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**THIS ACTION IS FUNDED BY THE EUROPEAN UNION**

**ANNEX 2**

of the COMMISSION IMPLEMENTING DECISION on the financing of the Multi-Annual Action Plan for Global Challenges – Partnerships for 2022-2023

**Action Document for “Improving Evidence for Development. Investing in Research and Partnership.”**

**MULTI ANNUAL PLAN 2022-2023**

This document constitutes the multiannual work programme in the sense of Article 110(2) of the Financial Regulation, and action plans in the sense of Article 23(2) of NDICI-Global Europe Regulation.

# 1 SYNOPSIS

## 1.1 Action Summary Table

<b>1. Title CRIS/OPSYS business reference Basic Act</b>	Improving Evidence for Development. Investing in Research and Partnership OPSYS Number: ACT-60883 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
<b>2. Team Europe Initiative</b>	No
<b>3. Zone benefiting from the action</b>	The action shall be carried out at global level.
<b>4. Programming document</b>	Multiannual Indicative Programme for ‘Global Challenges’ Thematic Programme 2021-2027 Multiannual Action Programme 2022-2023 for Partnerships
<b>5. Link with relevant MIP(s) objectives / expected results</b>	‘Partnerships’ pillar, specific objective 1: Enhanced global and multilateral partnerships
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>	
<b>6. Priority Area(s), sectors</b>	Priority area 1: Enhanced global and multilateral partnerships
<b>7. Sustainable Development Goals (SDGs)</b>	Main SDG: 17 - <u>Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development</u> It will contribute notably to the <u>following targets</u> :  <u>17.16 - Global Partnership for Sustainable Development</u> is enhanced, complemented by multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology and financial resources, to support the achievement of the SDGs, in particular developing countries.

	<p><u>17.19 - Further develop measurements of progress:</u> “By 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement gross domestic product, and support statistical capacity-building in developing countries”.</p> <p>Other significant SDGs:</p> <ul style="list-style-type: none"> <li>• SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</li> </ul>			
<b>8 a) DAC code(s)</b>	<p>DAC code 43082: Research/Scientific Institutions - 50 %</p> <p>DAC code 15110: National monitoring &amp; evaluation - 30%</p> <p>DAC code 11430: Advanced technical and managerial training – 20%</p>			
<b>8 b) Main Delivery Channel</b>	World Bank – 44001			
<b>9. Targets</b>	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input checked="" type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Education <input type="checkbox"/> Human Rights, Democracy and Governance			
<b>10. Markers (from DAC form)</b>	<b>General policy objective @</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women’s and girl’s empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>11. Internal markers and Tags:</b>	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Digitalisation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	/

	digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	/
	digital governance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	digital entrepreneurship	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	digital skills/literacy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	digital services			
	Connectivity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity	YES	NO	/
	energy	<input type="checkbox"/>	<input type="checkbox"/>	
	transport	<input type="checkbox"/>	<input type="checkbox"/>	
	health	<input type="checkbox"/>	<input type="checkbox"/>	
	education and research	<input type="checkbox"/>	<input type="checkbox"/>	
Migration @ (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Reduction of Inequalities @ (methodology for marker and tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Covid-19	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<b>BUDGET INFORMATION</b>				
<b>12. Amounts concerned</b>	Budget line(s) (article, item): Global Challenges – Partnerships 14 02 02 43 Total estimated cost for 2022: EUR 3 000 000 Total EU budget contribution for 2022: EUR 3 000 000			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>13. Type of financing</b>	<b>Indirect management</b>			

## 1.2 Summary of the Action

The action intends to strengthen EU's partnership with the World Bank and EU Member States by contributing to the Knowledge for Change Trust Fund, a solid system for evidence-based policy development in support of NDICI-Global Europe objectives and in particular poverty reduction and shared prosperity in developing countries. The European Commission (DG INTPA) will contribute to Phase IV of the Knowledge for Change Program (KCP), a multi-donor Umbrella Program that aims at delivering high-impact, policy-relevant research and knowledge products, that is housed in the Development Economics Vice Presidency of the World Bank. The action contributes to enhanced global and multilateral partnerships and the delivery of high-impact, policy-relevant research and knowledge products. It promotes open access to knowledge through sharing, partnerships, and capacity building. Data and analytics produced by the action will be aligned to both the data needs of EU development cooperation policies and selected Global Gateway<sup>1</sup> programmes including the EU Green Deal.<sup>2</sup>

