes**
- Outcomes we seek in countries where we work.
- Organizations**
- Stronger Global South rooted, majority women-led organizations.
 - Strengthened practitioner-oriented research and learning.
- Systems**
- Health, education and economic opportunity programs are more just, inclusive, and effective.
 - Law and Economics domains have improved policies and practices for women's leadership.
 - Improved social norms advance intersectional gender equality.
 - Systems use evidence and are more responsive.
- People**
- Improved gender-equitable outcomes in Health, Education, and Economic opportunity for 100 million people, particularly historically disadvantaged groups, in the Global South.
 - Improved power and agency among women and girls.
 - Increased number of women leaders with influence and agency.

Co-Impact's Approach to Gender Equality and Intersectionality

Co-Impact's goal is to ensure systems that provide the most fundamental services of health, education, and economic opportunity result in improved outcomes for millions of people. We believe that effective systems change requires a resolute focus on human rights, equality, and inclusion — and needs to explicitly address discrimination and barriers on the basis of gender, and other socio-contextual issues such as race, caste, ethnicity, class, disability, and sexual identity.

A major reason that systems do not work for people is that discrimination and exclusion are baked into their design and execution, often unconsciously. Where these forms of discrimination compound, it makes it particularly difficult to access opportunities and supports and live life to its full potential.

At Co-Impact, we use this intersectional lens to identify and understand the ways in which segments of the population are adversely affected by inadequate or perverse policies, misaligned incentives, and insufficient allocation of resources. This framing provides insights into ways in which certain groups based on gender, race, caste, ethnicity, class, disability, sexual identity, and other context-based drivers of marginalization are systematically underrepresented in the control and management of public (and often private) resources and excluded from exercising voice, setting agenda, and making choices. By understanding how a system fails certain constituencies, we can identify how to strengthen the system for everyone.

We apply this across our approach — in the problem analysis, program design, outcomes definition, measurement, and representation of women in leadership and governance.

We also recognize that support for strengthening organizational capabilities to effectively design and promote gender transformative programs that work for all people, especially women who face multiple barriers to advancement. Accordingly, we expect and support our program partners to grapple with intersectionality as follows:

- I. **Problem Analysis.** As structural barriers against and exclusion of women are major and systemic drivers of underdevelopment and inequitable outcomes, we seek to understand the ways in which gender discrimination is baked into the system, and intersects with other forms of discrimination. We support our partners to address how these overlapping elements compound to curtail opportunity. In the problem analysis, this includes a deeper, context-based understanding of specific manifestations of the problem, as well as the root causes of why the problems exist and persist. This includes who gets to define agendas, determine priorities, set norms, and enforce actions.
2. **Program Design.** Consequently, to ensure a comprehensive and successful response, we expect that the root causes of discrimination driven by gender and other intersecting factors will be substantively and meaningfully addressed in the design of the systems change and leadership initiatives, including by addressing questions of voice, power, agency, representation, and accountability.
3. **Outcomes Definition.** Co-Impact seeks to simultaneously advance three types of outcomes: people-level, systems-level, and organizational-level. For each of these levels, we encourage program partners to articulate and determine target outcomes that are disaggregated by gender, race, class, and other context-relevant categories to ensure that no one is left behind.
4. **Measurement.** Because metrics drive behaviors by creating accountability and incentives, we support our program partners to construct, collect, and analyze measures of progress in relation to outcomes and overlapping dynamics, as well as representation and leadership, disaggregated by factors such as sex, race, class, and other contextually factors. We support partners, for themselves and their institutional counterparts, to interpret and use this data to adapt and improve program design, practice, and ensure inclusive decision-making. An important element of our commitment includes integration of listening and responding to constituency feedback, particularly of those groups that lack voice and agency, in a systematic, ongoing, and meaningful way.
5. **Leadership.** Patriarchal, racial, and other discriminatory norms and structures squeeze out talented people from leadership and decision-making. We therefore pay close attention to representation, leadership, and power as well as active and meaningful participation of women and other underrepresented constituencies at all levels in initiatives, partnerships, and institutions. This is particularly relevant to the senior management teams and governance positions of the organizations we support, in the choice of experts we consult, public meetings we convene, research and evidence we share and in how we communicate about our work.
6. **Organizational Strengthening.** We recognize that many organizations, and particularly those based in the Global South and/or led by women, have been excluded from accessing adequate resources to invest in organizational priorities. For that reason, our systems change grants include a substantive amount to support our partners to strengthen critical capabilities and attain strategic coherence. In most cases, this will include support to partners to strengthen diversity and inclusion on their boards and leadership and build a more inclusive approach across program design and execution.

7. Internal Principles, Processes, and Products.

Gender equality and equity, using an intersectional approach, serve as a bedrock of Co-Impact's values, outlook, and practices. We use it to guide our internal processes in sourcing, vetting, due diligence, grantmaking, and support to our program partners. Gender and inclusion are strongly called out in how we select our partners, including our Open Call processes. Our review and selection process places significant weight on how marginalization on the basis

of gender, race, caste, ethnicity, class, disability, sexual identity and other contextual factors is addressed, particularly in relation to representation, voice, agency, and decision-making. We seek to bring an intersectional approach to how we measure and evaluate success. Finally, we also seek to strengthen representation in our staffing and governance, in creating an inclusive and supportive environment in our organization, and how we engage with all our partners.



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1.4

Collaborative Philanthropy for Systems Change

Co-Impact’s second goal is to advance collaborative, trust-based philanthropy for systems change and gender justice that both learns from and inspires others, and generates learning for the broader philanthropic community.

Constraints in Philanthropic Practice

Our model is designed to overcome three key constraints in philanthropic practice that affect both funders and social change leaders.

Most giving remains relatively small and fragmented and not aligned with what is required for large-scale and enduring impact.

The nature of most donor grants is unsuited for enabling lasting systems change. Even proven social change leaders struggle to piece together the funding and support to pursue enduring impact at national, regional, or global scale, and have to spend extraordinary time and effort in doing so. Most grants tend to be relatively small, of a short duration (typically 1–2 years), restricted, and do not cover necessary costs related to overhead, monitoring, evaluation and learning, or organizational development.

Often, restrictions on grant use can constrain social change organizations. For example, lots of small grants with earmarked funding can fragment focus and undermine strategic coherence. This fragmentation often requires the leaders of social change organizations to spend way too much of their time – typically upwards of 30% – chasing funds and meeting donor requirements instead of focusing on their core work and developing their strategies for systems change efforts. Donor requirements for proposal writing, due diligence, reporting and others can also be over-burdensome, taking away valuable time and energy from doing the core work.

Furthermore, social change organizations tend to lack reliable access to the kinds of non-financial supports that can significantly accelerate systems change work. Success often requires expertise and capacity in law and policy, marketing and fundraising, leadership and performance management, and ways to nurture an inclusive environment. Additionally, the voice, networks, and convening power of funders can be extraordinary assets to the cause. Yet relatively few funders offer funding and linkages to cover this kind of patient, holistic support—and few change organizations have the resources to secure it on their own.

There are examples of visionary social change organizations driving systems change today and throughout history. Yet these are still relatively few and far between. We know leaders from many proven organizations who are eager – and have already started – to develop compelling and deeply credible plans and partnerships for systems change efforts, but many need flexible support (and encouragement in the form of a realistic funding opportunity) to get their initiatives to a place where they are ready for substantial large-scale investment.

Too often program partners feel that they need to tailor their goals within the priorities, funding cycles and ways of working of their donors. This can consign program partners into a “subcontractor” role as a manager of dozens of short-term donor projects, rather than architects and drivers of a deep and strategically coherent program where each component contributes towards a powerful whole. We believe that it should be the other way around; and funders should try to support the structure and rhythm of their program partners.

Investment-ready systems change efforts are rare; few social change leaders have built robust strategies, capabilities and partnerships to drive systems change, although many have the vision and ability to do so.

Many funders want to make substantial investments to help address the world's problems. However, the time and expertise needed to set up, staff, source, carry out due diligence, and extend grants means that even foundations with ambitious goals and large asset bases can find it difficult to find, vet, structure, and support efforts to drive results at scale.

Furthermore, funders with varying perspectives on strategy, focus or geographic preference, can pull program partners in opposing directions, thereby hampering coherence in the process. Aligning around one shared vision and approach is often critical to achieving large-scale results. However, with a few important exceptions, much philanthropy today remains remarkably siloed, and does not work together collaboratively to support strategic coherence among program partners.

Co-Impact nurtures a model of collaborative philanthropy that seeks to better serve social change organizations and funders by overcoming these constraints. In their support for Co-Impact, our funders bring expertise drawn from their experience of supporting systems change and seek to take a new approach.

There aren't enough efficient mechanisms for funders to find and support high-potential investments, and to collaborate with one another in a meaningful way, especially across borders.



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Collaborating for systems change

Even where funders acknowledge the type of flexible and long-term funding that systems change requires, it is still challenging to implement a systems change funding strategy as an individual organization. For this reason, we know that many funders are thinking about how to partner effectively with others.