<sup>1</sup> The Global Gateway stands for sustainable and trusted connections that work for people and the planet. It will help to tackle the most pressing global challenges, from fighting climate change, to improving health systems, and boosting competitiveness and security of global supply chains - [Global Gateway | European Commission \(european-council.europa.eu\)](https://european-council.europa.eu/media/166484/attachment/data/0/1/166484_en.pdf)

## 2 RATIONALE

### 2.1 Context

The EU is committed to the “policy first principle” to make sure that the best available evidence (including scientific evidence) informs policy decisions, including via establishing a direct link between knowledge and policy responses.

Knowledge, innovation and learning do shape financing and policy advice and are central to scaling up impact, a major EU objective of the Global Gateway. The Knowledge for Change Program (KCP) research, data, and analytical outputs inform and influence the design, implementation, and monitoring of financing packages, technical assistance, and direct country engagements which could open up at country and/or global level more opportunities for policy dialogue and partnerships.

The contribution to KPC will position the EU among the key players of the Umbrella Fund together with the Member States already funding the programme, enabling the EU to influence the direction and modalities of research and promote the participation to the programme of other players to enhance the partnership element of the action, particularly with the World Bank. The action facilitates and informs policy dialogue with both partner countries and World Bank of common policy priorities (i.e. Climate, Jobs, Sustainable growth, Reducing Inequalities) in view of reaching higher scale intervention particularly in Africa. The knowledge products of the Action will become a public good shared with development actors and serve the data needs for EU current key policy processes such as Global Gateway and the EU Green Deal. The same type of product can be used to strengthen the policy dialogue with EU Member States in defining selected Team Europe Initiatives approaches at country or regional basis.

### 2.2 Problem Analysis

The problems tackled by the action could be clustered along the lines of five:

1) A large gap in knowledge and evidence base for global public goods

There remains a large gap in knowledge and evidence base for global public goods which are essential ingredients for development interventions. Unfortunately, research and analytical activities related to economic, social and environmental issues in developing countries have not been the trendiest for academia. For example, over the 20-year period of 1985–2004, just 4 papers were published in the top 202 economics journals on Burundi, 9 on Cambodia, and 27 on Mali. In the same timeframe, over 36,000 papers were published on the United States. New analysis spanning between 2005 and 2017 shows that this lack of focus on developing countries has not changed much over the past decade.

Much of the Knowledge for Change Program’s outputs constitute public goods. Since the benefits of such knowledge is widely accrued and shared, there’s inherently a lack of incentives for any single institution to produce it. The action thus helps filling a critical gap in developing foundational public good knowledge. There is substantial complementarity in the production of different levels of public goods, and it is the amalgamation and interconnectedness of these various activities a major most distinct comparative advantage of the action.

2) Lack of a long-term vision in development interventions and practices

Research plays a crucial role in learning from past policies and thinking about the future, with a long-term perspective. Especially in times of crises, it is imperative that countries do not lose sight on their long-term development objectives. Without the independent scrutiny of research, the conceptual and empirical foundations for policymaking would be weak, best practices would be emulated without sufficient evidence, and new fads and fashions would get more attention and traction than they deserve.

Researchers supported on competitive bases by the action will regard developing news ideas, data and solutions – with rigorous evidence – as one of their core duties. The action will support projects to help dispel excessive confidence in silver bullets and brings a healthy “grain of salt” into the policy debate, armed with scientific evidence, and not propelled by fads.

3) Insufficient linkage between evidence-based knowledge and policy responses

There is still much to be done to move beyond influence among peer institutions, to reach decision makers and

<sup>2</sup> COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE EUROPEAN COUNCIL, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS The European Green Deal ([COM/2019/640 final](#))

policy changers. Actionable, innovative and comprehensive knowledge, evidence and analytical tools are required for sound policy advice. During a crisis, vulnerable populations are usually hit with the most severe shocks from several fronts simultaneously. When millions of people in East Africa are battling a triple crisis - the health emergency, the global recession, and the locust swarms that threaten food security and livelihoods – decisions makers urgently need analyses and evidence that help them evaluate, measure and quantify the trade-offs between competing policy options and reform priorities. It is imperative that policy makers are equipped with useful data and policy frameworks grounded in empirically tested evidence on effective measures. Readily available knowledge and tools enable governments to design the right policy packages to boost health spending, strengthen social safety nets, while maintaining both public services and a private sector that creates jobs, and counter financial disruptions.

To address the gap between evidence-based knowledge and policy response, the action helps facilitate knowledge flows between foundational analysis and front-line policy advice. Research, data and analytical outputs may inform and influence the design, implementation, and monitoring of both EU and World Bank Group's financing packages, technical assistance, and direct country engagements to sustained a renew partnership at intervention level with spill over selected policy level. At the same time, research ideas are also constantly surfaced through close interactions with colleagues in global practices and regions who bring out real-time challenges faced by policy makers and governments. The foundational analytical work and direct, country-facing engagements complement one another and are mutually reinforcing.

4) Lack of experimentation of innovative solutions to develop scalable ideas, particularly fitting in Global Gateway

This action will aim to strengthen emphasis on experimentation and scalable activities, possibly contributing to the design of selected Global Gateway programmes. The action aims at providing ahead-of-the curve knowledge and analysis to anticipate future development challenges. Sometimes, this means supporting projects that explore innovative ideas, including those that may be a bit avant-garde. An original piece of research takes time to design and implement, but its framework, data and insights can have long-lasting effects, and be re-purposed for new ideas, particularly in emergency situations like natural disasters or health crises. For example, when policymakers state that travel and mobility can have harmful effects during a pandemic without much scientific evidence, it might not carry enough weight to change behaviours.

Recognizing this dilemma, KCP has in the past supported research quantified the negative externality of population movement on disease incidence of malaria in Senegal, using new big data collected by telecommunications companies, and proposed cost-effective targeting strategies to reduce transmission generated by population movement. While the paper itself only focuses on malaria, the analytical model can be logically replicated for other infectious diseases such as Ebola, Zika or COVID-19.

5) Low institutional and human capacity in research, analytical and data in developing countries

Building research and analytical capacity in relevant institutions through genuine, long-term partnerships can greatly help bridge the science and policy divide.

The action will combine retailing and wholesaling models of research to promote meaningful capacity building and local partnerships, which significantly lowers the barrier for access to development knowledge. The action shall contribute to strengthen the institutional and human capacity on research, data analytics in developing countries, in order to democratise knowledge, empower citizens and inspire policy changes.

KCP supported research informs policy makers about the costs, benefits, timing, and sequencing of reforms. When policy makers themselves are resistant to reform—perhaps due to political considerations—knowledge can empower the public, voters, and policy entrepreneurs to demand reforms. At the same time, this role for leveraging knowledge to overcome political constraints to reforms must be carefully applied. The action will support the development new dissemination tools to reach the last mile in getting the evidence to people in developing countries.

**Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action:**

Based on the problem analysis, the stakeholders are to be identified at multiple levels.

In the global arena, stakeholders include Eurostat and European Commission service DG REGIO (which is also considering funding the KPC Program in the area of Jobs and Cities).

In the research arena, past experience has shown that the most effective and durable capacity building in research is

done through embedding close collaboration with local researchers and institutions in the research project. The action will ensure supporting capacity-building efforts to improve human and institutional capacity in primary and secondary research, data collection and methodology and analytical work in partner countries.