But the reality is that collaboration isn't always easy in practice. Most collaborations are focused on knowledge exchange or some level of coordination of funding.

However, to address systemic challenges, we need more collaborations that are bolder and willing to go a step further by pooling funding. This means prioritizing outcomes of the initiatives ahead of any specific organizational or individual recognition, and relinquishing some degree of control, in exchange for deeper and more sustainable impact.

Pooling funding towards systems change initiatives can achieve greater impact because the vision is long-term – far beyond a single intervention or year-to-year funding. Successful examples of systems change throughout history have taken decades to achieve. And we recognize that even the five- to six-year grants we make are only a part of the story. Nevertheless, by coming together and investing in this way – in building on what's already working, focusing on organizational strengthening, supporting winning coalitions, and helping to unlock additional capital from other funders or government resources – we are able to make a more meaningful contribution towards long-term systemic change. This approach also allows our partners to secure significant monetary and in-kind leverage from governments and other funders.

Co-Impact is an example of a growing number of collaborative funds. This does not mean that every funder should pool their funding and focus only on systems change; we know that philanthropy can play an important role in areas such as funding early-stage innovation, grassroots organizing or responding to humanitarian crises. We also recognize that the initiatives we choose to fund have usually benefitted for many years from early-stage funding from others. A key reason we focus on long-term, systems change and impact at scale is that research shows that very little funding is available for this sort of work. By pooling resources, we can support partners to work at a scale and level of complexity commensurate with the pressing challenges of today's world.

Funding collaboratively also brings several additional benefits for funders, including: the opportunity to increase learning, support thoughtful decision-making, leverage non-financial expertise, promote operational efficiency, and decrease risk.

Beyond the increased impact of working together for systems change, we also work with others in the wider sector to influence more philanthropy of this nature and better funding practices in general. A **joint report** together with Ashoka, Catalyst 2030, Echoing Green, the Schwab Foundation for Social Entrepreneurship, and the Skoll Foundation published in 2020 represents one of the first major efforts to come to a set of common principles around funding systems change, and very much represents an ongoing conversation. We also use our voice and influence in the sector more widely to encourage what we consider to be better philanthropy.

Contribute to broader thinking about philanthropy's role in society

Over the last few years there has been renewed interest in how philanthropists are using their power and influence in ways that could undermine democratic decision-making. This has led to criticism of philanthropy, particularly in environments where government is shrinking, and philanthropic dollars are replacing or supplanting government functions.

Furthermore, global events have resurfaced challenging and important questions around structural racism, sexism and economic and social inequality, and fundamental discrimination and oppression.

We recognize that these issues are systemic and centuries old. Grappling with the reality of structural racism, sexism, economic and social inequality, and other forms of discrimination raises critical questions about the role philanthropy has been, is, and should be playing. We are also mindful of the fact that those with wealth have disproportionate power and privilege, reinforced by prevailing political and socio-economic systems. As critics have noted, a contradiction at the heart of philanthropy is that systemic arrangements allow wealth to be amassed by a few individuals, in some cases that are harmful to people and the planet, and then this wealth is deployed towards philanthropic causes.

Co-Impact and our partners grapple with these challenges across our work. We believe philanthropy must play an active role in dismantling structural discrimination in all its forms including, but not limited to, on the basis of gender, race, caste, ethnicity, class, disability, and sexual identity, and other socio-contextual factors.

As funders, if we do not actively fight discrimination, we in effect support unjust systems. We seek to strengthen governments and the social compact between people and the state so that we can create societies characterized by equal rights, justice, fairness, and meaningful opportunity for all people to secure livelihoods and build up wealth. We recognize and take inspiration from the ways in which philanthropy has historically supported the development of vibrant civil societies and funded systems change and social movements that have helped social change leaders transform societies.

Living out our values

Funders also need to examine their own behaviors. We care both about how funds are made, and how they are deployed through philanthropy. At Co-Impact, our policy for accepting funders into our growing community considers the source of funds, including both original source of wealth and current business practices and/or investment policies, the funder's reputation, and alignment with Co-Impact's values and approach. In the past made we have the choice not to work with some funders based on this policy. We continue to review and refine our policy on a regular basis and explore how to further strengthen it.

We see how philanthropy can be both harmful and helpful, depending on how it is practiced. The very nature of Co-Impact as a funder collaborative means that funders who join us are prioritizing shared values and outcomes over their own specific organizational or individual recognition and relinquishing some degree of control.

Co-Impact's Commitment to Racial Justice

(published July 13, 2020)

At Co-Impact, we are mindful of the fact that those with wealth have disproportionate power and privilege, reinforced by prevailing political and socio-economic systems. Grappling with the reality of structural racism, economic and social inequality, and other forms of discrimination raises critical questions about the role philanthropy has been, is, and should be playing.

As funders, if we do not actively fight discrimination, we in effect support unjust systems. If we are serious about equity and inclusion, therefore, our approach and actions need to be actively anti-racist. Since our launch in 2017, we have been leaning into deep-seated issues of systemic exclusion and inequity, and working to continuously learn and improve our practice. And we need to do much more and are committed to doing so. We also know that actions speak louder than words.

Across all aspects of our programs, we apply an intersectional framework to address inequities related to race and other forms of discrimination. Specifically, we use this framework to review our approach to systems change, including how we structure and source our grants, assess proposals, award grants, support partners, strengthen organizations, measure success, and share lessons. We will fulfill our commitment to make 100% of our country-level anchor grants to organizations rooted in the Global South and at least 50% to organizations led by women. And we actively seek to advance Black, Indigenous, and people of color and from other historically disadvantaged constituencies in leadership at all levels, especially in senior management and governance.

Similarly, in our work to influence philanthropy, we will seek to actively promote anti-racism and gender inclusion, and grantmaking that addresses discrimination in all its forms. We look for opportunities to advocate for increased resources towards organizations addressing systemic discrimination and inequality, and that are led and governed by underrepresented groups. We also seek to advance the representation and participation of leaders from the Global South in philanthropy, and work to promote better funding practices.

This anti-racist approach extends to the way that we function internally, as an organization. To be part of Co-Impact means to actively advance equality, and to strive to be anti-racist and against all forms of discrimination. In our recruitment practices, we actively work to increase representation of people from the Global South, and Black, Indigenous, and people of color at all levels among our staff and boards, and to foster a work environment where everyone is respected, taken seriously, and supported to thrive. We actively look for ways to deepen our individual and collective learning and growth.

As we seek to apply these practices, we know that some will remain incomplete. We continue to grapple with how we can do better and will periodically review and strengthen our commitments. We regularly seek feedback and listen with care, internally and externally, so that we can continue to learn and improve. This feedback, and our response to it, will be reflected in an annual report that we share publicly.

By collaborating with funders on systems change initiatives where the role of government, markets, and strengthening local governance are central to our approach to change; where we listen, learn from, and support locally rooted organizations and coalitions to lead and drive the work; and where we actively encourage the collection of feedback from – and agency of – the communities and constituencies being served, we believe we can work towards a model of better philanthropic practice.

The structure and representation of our governance is an essential part of redistributing power. We are strengthening our work to advance the representation and participation of women and leaders from the Global South in philanthropy. As we adapt our organizational model to encompass multiple funds, we are looking to adjust our governance model to require at least 50% representation of non-funder subject experts, drawing from the Global South and who identify as women to guide strategy and high-level decision making.



Courtesy of Yagazie Emezi/Getty Images/Images of Empowerment

Our Approach to Collaborative Philanthropy Fit for Supporting Systems Change

We strive to support our partners in a respectful manner that is tailored to the challenges of systems change.

Throughout our work, we see program partners and governments as the leaders, architects, and drivers of the deep change they seek. We are program partner-supportive, not directive. Systems are complex: systems-change requires a deep understanding of contexts, local economies, and politics, and that action needs to be driven by local leaders and organizations.

Program partners that have local roots and/or strong relationships with ground-level actors are best placed to achieve – and sustain – results for the communities we ultimately seek to serve.

Thus, the nature of our relationships with program partners is key. We are mindful of the perverse incentives that come into play in a lopsided “grantor-grantee” relationship and commit to actively work to counter those: to seek mutual respect; to listen well; to develop an open, curious and supportive posture; to foster and model candor; to solicit systematic feedback on our relationships; and to use this feedback to make demonstrable improvements.