In particular, the action will support research, analytical and data efforts that help improve the lives of the most vulnerable. Three groups of stakeholders are highlighted below as examples.

i) Populations living in fragility-, conflict- and violence-affected (FCV) contexts

The global fragility landscape has worsened significantly in recent years, impacting low- and middle-income countries. Research, data collection, and analysis under this theme will study the particular challenges of fragile and conflict-affected situations, which are home to a large share of the world's extremely poor people. This area includes, for example, issues such as factors contributing to conflict and violence, the cost of conflict in terms of growth and development outcomes, international policy and support to help break the cycle of conflict, challenges and transition issues of post-conflict economies, and, more broadly, the factors, policies, and institutions that contribute to enhancing competitiveness and sustainable progress in fragile states. In light of challenges imposed by the COVID-19 pandemic, more innovative tools and analyses are demanded to estimate program impacts on poverty outcomes quicker and more cost-effectively, particularly in low-capacity fragility, conflict and violence (FCV) settings, and further examine the social and psychological effects of conflicts and forced displacement.

ii) Populations living in climate vulnerable conditions

On climate change, supported projects will examine innovative ways to strengthen climate change adaptation and disaster risk management in developing countries, scaling up these efforts to be more cross sectoral and better linked with development measures. Supported projects will also focus on economically, socially and environmentally sound approaches to greenhouse gas mitigation, such as carbon pricing, reducing barriers to increased investment in renewable energy, and forest protection. Examples of the many priorities for research and data efforts to strengthen resilience to climate change and natural disasters include a more holistic approach to assessing long-lived macro-scale effects of climate change across the economy and options to improve resilience, feedback effects of climate change on human capital, barriers to financing long-lived beneficial investments (especially infrastructure) to reduce vulnerability, and political economy barriers to many seemingly win-win measures that would provide immediate development benefits and improved resilience.

Supported projects on climate change have addressed and will continue to address many other themes: the impacts of climate change shocks and greenhouse gas emissions policies on economic transformation; the potential for climate change shocks to amplify fragility, conflict and violence (FCV) challenges, and vice versa; the linkages between climate change and biodiversity and its capability to produce ecosystem services on which population depend the disproportionate impacts of climate change risks on women; and the need to improve governance at all levels to meet climate change challenges more effectively. In addition, climate change challenges are interwoven with other key environmental issues, including the devastating health impacts of air pollution, the negative development impacts of land and forest degradation, and growing water scarcity.

iii) Women and children

The action will help the development community build a better understanding of what works for gender equality and significantly enrich and expand the evidence base – hence ensuring alignment with Gender Action Plan III.<sup>3</sup> For example, recent research and data endeavors are focused on innovations to promote productivity and entrepreneurship among women and remove barriers to women's empowerment in business activities. In addition, the importance of financial capabilities for promoting deeper financial inclusion of women cannot be underestimated. Questions remain on how to remove barriers to women's ownership and control of assets remain an underexplored area. Future research can look into the use of financial services among women and the effects of those services (particularly credit) on women and their families, and continued support in this area is desired.

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<sup>3</sup> EU Gender Action Plan III ([https://ec.europa.eu/international-partnerships/system/files/join-2020-17-final\\_en.pdf](https://ec.europa.eu/international-partnerships/system/files/join-2020-17-final_en.pdf))

### 3 DESCRIPTION OF THE ACTION

#### 3.1 Objectives and Expected Outputs

The action contributes to the 'Global Challenges' (GC) programme of the NDICI-Global Europe for the Partnership pillar in supporting the theme "evidence for development".

It will contribute to the Specific objective 1: Enhanced global and multilateral partnerships.

The expected overall objective/impact of the action is to improving evidence for enhanced partnership for development.

The specific objectives of the action are:

- 1) to support the delivery of high-impact, policy-relevant research and knowledge products.
- 2) Special emphasis on global challenges such as climate change and the biodiversity crisis
- 3) to contribute to open knowledge.

Expected outputs:

- 1) Related to specific objective 1:  
Rigorous and relevant fundamental research are serving evidence-based policy making in international development, anticipating future needs and knowledge gaps as well as responding to current policy challenges.
- 2) Related to specific objective 2:  
Knowledge sharing, partnerships, and capacity building is openly accessible to all relevant decision-makers.