As funders, we seek to live up to six key philanthropic practices. These apply both to good funding practice, in general, and in supporting systems change, in particular:

1. **Being outcomes-focused and flexible.** We support program partners to achieve, and hold them accountable to, key outcomes and programmatic milestones. Instead of demanding a detailed plan and budget, we ask for clear articulations of long-term goals, specific outcomes, and periodic milestones, so that program partners can deploy funds flexibly towards mutually agreed goals. The organizations and leaders we work with have the experience and track record to make transformative change: we see our role as supporting them to exercise leadership and achieve powerful outcomes.
2. **Providing comprehensive support.** We offer significant, longer-term grants accompanied by deep non-financial support. Our major grants include an earmarked amount (typically up to US \$500,000 over 5 years) for strengthening organizational capabilities. We proactively support our program partners to develop and update the skills and capabilities required to run organizations with ambitious systems change goals over the long term.
3. **Supporting strategic coherence.** Good strategy sits at the heart of successful systems change initiatives. With our grant-making processes, we aim to provide program partners with the time and space needed to clarify their strategic choices. We support their ability to make coherent decisions, including saying “no” to otherwise good ideas and funding from donors when it does not align well with strategic priorities. With our funding, we support their overall systems change strategies and associated budgets rather than restricting to specific parts of their plan –and encourage other funders to do the same.
4. **Valuing partners’ time and effort.** To enable program partners to focus on their work, we seek to make our requirements simple, streamlined, and predictable. We aim to make our expectations and processes transparent, through documents like the Handbook and our open calls for concept notes. We encourage single reporting to all funders on a schedule that fits the work rhythm of program partners. We minimize unnecessary communications requests and visits and are considerate of our program partners’ time.
5. **Encouraging learning and adaptation.** Because systems change is complex and dynamic, and since we neither believe that measurement is something that the “grantee does for the donor” nor that success comes from adhering to a fixed plan, we encourage program partners to use data to assess progress and make course corrections.
6. **Behaving as true partners.** Given that a true partnership is about mutual respect and trust, we set the agenda together with our program partners. We listen with intent and curiosity and challenge where relevant. We aim to listen more than we advise, and we provide feedback on what we have understood. We always strive for empathy.



Courtesy of Yagazie Emezi/Getty Images/Images of Empowerment

Trust-based Philanthropy

We agree with the Trust-Based Philanthropy Project's view that as grantmakers, we have a responsibility to confront the ways our sector has contributed to systemic inequities, both in the ways wealth is accumulated and in the ways its dissemination is controlled. This history is entrenched in racism, patriarchy, and other forms of oppression, which are at the root of every social issue nonprofits seek to address. As funders, we must recognize how these norms have shaped, informed, and influenced our entire sector—including who is deemed trustworthy, and who is not.

At its core, trust-based philanthropy is about redistributing power—systemically, organizationally, and interpersonally. Part of Co-Impact's reason for being is to redress systematic power imbalances. We believe philanthropy has the power to do more, and better. We employ the core values of trust-based philanthropy in our everyday practice, including leading with trust, centering relationships, collaborating with humility and curiosity, redistributing power, and working for systemic equity. On a practical level for us, this includes multi-year flexible funding and other supports, streamlined applications and reporting, and a commitment to building relationships based on transparency, responsiveness, feedback, and mutual learning.

Source: <https://trustbasedphilanthropy.org/>, accessed June 3rd, 2021



Give Multi-Year, Unrestricted Funding

Multi-year, unrestricted funding gives grantees the flexibility to assess and determine where grant dollars are most needed, and allows for innovation, emergent action, and sustainability.



Do the Homework

Trust-based philanthropy makes it the funder's responsibility to get to know prospective grantees, saving nonprofits time in the early stages of the vetting process.



Simplify & Streamline Paperwork

Nonprofits spend an inordinate amount of time on funder-imposed paperwork. Streamlined approaches free up staff time, and pave the way for deeper relationships and mutual accountability.



Be Transparent & Responsive

Open communication helps build relationships rooted in trust and mutual accountability. When funders model transparency, power awareness, and vulnerability, it signals to grantees that they can show up more fully.



Solicit & Act on Feedback

A foundation's work will be inherently more successful if it is informed by the expertise and lived experience of grantee partners.



Offer Support Beyond the Check

Responsive, adaptive, non-monetary support bolsters leadership, capacity, and organizational health.

Our Approach to Working with Philanthropists and Foundations

We seek to grow the funding available for systems change by offering new ways for funders to pool resources.

Co-Impact does not have an endowment or its own funds; our funders come together to pool resources towards a shared purpose. Across all funders, we actively seek to promote the practices of collaborative philanthropy fit for supporting systems change. Funders join the collaboration with a desire to maximize the impact of their funding and learn and share with one another, and the benefits are outlined below. Our leading funders are listed on our website.

Benefits of funding through/working with Co-Impact

Through Co-Impact, philanthropists, foundations, corporations, and other funders are able to maximize the impact of their giving, while also taking advantage of numerous opportunities to convene, engage, and learn together.

Maximizing the impact of funding

- **Increase operational efficiency.** Our pooled-funding model encourages collaboration among funders that can help to reduce or eliminate the transaction costs associated with multiple processes for sourcing, vetting, managing, and evaluating systems change initiatives.
- **Decrease risk.** By pooling resources with others, funders can participate in more and deeper work, and reduce the risk in their portfolio. It also minimizes the risk of duplicating efforts.
- **Benefit from Co-Impact's ongoing support for the portfolio of initiatives.** We support our program partners to achieve lasting impact at scale, strengthening their capabilities, relationships, approaches, and learning.
- **Leverage financial and non-financial expertise.** Social change organizations require different kinds of supports from a range of sources. Co-Impact's support can help program partners attract additional funding for their core efforts. We also help aggregate and curate expertise from funders and independent sources, and makes it accessible to our program partners as needed.

Convening, engaging and learning together

- **Engage with the initiatives.** We organize carefully designed learning visits (usually once per year) as well as provide streamlined reporting and updates on the grants usually twice a year.
- **Targeted convenings and learning opportunities.** We arrange intimate gatherings for funders to expand their knowledge and network hosted around key events around the world, and we provide a series of learning events, focused on learning about the work of program partners and how to be an effective funder.
- **Dedicated platform.** Co-Impact funding partners gain access to an online private platform where we share weekly posts including updates on program partners, sector news, events and reports, and our funding partners share more broadly about their work.
- **Additional engagement.** We invite funding partners to events and learning opportunities organized by Co-Impact program partners and our wider network. Funders also have the opportunity to invite Co-Impact partners to their activities.



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SECTION TWO

Our Grantmaking Process

2.1

What We Fund

To date, our grantmaking in our Foundational Fund has focused on large Systems Change Grants to major organizations to produce better outcomes at scale in health, education, and economic opportunity. These grants (now called “Anchor Grants”) remain the largest part of our funding. In addition, based on our experience of the last three years and consultations with Global South and feminist leaders,

with the Gender Fund we expect to take an ecosystem approach to grantmaking, recognizing that solving systemic gender inequalities requires a variety of actors. This ecosystem approach now includes three main categories of grants: country-level grants, global/regional grants, and cross-cutting practitioner-oriented research and learning grants.



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Country-level Grants

Co-Impact recognizes that long-term, systemic change happens in diverse ways and requires a range of organizations working on different aspects of structural gender barriers. At the country level, our ecosystem approach aims to help program partners shift power and agency towards women and girls, particularly those historically disadvantaged and marginalized by public and market systems.

This approach is designed to support this deep and long-term work done by civil society groups, think-tanks and academic institutions, professional associations and networks, women's rights groups, and feminist and allied movements, among others. As such, 100% of the country-level grants focus on Global South-rooted organizations, of which the majority (at least 75%) will be women-led organizations.

Country-level grants are likely to include the following types:

Grant type	Purpose
Anchor	Support systems change initiatives that aim to implement gender transformative and inclusive programming at scale and enhance women's leadership in the foundational sectors of health, education, or economic opportunity. Each grant supports proven ideas to be adopted at scale to benefit at least one million people. These grants are designed to help partners achieve gender-equitable outcomes by taking a rights-based approach and centering on power and agency of women and girls. Each Anchor grants is preceded by Design Grant of up to US \$500,000 over 8-12 months, during which the program partner refines its strategy and systems change approach and strengthens relationships and coalitions that are critical for success (see section 2.4)
Catalytic	These grants will nurture promising initiatives that are either in the Pre-Anchor stage (focusing on health, education, and/or economic opportunity) or Pre-Domain stage (focusing on domains of law and/or economics). This grant type does not support new, experimental ideas; instead, we will support early-stage initiatives with a well-developed idea that has been tried in a specific context and would benefit from exploring pathways for sustained change at scale. This grant type is especially important given the fact that women-led organizations from the Global South are often excluded from transformative funding opportunities.
Domain	Support transformative institutional change initiatives to increase women in leadership in the academic and professional domains of law and economics. Each grant focuses on dismantling structural and normative barriers that impede women's ability to enter and succeed as leaders within the key institutions in these critical domains.
Key Action	Intended for organizations/groups/movements working across different aspects critical for systems and institutional change. These could be advocacy groups working on policy reform, think-tanks working on budget allocation or evidence for policy, women's rights groups, feminist movements, professional associations supporting women in formal and informal employment, and women's funds, among others. We will pay close attention to powerful, community-based, women-led organizations that engage with movements and/or governance at the local level to advance systems change.

This list of grant types is indicative. For the latest information on specific grant opportunities please visit our website www.co-impact.org.