#### 3.2 Indicative Activities

##### **(a) Activities related to output 1 - Research and Data Activities:**

- Produce, publish and disseminate research working papers, peer-reviewed journal articles, policy briefs, policy notes, and policy research reports
- Develop analytical, computational, or statistical tools
- Develop and maintain databases
- Conduct consultation activities with relevant internal and external stakeholders
- Engage local stakeholders including country institutions, authorities, National Statistical Institutes, and non-governmental entities
- Conduct capacity building activities to improve research, analytical and data capacities of local institutions

##### **(b) Activities related to output 2 - Flagship Reports, Synthesis Reports and Other Knowledge Products:**

- Produce, publish and disseminate flagship reports and synthesis reports
- Organize partnerships and dissemination events, including seminars, research conferences, forums, technical workshops, etc.

Other activities will include:

- Manage trust fund governance and administrative activities, which may include and are not limited to plan and execute work plans, manage and monitor program budgets, manage call for proposal processes, advise grantees on administrative procedures, etc.
- Develop and implement the communications and outreach plan
- Conduct fiduciary activities and manage the reporting process to ensure program governance
- Develop, implement and monitor the results framework

#### 3.3 Mainstreaming

##### **Environmental Protection & Climate Change**

**Outcomes of the SEA screening** (relevant for budget support and strategic-level interventions)

N/A.

**Outcomes of the EIA (Environmental Impact Assessment) screening** (relevant for projects and/or specific interventions within a project)

N/A

**Outcome of the CRA (Climate Risk Assessment) screening** (relevant for projects and/or specific interventions within a project).

N/A.

### **Gender equality and empowerment of women and girls**

As per the OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that gender is a significant objective and is mainstreamed throughout the action. Research programme themes include women's empowerment. Gender issues will be mainstreamed through the different sectors. Local civil society, including women and youth organisations, will be involved in the implementation of the action. Such engagement would range from consulting them on research questions and maintaining their necessary involvement by keeping them informed throughout, including their participation in the dissemination seminars of selected research projects. KPC will ensure that the competitive selection process aims to identify about 30% female-led research teams. The selection processes for researchers will be gender-sensitive and adequate means will be ensured to attract applications from women. The guidelines of the open Calls will include the requirements for gender equality.

### **Human Rights**

A human rights based approach will be mainstreamed throughout the implementation of the action in line with the different sectors of the research programmes chosen.

### **Disability**

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D1. This implies that the action will strive to have the participation researchers with special needs.

### **Democracy**

Research teams are strongly encouraged to involve participation of local stakeholders, including government entities (country authorities, bilateral and multilateral organisations), research or academic institutions, professional networks, local firms (e.g., to help develop or conduct innovative surveys), or civil society organisations. These stakeholders can be part of the project at any stage, from consultation, implementation, to dissemination.

The KCP program uses several approaches: i) the first is an embedded, insider approach, where research members "go native" and play the role similar to staff of the local counterpart; ii) the second focuses on continuous involvement, where knowledge and learning become an integral part of the project, as opposed to being an afterthought; and iii) the third is to leverage the installed capacity of local networks for institutional capacity building.

### **Conflict sensitivity, peace and resilience**

N/A

### **Disaster Risk Reduction**

N/A

### **Other considerations if relevant**

KCP projects use rigorous analytical approaches to generate robust evidence, with the goal to establish a connection between the program outputs and policy making. Many projects include extensive engagements with country authorities and local institutions, which creates a direct connection between KCP's analytical and data outputs and policy making. This program implementation modality responds to the problem identified in section 2.2– it helps strengthen the linkage between evidence-based knowledge and policy making.



### 3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
Strategic	Since the action supports global and regional activities, degree of alignment with different corporate objectives may arise	Low	Low	Management Committee will ensure that approved projects are in line with both EU and World Bank regional, and sector strategies through the review and selection process.
Strategic	Degree of alignment and/or duplication with existing activities and sources of finance.	Low to medium	Low to medium	A well-represented Management Committee will minimise the risk of duplication, to produce research that is complementary to analytical and advisory work in operations through planning, review, and the project selection process.
Stakeholder	Potential for conflict of interest arising from multiple roles of the World Bank (for example, in trust fund administration and research project implementation)	Low to medium	Low to medium	The Program Management Unit PMU will be in Development Economics Vice Presidency DEC's front office instead of the departments that will implement the research projects, to avoid conflict of interest. Clearly defined rules and procedures for implementation will be in place.
Stakeholder	Donor and stakeholder preferences or intentions to influence large projects	Low to medium	Low to medium	Official approaches will be utilized to address donor preferences: (1) encourage donors to use the Partnership Council to express their preferences and shape the program; (2) use the nonbinding preference option in the Administration Agreement to accommodate donor preferences to the extent possible; (3) earmark by association—create associate trust funds to support specific activities listed in the Administration Agreement.
Financial	Donor commitment to provide qualified contributions (for example, subject to legislative appropriations)	Medium	Medium	Donors will be consulted and kept in close communication on funding situations. KCP aims to diversify the donor base and make backup plans (for example, the timing of the Call for Proposals) for project implementation.
<b>Lessons Learnt:</b>				
KCP periodically conducts independent evaluations to assess program effectiveness. The most recent independent				

evaluation completed in 2021 confirmed that KCP continues to be an effective means for donors to fund high-quality, meaningful research for the benefit of the global development community. The evaluation points to several factors underpinning the success and impact of KCP projects: the World Bank's large set of skilled, diverse, and qualified researchers whose focus is solely on addressing policy design and implementation challenges confronting developing countries; the efficient management of these researchers, who are encouraged to work closely with the World Bank's vast network of country and Global Practice departments, which work closely with client governments on development issues in real-time; and economies of scale and scope in the World Bank's broad research program that permit cross-fertilization across sectors, countries, and regions, and flexibility to reallocate effort when circumstances require.

The evaluation also provided recommendations to further raise KCP's standards. For example, to tighten the criteria for selecting which research proposals receive KCP funding; to strengthen portfolio management and monitoring; to harvest more effectively the data generated by KCP-funded research and make this available to the development community within and outside the World Bank; to improve archiving research outputs from KCP-funded projects in ways that permit easy access by the global development community; and to improve the repackaging and communicating of KCP research findings. DEC and the KCP management team take these recommendations seriously and have already taken a series of measures, which were incorporated into the implementation of KCP IV.

#### Recommendations and examples of actions taken:

- Tighten the criteria for selecting which research proposals receive KCP funding - we revamped the peer review process, including updating roster, updating reviewer feedback form to focus more on two important criteria, rigor/originality and relevance and impact. The Call for Proposal also strongly encourages collaboration in all communications with grant seekers.
- Strengthen portfolio management and monitoring – we started tracing the impact of closed projects, and there will be more scrutiny on the implementation completion reports. A set of disqualifiers for funding considerations are developed, including significantly delayed submission of completion reports, large deviation between stated and actual outputs, and insufficient data publication
- Harvest more effectively the data generated by KCP-funded research and make this available to the development community within and outside the World Bank – we emphasized data publication in all official communications with the team.
- Improve archiving research outputs from KCP-funded projects in ways that permit easy access by the global development community – we set up a KCP program service email account, and all official communications go through the KCP account. And all project teams are required to provide updates on outputs with workable links.
- Improve the repackaging and communicating of KCP research findings – communications is now a core requirement for funding allocation, and repackaging is emphasized in all communications. The KCP PMU is also ramping up communications efforts including revamping the website and launching a blog series.

### 3.5 The Intervention Logic

The Partnership with the World Bank Group is regulated by the Financial Framework Partnership Agreement (FFPA) between the European Commission and the IBRD, IDA, IFC, MIGA signed in 2020.