Global/Regional Grants

Our global/regional grants support transformative institutional change initiatives to increase women in leadership in the academic and professional domains of law and economics. We focus on dismantling structural and normative barriers that impede women's ability to enter and succeed as leaders within the key global and regional institutions in these two critical domains, including advocacy efforts that advance feminist values and women in leadership.

As with country-level grants, we take an ecosystem approach designed to support this deep and long-term work done by different organizations such as professional associations and networks, women's rights groups, feminist and allied movements, civil society groups, think-tanks, and academic institutions, among others. As such, we will prioritize women-led, Global South-rooted organizations that undertake regional and global work. Grant sizes and terms will vary based on purpose but will be consistent with Co-Impact's grantmaking approach and principles outlined above.

We expect to make the following types of grants as follows:

Grant type	Purpose
Leadership	Support organizations committed to systemic change to advance women's leadership in the domains of law and economics. These grants focus on systemic and institutional change in order to ensure that more women leaders (especially those historically marginalized) can enter, thrive in, and rise to leadership positions in the two domains, and exercise increased voice, influence, and agency. We pay particular attention to efforts that seek to dismantle gendered barriers and norms.
Advocacy	Made to draw attention to the under-representation of women in senior leadership and to encourage organizational commitments to change. A portion of these grants will be explicitly made to link country partners across sectors and domains to promote a broader movement and connection for gender equality and contribute to norm change.

Practitioner-Oriented Research and Learning Grants

Our practitioner-oriented research and learning grants will be made at various geographic levels, including a subset of grants that will connect directly to country-level work.

Grant type	Purpose
Research and Learning	<p>We will advance three connected research aims.</p> <ul style="list-style-type: none"> • Support practitioners to develop approaches, methods, and tools to continually evaluate and improve their practice, contributing toward the systems change and people level outcomes. • Generate and synthesize information and evidence that reflects our approach to systems change, including about how achieve gender-equitable outcomes at scale across the three sectors, dismantle gender discrimination, and advance women's leadership, voice, influence, and agency. • Over time, collect and share a body of influential evidence and insights that make a significant contribution to the global understanding and practice on how to drive gender equity and women's leadership.

This list of grant types is indicative. For the latest information on specific grant opportunities please visit our website www.co-impact.org.

2.2

Our Sourcing Process

For most of our funding, we administer open-call, competitive “sourcing” rounds about once each year. All opportunities for funding are announced on our website. Each round may focus on a combination of themes or outcomes related to health, education, or economic opportunity, and/or advancing women’s leadership in law and economics. These are selected by our regional teams in consultation with our team, Global South and field experts, and our governance structures.

We rely on both open calls and referrals for country-level ecosystem grants, research grants, and global and regional grants for convening and technical support. Please visit our [website](#) to gain the most recent information about grant opportunities. Unfortunately, we do not have the capacity to review and respond to unsolicited proposals outside our designated processes and application windows.

Our sourcing approach is informed by the following principles:

We source powerful ideas

When evaluating concepts, we look for powerful ideas that have the potential to meaningfully contribute to transformative, inclusive systems change. The initiatives we support speak to the key elements needed for systems change (see section 1.3, under Critical Elements of Systems Change above), or other persuasive elements for systems change. The concepts need to be consistent with the themes or parameters specified in each funding window. Because we believe organizations closest to the work and representative of the communities they seek to transform are best placed to advance deep and lasting systems change, we support organizations that are deeply rooted in the Global South and that are primarily women-led.

We are open and transparent

Through our materials and website, we aim to be clear about our qualifications for grant selection and transparent about the criteria we will use to assess all applications.

Fairness and responsibility

To be fair to applicants, we commit to:

- Be clear and consistent about grant criteria in all communications.
- Communicate clearly about the time expectations of partner over the course of an application or grant cycle.
- Be driven by a common focus on achieve impact.
- Show empathy and curiosity about a partner’s work and challenges.
- Be flexible with grantmaking to match the task at hand and seek to understand and support the cost of the work.
- Respond in a timely and courteous manner to all current and potential program partners.
- Listen more than we talk in our conversations with program partners.

Our process seeks to provide an equal opportunity to all eligible organizations and, in particular, attracts initiatives that may not be known to us. Our open calls typically remain open for 2–3 months and are announced on our website and promoted widely and shared in multiple languages through our networks and social media. At times, especially when we expect to make very few grants or make grants for a very specific purpose, we may reach out to a selected set of organizations to gauge interest instead of using an open call.

For both types of outreach, we will describe the thematic areas or domains for which we are soliciting concepts, outline the basic qualifications and eligibility requirements of all prospective program partners, and provide a structured template with guiding questions in which to describe proposed initiatives.

We also provide information on our website and host periodic webinars to help orient the applicant to our fuller thinking, including this Handbook, an explanation of what we fund and do not fund, and an articulation of our approaches to systems change and intersectional gender justice. Unfortunately, because of limited staffing and capacity, we are unable to engage in individual informational sessions or conversations during the application process.

We seek to create meaningful, manageable processes

We respect the time that it takes an organization to prepare concepts for potential funders. For all our grant opportunities we try to be as clear as possible about the types of initiatives we support and the criteria we will use to assess applications, so that organizations can better assess their likelihood of success and make informed choices about whether to apply.

In providing the guiding questions and template, we seek to strike a balance between asking for enough information to make a fair assessment, and not so much that we pose an undue burden on interested organizations, our independent reviewers or ourselves.

At each step of the sourcing process, we clearly communicate with applicants about the status of their application. We continually seek feedback and use the information to improve our processes.

We seek advice

With each major funding opportunity, we reach out within our networks of experts and other funders, including foundation staff, bilateral and multilateral staff, philanthropists, and experts in health, education, economic opportunity, law, economics, and gender to shape our criteria and process, and to help identify potential program partners. In seeking expertise, we focus on people from the Global South and with significant lived experience in the Global South and in advancing gender equality. For each funding round, we also engage with experts and practitioners with insight into that round's thematic areas. In our conversations, we seek advice about both the state of play in the focus areas and specific organizations that are doing powerful work. We also explore ways to jointly fund these initiatives and organizations.



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Qualifications for potential Systems Change/Anchor Grants

Anchor Grants constitute the largest part of Co-Impact's funding for systems change. Drawing on feedback and continual learning, we have made several changes to our sourcing process across three funding rounds in Co-Impact's Foundational Fund. Going forward, 100% of our country-level grants are made to organizations that are rooted in the Global South countries in which we work. We also commit to make at least 75% of our grants to organizations that are substantively led by women and are committed to advancing women's leadership at all levels.

In our 2020 Open Call we sought initiatives that persuasively responded to the ten considerations listed below. While these continue to evolve, we expect that many, if not all, of these will continue to be major considerations in future grantmaking.

1. **Outcomes.** The proposed systems change initiative should describe the specific, sex-disaggregated people-level outcomes they seek to achieve (as contrasted to scaling-up or policy change alone). At times Co-Impact specifies the types of outcomes that we will support.
2. **Systems change strategy.** The proposed initiative should describe (a) the specific system targeted, (b) how the intervention will improve that system, and (c) the system-level measures the applicant(s) will use to track system improvements, including improvements that make the system more equitable and inclusive. The core idea should be simple and compelling. The initiative should demonstrate how it is engaging with the political economy, building a winning coalition, and using learning and adaptation to achieve systems change.
3. **Gender and Intersectionality.** The proposed initiative should have a proactive and strategic approach to addressing discrimination against women and girls that undermines their voice and participation, set agendas, and make decisions. This commitment needs to be reflected in the problem analysis, the theory of change, the programmatic work, in how outcomes are defined and measured, and in the leadership and governance of the organization.
4. **Global South rootedness.** 100% of our country-level grants are made to organizations that are deeply rooted in the Global South. By "rooted" we mean that the organization should be based in and led by individuals from the countries or regions that are the focus of the work. Decision making and implementing power should be located in the Global South countries.
5. **Scale.** The core focus of the proposed systems change initiative should be to drive meaningful, inclusive, and enduring improvements for at least one million people. It should enable institutionalization of a proven model at scale rather than "scaling up" alone.
6. **Issue Area.** Each Open Call may focus on an issue area or combination of these related to our primary domains of health, education, and economic opportunity, and/or to address gendered barriers faced by women and girls from exercising agency, voice, and influence.
7. **Countries.** The proposed initiative should focus on one or more countries in the Global South that meet minimal civic and governance conditions to undertake – and sustain – a meaningful systems change effort. Going forward, as part of our ecosystem approach, our grantmaking will be limited to a smaller number of countries to enable us to have focus and promote synergies across partners.
8. **Evidence.** Because we are looking to fund proven approaches, the proposed initiative should have evidence demonstrating that the core approach/model/idea(s) at the center of the initiative works and has already achieved people-centered outcomes in a similar context. While this evidence needs to be relevant, reliable and of high quality, we do not require the use of any particular methodology.
9. **Scale and Budget.** The proposed initiative, or one very similar to it, should be already underway (not a start-up or initial pilot). This work should have a track record of creating meaningful, equitable results for at least 10,000 people. Similarly, applicants should have significant capacity to work at scale. Accordingly, we may require that the annual be at least a certain amount for some of our larger grants. As a measure of transparency and accountability, we typically require organizations to have audited financial statements.
10. **Organization(s).** Co-Impact supports organizations that are deeply rooted in the Global South, and prioritizes organizations led by women. Partnerships between multiple organizations are encouraged, since it is difficult for one organization alone to play all the roles required to lead a successful systems change initiative, but we are skeptical of "forced partnerships" prompted by funders. We do not support political campaigns promoting a specific candidate or party. For-profit organizations are eligible, provided the primary objective of the effort is to achieve lasting social impact for millions of people.