The intervention logic of this action is set in the Results Framework prepared by the KCP Program Management Unit (PMU) and subject to change in consultation with all donors. KCP's results framework (as per FFPA 2020) outlines the connections between inputs, activities, outputs, outcomes, and potential impacts of the activities financed by KCP. Program results will be tracked and monitored at the output, outcome, and impact levels. As outputs, the program aims to produce high-quality research on international development across the identified priority thematic areas, which would include cutting-edge and relevant research, products that make research findings accessible to the broader community (policy reports, blogs), and evidence-based tools, data sets, and other products. The desired outcome of the program is that research findings would add to knowledge in ways that benefit other development researchers and users of knowledge, including operational colleagues, policy makers in client countries, and the broader development community. Ultimately, the desired impact is that World Bank Development Economics Vice Presidency (DEC) research, data, and tools help client countries to reduce poverty and advance inclusive economic development in sustainable ways.

An indicative Results Framework defining Output and Outcome with related indicators and associated baselines and targets of the KCP will be made available via World Bank's Development Partner Center. The Commission may use the Results Framework to measure impacts in accordance with the Commission's methodology for measuring impacts.

For this reason, the Logical Framework Matrix in section 3.6, is not applicable for this action.

### 3.6 Logical Framework Matrix

As mentioned in section 3.1, an indicative Results Framework defining Output and Outcome indicators and associated baselines and targets of the KCP will be made available via World Bank's Development Partner Center. The Commission will use the Results Framework to measure impacts in accordance with the Commission's methodology for measuring impacts.

For this reason, the Logical Framework Matrix in section 3.6, is not applicable for this action.

## 4 IMPLEMENTATION ARRANGEMENTS

### 4.1 Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the partner country.

### 4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of adoption by the Commission of this Financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

### 4.3 Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.

#### 4.3.1 Indirect Management with a pillar assessed entity

This action will be implemented in indirect management with the World Bank Group. DG INTPA will contribute to Phase IV of the Knowledge for Change Program (KCP), a multi-donor Umbrella Program that aims at delivering high-impact, policy-relevant research and knowledge products, that is housed in the Development Economics Vice Presidency of the World Bank. The latter manages the Knowledge for Change Trust Fund and ensure compliance with Framework Agreement between the EU and the World Bank Group – July 2020. The Development Economics Vice Presidency of the World Bank manages the trust fund governance and administrative activities, which may include and are not limited to plan and execute work plans, manage and monitor program budgets, manage call for proposal processes, advise grantees on administrative procedures, etc. It develops and implements the communications and outreach plan; it conducts fiduciary activities and manage the reporting process to ensure program governance; it develop, implement and monitor the results framework as per Framework Agreement between the EU and the World Bank Group – July 2020.

### 4.4 Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)
Indirect management with World Bank Group - cf. section 4.3.1	
Objective/outputs	3 000 000
<b>Evaluation – cf. section 5.2</b> <b>Audit – cf. section 5.3.</b>	May be covered by another decision

<b>Totals</b>	3 000 000
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## 4.5 Organisational Set-up and Responsibilities

KCP's main governance body is the **Partnership Council**.

1. The objectives of the Partnership Council are to: (a) provide strategic guidance and direction on the implementation of this Trust Fund and any other Bank administered trust funds that, as determined by the Bank, support the achievement of the Trust Fund's objective ("Associated Trust Funds"); and (b) review progress reports provided by the Bank based on the results framework for the Trust Fund and any Associated Trust Funds.

2. The Partnership Council will comprise the following members: (a) representatives from the Bank, including as chair; (b) a representative of each Donor contributing to this Trust Fund; and (c) a representative of each Donor contributing to Associated Trust Funds.

3. The Partnership Council will be expected to meet annually, as convened by the Bank. Meetings may be conducted physically or virtually. The Bank may agree to hold ad hoc meetings of the Partnership Council at the request of a member.

4. The Bank may, in consultation with the Partnership Council, invite other relevant stakeholders to attend meetings of the Partnership Council.

5. The Donors contributing to the Trust Fund and the Bank will endorse annual work plans and budgets for the Trust Fund presented by the Bank during the Partnership Council meetings. Decisions will be made by consensus of the Bank and the Donors contributing to the Trust Fund.