The guidelines from our 2020 Open Call can be found [here](#). The list above should be treated as indicative; for specific guidelines for future grant opportunities please visit our website www.co-impact.org.

2.3

Our Vetting Process

For each funding opportunity, once the application window closes, we begin a rigorous process of assessing or vetting the applications we have received.

We typically use the following phased approach:

- **First**, we undertake a “basic review” of applications. This formal review helps us identify initiatives that clearly meet the basic qualifications of each grant opportunity: for example, they are complete and provide all required information, correspond to the identified themes, are submitted by organizations that meet eligibility criteria, propose work in eligible Global South countries, and meet any other basic criteria that will have been specified.
- **Second**, we undertake an “initial vetting” review to help us identify ideas that hold the most promise and make a compelling case. This process includes a review of applications by our team, country-based advisers, and independent experts drawn from key organizations, peer funders, practitioners, and activists. We prioritize diversity, representation and lived experience in the Global South and a track record in advancing feminist principles and gender justice.
- **Third**, based on this initial vetting, we select a short list of organizations to engage with as part of our “deeper vetting” process, which is adapted for each type of grant. During this stage, we speak with the initiatives and may ask them to provide additional documents that supplement those already submitted. At the end of this period, depending on the scope of the call and funding available, we award grants to a selected set of organizations.

The process described above is being reviewed as we move to take a broader country-focused ecosystem approach to our grantmaking and as we develop our second fund focused on systems change for gender equity and women’s leadership.



In 2020/21 we sought feedback from program partners and applicants through an independently administered survey and consulted with feminist leaders and gender experts on our grantmaking design. We are using this information to make our processes more accessible, clear, and inclusive. As we grow out our team with key leaders located in Global South countries, we are looking to shift significant aspects of decision-making to be more proximal to the countries in which we work. We are also exploring consulting with country-based advisers as well as practitioners and activists who represent and/or are close to the constituencies we hope to benefit.

We will share updates to our vetting process on our website and are committed to communicating clearly and transparently about criteria, decision-making and timelines.

2.4

The Design Phase

The Design Phase is meant to help each selected organization (or partnership) to fully flesh out its systems change initiative and prepare a compelling prospectus (proposal) that fleshes out the core components of its *overall* vision and strategy (rather than to only describe part that may be funded by Co-Impact).

For our major Systems Change/Anchor grants, each lead organization selected for a Design Grant typically receives up to US \$500,000 over a term of 8-12 months (as we expand the number and types of grants we make, the nature of the design phase, time period and amount of support may vary).

Co-Impact recognizes that organizations often do not have the time, space, or resources to tackle the complexity of strategic planning for systems change.

The purpose of a Design Phase is to provide the space, resources, and expertise necessary for a partner to create a comprehensive, coherent strategic plan designed to help the organization achieve its systems change objectives. Funds may be used by each program partner in ways that is most helpful to them, and may include the refinement of ideas and strategy, consolidation of partnerships, strengthening an evidence base, improvement of internal processes, and/or the creation of an overall budget and fundraising plan for the initiative.

During the Design Phase, each program partner prepares short write-ups of key components of their systems change approach which eventually form part of the prospectus.

Towards the end of the Design Phase, each program partner prepares and submits a consolidated prospectus for consideration for a long term 5–6-year Systems Change/Anchor Grant. The Design Grant period and prospectus is meant to be useful to program partners and reflect their overall core thinking rather than something “prepared for Co-Impact.”

The thinking and partnerships that emerge from the process should be useful for the organization’s own strategic planning and designed to attract funding from a broad set of funders.

Throughout the Design Phase, we engage with program partners as thought partners to provide feedback as useful, to help develop keener insights and further sharpen their thinking and approaches. We may also link them up with resource people, material and ideas that may be useful. In the past this has involved: a launch workshop to share key components of systems change thinking and gender justice, engagement with internal and/or external facilitators to guide the strategic process, a call approximately every 8 weeks with the Co-Impact team to discuss core ideas and progress, a site visit, and a presentation of core approach to funders. Program partners report that the process has been enormously helpful but also too intense, taking up significant time and energy, and so we are exploring ways to “lighten”, simplify and clarify the process while maintaining its core value to program partners.



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Courtesy of Jonathan Torgovnik/Getty Images/Images of Empowerment

Key Components of a Prospectus

For each major grant that starts with a Design Phase, Co-Impact requests a prospectus (proposal) that articulates core components of the systems change initiative. We do not provide a fixed template for the prospectus, each program partner determines the content, form and style that will best articulate its thinking and approach. That said, we communicate the components that we look for in assessing each prospectus, and program partners have appreciated this level of transparency and clarity that eliminates the need for guesswork on their part. In each prospectus narrative, we look for a clear articulation of a five to six-year effort to advance systems change and intersectional gender justice. We are interested in the partners' theory of change, approach, or model for change. We look for each partners' political economy analysis, key relationships, and coalitions; how they measure progress and evaluate outcomes at the people-level, systems level, and organizational level, and how they will use constituency feedback and data for continual improvement and adaptation. We also ask to better understand the organization, its leaders and staff, its policies, practices and culture, and its governance structure. Across each of these areas, we are keen to understand how each initiative will advance women's power, agency and leadership in its programs and partnerships, as well as inside the organization. The full prospectus guidelines can be found on our [website](#).

In the prospectus budget, we expect enough detail to describe the major types of activity and personnel, choices between them, and some breakdown of costs relating to systems change efforts, learning, evaluation, and necessary overhead.

However, while we expect program partners to have used more detailed calculations to arrive at their budget, we do not expect to be presented with a highly detailed budget. In reviewing budgets, we are more interested in the *outcomes* and *outputs* that the funds will deliver than the *inputs* that the money will buy. That is also why we provide flexible funding, trusting our partners and giving them space to make adjustments as circumstances change and as needed to deliver agreed outcomes more effectively.

Typically, Co-Impact funds between 25%-35% and never more than 50% of an initiative's total budget. These parameters are designed to help ensure a balanced relationship that does make an organization overly reliant on Co-Impact. Where a program partner has succeeded in securing funding from multiple large donors, Co-Impact may fund less than 25% of an initiative's total budget. In either case, program partners will need to raise 50-75% of their overall budget from other funders. When helpful, we may also consider "front loading" our support to some degree so that initiatives can get underway while program partners raise additional resources.

Moreover, where practicable, program partners may want to structure the activity and budget proposal modularly in ways that illustrate two or three funding level scenarios. Multiple scenarios allow partners to proceed with meaningful work in earlier years where full funding is not secured and scale it faster over time, or to plan for lower but significant impact even where full funding does not materialize.

SECTION THREE

Our Engagement with Program Partners



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3.1

Engaging with Program Partners

We see program partners at the center of our work. We recognize them as the experts with the experience, relationships, and contextual and technical knowledge that is critical for success.

We see them as the architects and drivers of the change we all seek in the world. In our engagement, we seek to nurture trust-based relationships that help program partners achieve their systems change and gender justice goals.

Several decades of research on philanthropy, our own experience, and feedback we have received demonstrate the fact that *how* we structure our funding and relationships with program partners is pivotal to success and to collective learning. Accordingly, our engagement is guided by two overarching priorities:

We support program partners to achieve strategic clarity and cohesion, even as they face many constraints

Clear and cohesive strategy sits at the heart of successful systems change initiatives. Unfortunately, too often, social change leaders are pulled in a hundred directions and unable to align the organization with its purpose. These demands on leaders tend to be both internal distractions (wanting to do too many things) and external (fundraising, reporting, and responding to donor priorities), and distract from the core work.

These distractions fragment priorities and create divergence between the organization's core purpose and the way it spends its time and money. When this divergence occurs, an organization's ability to do deep systems change work is weakened.

“Strategic coherence”, then, is the ability to focus on the organization’s purpose, and make choices that strengthen that purpose, while saying “no” to funding and activities that distract. Co-Impact supports organizations to achieve this strategic coherence.

We believe in giving program partners the space to step back and proactively articulate their own vision and strategy, and actively encourage other funders to do so too.

While grant seekers are often encouraged to tailor their proposals to fit funder priorities, in our view program partners should focus on advocating for their own strategy for change. We believe in giving program partners the space to step back and proactively articulate their own vision and strategy, and actively encourage other funders to do so too.

In our conversations with leaders, we seek to work in a way that does not contribute to unnecessary “busyness” or lengthens our partner’s lists of to-dos. Instead, we seek to cultivate a quiet, reflective space that enables program partners to step back and make the decisions that lead to greater clarity and coherence. This includes being able to say “no” to many good opportunities, including ideas and funding from donors (including us) that do not align well with strategic priorities.

We support program partners to strengthen key capabilities

We support our program partners to identify and continuously invest in critical organizational capabilities that are required for sustained change and success over time. Running an organization with ambitious systems change and gender transformative goals is hard.

The skills and capabilities needed are complex and must be continually updated. Faced with these challenges, we seek to provide program partners with flexible resources, relevant advice, and connections to expert practitioners.

As we engage, we seek to be helpful listeners who can serve as responsive and respectful thought partners. We expect to ask thoughtful questions, offer our point of view, and share our concerns too.

But we recognize that our requirements and communication impose a burden on the limited time that organizational leaders have available, and that our concerns may not always be what needs to be prioritized at a given moment. Thus, we strive to be available when program partners need us, while being flexible about what we put on our agenda. We also remain conscious of the moments when the best course of action is simply to give leaders space. The feedback we have received shows that this is still a work in progress — that while our engagement is often helpful in sharpening the systems change model, we need to reduce the intensity of engagement and time demands we make.

We serve as responsive thought partners

Across the grant period, we remain in close touch with program partners at an agreed frequency and more often where the program partner would find it useful. We bring a whole of organization approach — we are interested in the initiative we support, the priorities of the whole organization and their coalition partners, and what is going on with the people of the organization. We seek to understand the basis of how our program partners think and act — their reasoning, risk analysis and mitigation measures. We pay close attention to the questions our partners are grappling with, how they collect, interpret, and use data to improve implementation, and how they cultivate key relationships and coalitions. In doing so, we seek to understand what gives our program partners confidence that government will own, drive, and institutionalize systemic changes and sustain them over time, and how system shifts will help make governance more inclusive, responsive, and accountable over time.



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3.2

Power and Political Economy

At core, how power is institutionalized, distributed, and exercised (“political economy”) can often explain why things do not work, or why things do not work for some populations, and what it will take to make things better.

A core problem is that the people in charge of systems are often not representative of – nor responsive or accountable to – the very people they are meant to serve. How power is deployed can include or exclude women and girls and other historically underrepresented groups, and the intersectional gendered dynamics of a system are reinforced by societal norms, politics, economics, social constructs, and legal frameworks.

By their very nature, health, education, and economic systems as well as key law and economic institutions reflect the political economy of their context. Systems change therefore requires a clear understanding of the ways that political and economic power functions within a system, as well as the opportunities for change. For this reason, we believe that technical or technocratic solutions, while often helpful and necessary, are on their own insufficient to create enduring change.

System change requires a deep analysis of who has power, who doesn’t, who sets the agenda, and who makes the decisions. This includes an appreciation of how the rules of the game are arranged to privilege some and exclude others, as well as the levers of power need that can make a system more effective and inclusive. This requires an understanding of both the mandates or positions certain people hold as well as who holds informal power, and the levels of motivation of all key actors. Importantly, because power rarely rests in one leader or organizations, it is critical to build or strengthen a “winning coalition” – working on the inside and outside of government – that is powerful enough to make change happen and have it last over time.

Given this, we pay close attention to political economy across our work. It informs the choices of the countries in which we work, the key considerations in

our sourcing processes, the experts we consult and how we assess the likelihood of success, the design of our learning and evaluations, and the content of our engagement with program partners and funders.

Most importantly, we listen carefully to our program partners to understand how the exercise of power in their context informs their analysis, program design and strategy, and ways of working. This includes how they understand their socio-political and governance dynamics, and how patriarchy, misogyny and other forms of discrimination are embedded in institutional norms, laws, and policies. Systems change is often fraught and never fully risk free, but a careful reading of to the political economy can help reduce risks. We pay close attention to how program partners will navigate political economy challenges and the mechanisms, cultures, and practices they have in place to adapt as circumstances change. At the level of the initiative, we ask to get a better idea of the specific sources of power that shape the system they wish to change, including the intersectional gendered nature of this power. We seek to understand the people and institutions that make decisions, the incentives and motivations that underpin the status quo, and the possible levers for making change.

Because governments invariably play a critical role in system change, we ask program partners to help us understand who and how they engage with government, how the winning coalition both involves and helps influence government, and how this coalition is reflective of historically underrepresented constituencies. Often, governments create admirable plans and commitments to excluded groups, but incentives, biases and norms prevent the system from being inclusive in practice.

We trust and count on our program partners to be our primary teachers of the political economy considerations of their work. We complement that information by engaging with independent experts (with a preference of Global South and feminist leaders who live and work in the countries in which we work), funding partners, researchers, a review of the evidence and broad reading.

3.3

Organizational Strengthening

Systems change needs strong organizations. We support organizations to achieve people-level and system-level outcomes in areas of health, education and economic opportunity.

These transformative outcomes require good, strategic choices. Making and acting on those choices needs clear leaders and strong organizational capabilities. For this reason, Co-Impact seeks to provide program partners with the time and space needed to clarify their strategic choices, develop the organizational capabilities that are most critical to their mission, and make coherent decisions aligned with their systems change goals.

We do this throughout our engagement, as well as specifically creating space for our partners advancing major systems change efforts, to deliberate and develop an organizational strengthening plan and providing resources to support it.

As mentioned earlier, lack of strategic coherence is one of the biggest barriers to organizational effectiveness.

“Strategic coherence” is the ability to focus on the organization’s purpose, and make choices that strengthen that purpose, while declining funding and activities that are not aligned.



Courtesy of Paula Bronstein/Getty Images/Images of Empowerment

To operationalize strategic coherence, we prioritize 4 key capabilities. While the capabilities each organization needs to strengthen will vary and change over time, we find that most needs fall into the following four buckets:

- **Leadership.** First, we believe that an organization must have exceptional leadership. For us, leadership in an organization includes not only the leader (CEO/Executive Director/Founder) but also the next tier of leadership i.e., the bench of complementary and diverse individuals, and an enabling internal governance structure. This composite of leadership comes together to develop and implement the strategy to achieve the organization's purpose. Importantly, the organization's approach is unlikely to be fair and effective if it lacks gender justice and adequate representation of historically disadvantaged persons in its leadership.
- **Organizational Arrangements.** Second, we believe organizational arrangements underpin success. By this we mean the way an organization structures itself and allocates its resources to maximize outputs through inputs (such as people, processes, and systems) to achieve its purpose. A successful organization needs many capabilities – including human resources, financial management, measurement and evaluation, information technology, communications, fundraising, and other program and operational matters. Because all of these capabilities matter, it is tempting for an organization to want to address all of them at once. But the reality is that an organization only has a certain amount of bandwidth, and a key feature of leadership is to identify the capabilities that need priority attention. Our focus on arrangements is to support program partners to set up its people, processes, and systems to align with its purpose and determine what gets prioritized within each of these.
- **Partnerships.** Third, we help organizations nurture partnerships. Partnerships based on compelling and deep understanding of the context are often necessary to scaling and sustaining systems change efforts. Partnerships can span across geographies and across government, private sector, and civil society actors. At one level, several partners may come together to collaborate on and jointly manage a shared initiative. At another level, we believe that systems change is more likely to succeed when a strategic, adaptive organization develops a 'winning

coalition' to advance its transformative initiative. A critical step in this process is a solid political economy analysis to map the mandate, position, power (ability to influence results), and motivation/commitment of key actors. In our experience doing such a mapping systematically can help identify unusual actors that can shift or influence power, and the sorts of relationship building activities – often informal – that are often critical to success.

- **Funder Relationships.** Fourth, we help organizations develop healthy relationships with funders. Too often organizations undermine their strategic coherence by writing proposals to fit donor priorities and chasing donor funds that may not align with their priorities. We believe that the logic should be inverted; organizations should develop a coherent strategy and get funders to support it. A clear strategy allows organizations to articulate both their funding priorities and the terms that will guide their relationships with funders. We further believe that funders should accept a common set of reports from the program partner and refrain from imposing excessive requirements so that program partner staff can focus their time and energy on their core purpose (see section 3.5).

A deliberate/disciplined process helps make good choices. Organizational strengthening can itself become a checklist exercise, rather than a set of strategic choices that help each program partner achieve its mission. Program partners are best placed to identify and prioritize capabilities that are most critical to achieve its mission. At the same time, established ways of looking and acting, habits and norms can come in the way. We therefore support program partners to work with an independent organizational strengthening practitioner to undertake a disciplined process to identify priority capabilities, using a process that engages internal and external stakeholders, discussions with the Co-Impact team, and uses a set of tools to refine priorities and approaches.

For more information on our approach to Organizational Strengthening [download the full guide from our website here.](#)

3.4

Learning, Measurement and Evaluation

Achieving systems change and intersectional gender justice is complex—uncertainty and setbacks are common—and progress rarely follows a straight line. We support our partners to articulate key assumptions and hypotheses and test whether these hold over time as they track progress against agreed goals.

For these reasons, Learning, Measurement and Evaluation (LME) are essential to our approach as we support program partners to achieve ambitious outcomes, to continuously improve their approaches, and to contribute to global knowledge of what works in delivering systems change and intersectional gender justice.

We seek to foster a learning orientation across all our grants, supporting our program partners to champion and incorporate learning and adaptation within their organizations, document lessons, and share data, research, and findings to promote broader learning and accountability.

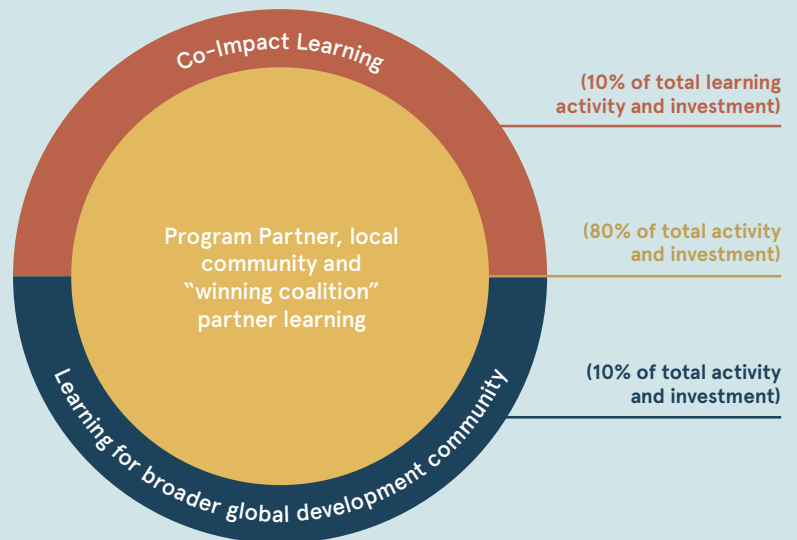
We believe that measurement should be at the service of learning and doing; yet without meaningful measurement, learning and doing are impeded.

Learning is for everyone, and should primarily benefit the program partner

Different constituencies have a stake in learning about systems change – including program partners, Co-Impact and our funding partners, and the global development and philanthropic communities more generally. For us, these interests are interconnected; the primary user is the program partner and should shape the core motivation of the learning approach (see diagram).

Thus, we expect the program partner’s executive leadership team to champion and shape its learning practice, and to help staff understand that iteration, adaptation, and learning from failure are critical to realizing outcomes. The agenda does not just belong to the learning or monitoring and evaluation department but constitutes the core posture of an organization and its approach to success.

In practice, we encourage program partners to trust their understanding of the context and approach, to interrogate and document their hypotheses, and to engage us in the process.





Courtesy of Jonathan Torgovnik/Getty Images/Images of Empowerment

To help us navigate to optimal measurement approaches and designs as relevant to the partner and challenge being addressed, we strive to be:

- Driven by program partner's interest, curiosity, and desire to improve practice
- Inclusive and supportive of approaches that are driven by those typically excluded from systems and learning
- As simple as possible in our approach, seeking alignment with other funders whenever possible
- Flexible, curious, adaptive, method agnostic
- Rigorous, truthful, open to learning from failure
- Transparent and open: publishing designs, tools, data, and results
- Informed and connected with global and regional expertise

For more information see our Learning Guidebook.

Learning, Measurement and Evaluation in practice

Co-Impact seeks to put LME principles into practice by aligning our work in four areas: support for our program partners, contributions to the broader development field, contributions to knowledge and evidence about collaborative philanthropy, and expanding our own learning. Below we outline the main components that make up the practice in these four areas.

I. Support for our program partners

At the core of all Co-Impact work is support to program partners who are engaging in the challenging, deep work of systemic, institutional, and normative change. While the scope of our LME support to partners will vary by grant type, Co-Impact strives to support our program partners to:

- Arrive at a credible and cohesive **theory of change** that is based on a thorough problem analysis and applies an intersectional lens to understand power and inequalities; develop related hypotheses or core learning questions.
- Connect the **deep root-cause analysis** of systemic (mal)functions with desired future state of a system, including outcomes for women and other historically disadvantaged groups.
- Develop **long-term, feasible, and measurable outcomes** at 3 levels (organization-, system-, and people-level) that are disaggregated through an intersectional gender lens.
- Develop or strengthen useful monitoring mechanisms, with a focus on obtaining and acting on **constituency feedback**, with special attention to historically underrepresented constituencies (see box).

Voice and Agency: What Does a High-Quality Feedback Loop Look Like?

We believe that for feedback systems to thrive, they need to:

- Employ simple yet flexible disaggregated data collection approaches.
- Capture a large number of inclusive constituent voices and gather credible, candid feedback.
- Identify areas for celebration and areas for improvement, while shedding light on differential experiences across a variety of groups, especially those who have been excluded in the past.
- Engage organizational decision-makers (and external stakeholders, such as funders) to learn from constituent feedback and implement changes based on what is learned.
- Close the loop by sharing with people what was learned from listening to them, and the specific ways that an organization is responding to feedback.

Excerpted (and adapted) from Listen for Good, accessed on May 5, 2019 www.fundforsharedinsight.org/listen4good



Courtesy of Paula Bronstein/Getty Images/Images of Empowerment

- Develop a robust, right-fit **evaluation plan** that fits with the partner's strategic objectives and that generates evidence on whether the initiative is achieving the intended effects; pursue a focused set of learning questions that further the partner's learning agenda.
- Track and report data in bi-annual and annual **dashboards**, composed of key agreed metrics, including people-level, system-level and organizational outcomes, and annual milestones which describe progress over time.
- Develop **learning practices** across the organization's staff to use the data and evidence to improve practice and to learn from failure as well as success.
- **Engage with systemic actors**, especially government institutions, to also develop and hone their own learning, particularly what data gets generated and how it can be used to improve delivery as well as accountability.

How are we thinking about equity and measurement?

Our commitment to intersectional gender justice extends to the LME approach. We seek to be guided by a set of complementary principles, drawing on practices such as feminist evaluation, participatory action research, and user-focused evaluation:

- The questions that are prioritized for measurement and learning matter, as does who gets to ask them.
- Methods matter: the tools through which knowledge is generated can play into existing inequalities or can be platforms for inclusion.
- We strive to listen to and give space to historically underrepresented constituencies, not only in the generation of knowledge, but also in the interpretation of results and lessons.
- Knowledge is a powerful tool, and ought to be a meaningful resource for those who create, hold, and share it.

We request that all key data is disaggregated by sex and other contextually relevant markers of inequality.

2. How we Support Partners to Measure the Impact of their Work

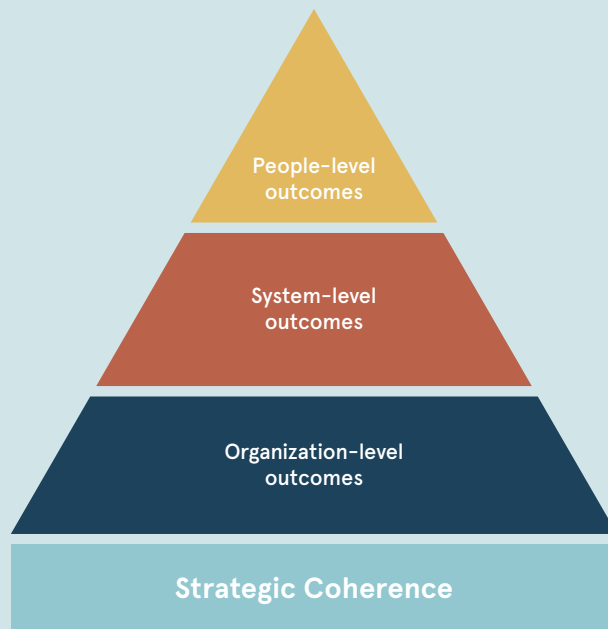
At Co-Impact, we invest in and strengthen organizations to focus on systemic change that will result in improved and enduring outcomes for millions of people. We therefore support partners to construct and track progress on three types of outcomes: people-level, systems-level, and organization-level:

- **People-level outcomes** articulate the measurable impact of the initiative for all people in health, education, and economic opportunity, as well as increases in women's leadership at all levels in these sectors and law and economics in particular. We expect partners to disaggregate outcomes by sex and by other contextually relevant markers of inequality.
- **System-level outcomes** help our program partners be more explicit about what an improved system would look like, including in governance; policies and regulations; distribution of financial flows and human resources; power dynamics, incentives, and motivations; and relationships, norms, and mental models. Across each of these

factors we are keen to see how the system is tilting towards greater equity and inclusion, and whether these changes are being institutionalized across the system.

- **Organization-level outcomes** articulate the capabilities that the organization will strengthen to achieve strategic coherence. We help program partners to identify, prioritize and invest in the capabilities that are critical to achieving its mission through an independently facilitated process by an organizational development practitioner. Priorities vary and evolve over time across the following four major areas: 1) Leadership; 2) Organizational Arrangements; 3) Partnerships, and 4) Funder Relationships (see section 3.3)

We support program partners to develop specific, measurable outcomes that custom fit each specific initiative. In each case, measures follow the core purpose of the initiative and reflect components of its theory of change.



How we learn

We foster candid conversation within our team, and with and among program partners. We surface assumptions and blind spots, interrogate theories of change, and ask the questions, “How will we know we are succeeding?” and “How can we make our work more effective?”

We exercise healthy skepticism. We research, use, and care about the evidence in ways that are rigorous and focused on improving practice.

We accept that failure is a key element of learning. To this end, we strive to cultivate a safe space among Co-Impact and program partners to discuss failure and learning openly.

We work to better connect communities of practitioners and researchers/academics in ways that can benefit both groups and advance knowledge and practice.

We participate in and at times organize strategic convenings, not only to affirm what’s known, but to stretch the thinking of ourselves and program partners.

We pledge to be active and open learners and contribute to the learning of the team. We are not afraid to change our minds or admit that we were perhaps off the mark. After key interactions, we try to ask ourselves, “What did I learn?” and “Did I come to see something in a new light?” We commit to make the time to read and write, to communicate what we are learning and trying to do, to invite new ideas, and to hold ourselves accountable.

3. Contributions to the broader development field

We know we are one among many actors supporting systemic and development initiatives globally. In order to contribute to a broader understanding of “what works” and “what does not work”, we:

- Curate and synthesize **evidence and lessons** generated by our program partners’ implementation, about gender transformative systems change in health, education, and economic opportunity and institutional change to advance women’s leadership in law and economics.
- Establish a working relationship with a few **research entities** and experts that can provide overarching analysis, insights, and reflections on our model of promoting systemic change and influencing philanthropy. We prioritize women-led organizations and women experts who are deeply rooted in the Global South countries in which we work.
- Promote thoughtful, deliberate **connections between practitioners and research entities**, guided by the interest and requests expressed by the program partners.
- Actively support our program partners to **share lessons** with their proximate and global communities.
- Facilitate and **promote learning in the Co-Impact ecosystem**, around the core themes, domains, and systems change. The ecosystem includes program partners, funding partners, and the wider development community.

4. Learning about our effectiveness as a funder

Co-Impact’s model of collaborative philanthropy for systems change and our influence agenda are core to our vision of success. To understand how we are doing in relation to this goal, we:

- Source feedback from our program partners on our processes and our functions. We curate this feedback as a public resource for transparency and wider learning of other philanthropic organizations.
- Invite independent assessments of our role as funders. We pledge to use the feedback to improve our practice.
- Engage with, use, and care about evidence in ways that are rigorous and focused on improving practice.
- Accept that failure is a key element of learning.
- Assess how we are contributing to the discourse and improved practices in philanthropy

As we learn about how we can better support systems change, we also facilitate learning for our funding partners and members of our broader funding community. (see section 1.4 for more information)

3.5

Our Approach to Communication, Reporting, and Accountability

We know that some of the most sensitive issues in the funder/grantee relationship can arise in respect to reporting and accountability, where the inherent power imbalance between funder and grantee can be most apparent.

We try to mitigate this power imbalance in three ways:

- **First**, we jointly agree with partners on key people, systems, and organizational-level outcomes that they will achieve, and then provide significant flexibility on how they will go about achieving them in relation to specific activities and use of budget.
- **Second**, we support our program partners to develop a comprehensive, long-term strategy and budget, and seek to support that plan and advocate for other funders to do the same. Practically, this means that we support our program partners create one strategy, one plan, one budget, and one set of reports for all funders. We seek to simplify and clarify our reporting requirements and ask for no more than is necessary.
- **Third**, we recognize that our support comes with expectations about how all program partners must cover certain “essential elements” that we consider to be critical for achieving systems change (such as a commitment to intersectional gender justice and inclusion, an outcomes focused approach, and building in a meaningful platform for listening to and acting on constituency feedback). We seek to be clear and transparent about these at the outset because we believe that to be clear is to be kind. We also owe it to program partners to distinguish between what we require and what would be nice to have but not necessary, and the level of detail that is needed and why.

Throughout our relationship, we try to maintain clear, regular channels of communication with the executive leaders of all our program partners. We expect to check in with program partners about once each quarter, and about 4 times over the course of the Design Phase.

Overall, we are also seeking to find ways to reduce the intensity of our engagement and the demands on program partner time, while seeking to be available and maintain a deep level of support. Across all these areas, we ask that program partners give us candid feedback and hold us accountable for the commitments we have made in this Handbook.

Mid-year and annual reporting

Program partners and philanthropic research consistently tell us that grant reporting requirements sap too much energy and time from their work. We primarily view grant reporting as a subset of the broader learning, measurement, and evaluation agenda. Reports should draw on information already being produced through the program partner’s learning agenda. The primary purpose of data that is collected is to be useful to the program partner. A secondary function is to inform the communication and learning between program partners and Co-Impact as to the developments, progress, challenges and effects of the initiative.

Every grant agreement we sign includes a required reporting frame for mid-year and annual narrative and financial reports ([see website](#) for full detail). However, we make every effort to help program partners develop a rhythm of reporting that is matched to key reflection and learning moments, and to which all funders can align. When helpful, we work directly with other funders to harmonize reporting requirements, so that organizations can deliver one report to multiple funders. Accordingly, we do not require a specific reporting format, but do have some requirements for content, based on our grant agreement and its accompanying annual metrics and milestone targets.

In mid-year and annual reports, we ask program partners to reflect on the program's theory of change and key learning questions. As a part of this reflection, we request an update on progress towards the *Impact Goals* of the program, as defined in the grant agreement. The Impact Goals of a grant agreement serve as our objectively verifiable measures of success and include quantitative measures of the numbers of people served as well as key measures of systems change and organizational level outcomes.

We only consider adjusting these goals under rare conditions, since they serve as the main basis of our support for program partners but are open to discussing the pathways and actions to get there.

Each grant agreement also includes *Key Milestones* which describe the minimum results necessary to show that the program partner is on track to achieve agreed outcomes. We negotiate these milestones (including the frequency and substance) as part of the grant development process. These typically reflect the lower end of a realistic set of outputs (e.g. numbers of health workers or teachers deploying a new approach) or key organizational developments (e.g. % of country team directors recruited and in place). Continued disbursements are linked to the achievement of these milestones. Where milestones are missed, we initiate a conversation to understand the reasons why and have a discussion on what can be done to fix the problem. Major changes in program context or approach may require adaptation of pathways to change and corresponding milestones towards achieving our agreed goals. Such circumstances are jointly discussed and adjusted upon mutual agreement, and at times may require an amendment of the contract.

Every annual report should also include a financial report. Where a program partner has expended less than 75% of their planned annual budget, we work with partners to understand the reasons for the underspend and typically delay or withhold the subsequent disbursement until we get closer to the time funds are needed.

Trust, Transparency and Confidentiality

We believe that program partners who seek to advance public well-being should seek to be open and transparent, and publish all key information, subject to a narrow set of exceptions where confidentiality needs to be maintained.

By disclosing information about our work, we can foster greater trust, better understanding and collaboration among partners, build confidence, nurture learning, and open ourselves to healthy critique and accountability.

This means that we seek to model this practice ourselves and encourage program partners to make all core documents public, and publish, in open-source format, research data and reports.

Practically, we hope that program partners and Co-Impact will publish the prospectus (and summaries of the same) as well as the core descriptive and analytical information in (or executive summaries of) two reports that partners send us each year, annual audited financial statements, and any research, reports, and data (in open machine-readable format) produced over the course of the grant. For all of these materials, we encourage program partners to subscribe to the most generous version of the Creative Commons License.

That said, we recognize that certain information may be sensitive in nature and not helpful to be published in full, or that may hamper the candor and openness that we seek to build in our bilateral relationships. This may include information on discussions with government and other partners, or information that can potentially endanger staff or the communities they serve (and in particular historically disadvantaged constituencies), jeopardize relationships, be politically or socially sensitive, contain the private information of individuals, or include proprietary information that does not derive from a non-profit's status.

We ask and respect that program partners exercise care in sharing such information and communicate such matters in a separate document or annex and mark it as "confidential" or "not for disclosure/circulation". Program partners who believe that either or both the reports they submit to Co-Impact each year fall under this category may also request that the reports not be shared publicly.

Our sense of how to apply these principles in practice continues to evolve as we learn from foundations and organizations who are leaders in this area. We look forward to engaging with our program partners on how best to interpret these principles, in the progressive realization of building greater trust, openness and accountability.