### Internal Management and Implementation Arrangements:

Three sets of stakeholders constitute the management and implementation teams of the KCP program: (i) the Internal Management Committee, which is the decision-making body that governs the overall implementation of the program, including funding allocations; (ii) the Program Management Unit, which carries out day-to-day operational and administration functions; and (iii) the research teams, which receive grants from the program and implement research and data activities.

**Internal Management Committee (IMC).** The IMC is chaired by the World Bank Group Chief Economist. It will consist of three sets of stakeholders: (i) World Bank Group Chief Economist/DEC Vice President and World Bank Group Deputy Chief Economist; (ii) DEC department heads; and (iii) at the invitation of the World Bank Group Chief Economist, selected Chief Economists and experts from the Global Practices or Regions, based on relevance and expertise. The IMC will provide subject matter expertise to evaluate and select proposals for KCP financing based on clear criteria and priorities. It may also propose ideas for new priorities and themes. In addition, to ensure meaningful coordination and collaboration across the World Bank on research, KCP will periodically provide information on KCP's upcoming Call for Proposal cycles and selection results to the World Bank's Chief Economist's Council. Since KCP's activities constitute a small fraction of DEC's total outputs, coordinating at the Chief Economist level would also ensure that World Bank Management has a more holistic view of the overall research directions.

**Program Management Unit (PMU).** The PMU is housed in DEC, serving as the primary interface and coordination body among key stakeholders. The PMU assumes the day-to-day program monitoring and quality assurance function, coordinates stakeholder relations, and leads the production of annual reports. It would also track the performance and quality of the portfolio; coordinate and deliver annual reports on Umbrella progress and results; organize Umbrella Partnership Council meetings and related development partner/stakeholder meetings; under IMC guidance, undertake Umbrella-level resource planning and budgeting; develop, update, and implement the communication and visibility plan; and take the lead on external and internal communications, including outreach, supporting the delivery of Umbrella evaluations.

**Research teams.** The research teams require at least one DEC staff member as task team leader and may consist of World Bank Group staff as well as non-World Bank Group researchers.

## 5 PERFORMANCE MEASUREMENT

### 5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous

process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

The Program Management Unit (PMU) team will continue fine-tuning the results framework in consultation with all donors as the program develops, to ensure that the impacts of KCP-financed activities are sufficiently articulated. In addition, since the use of research findings, and more generally the impact of research, can take a long time to materialize, greater efforts will be dedicated to capturing the narrative-based progress and findings of the research teams.

The KCP Program Management Unit (PMU) will report to all donors on the implementation of the program. The KCP PMU will provide donors with annual progress reports, narrative as well as financial, within ninety calendar days after the period covered by such report. Reporting, narrative as well as financial, will cover the whole KCP Program and be provided with reference to the Results Framework.

Every report will include a summary and context of the KCP, expected and actual results, activities carried out during the reporting period, schedule of the main activities, financial information related to the execution of the activities, and a complete account of all relevant aspects of the implementation of KCP for the reporting period.

The Commission may request clarification with respect to the content provided. Such information will be provided as soon as available but no later than thirty calendar days of receipt of the request.

At the grant level, all KCP project teams are required to prepare annual Grant Reporting and Monitoring Reports (GRMs), with summary of project progress against the indicative results framework's indicators, as well as Implementation Completion Reports (ICRs) after the completion of KCP projects. GRMs and ICRs are subject to project TTL manager's approval. The Program Management Unit (PMU) will execute more scrutiny on the ICRs by examining the consistency between stated and actual outputs and following up with teams on delayed publication of datasets. The PMU will also have regular check-in with teams on projects' progress and reach out to a sub-set of TTLs whose projects have ended (three to five years after completion, for example) and ask for updates on the projects' impact. The PMU is also developing a set of disqualifiers for funding considerations. If the TTLs who submitted funding proposals fall under any of the categories below, they may be disqualified for KCP funding considerations for the next call for proposals cycle:

- o GRMs or ICRs are not completed in time (four months after the PMU's initial contact)
- o Large deviations exist between stated and actual outputs without sufficient justifications
- o Projects in the previous call for proposals cycle did not properly follow the data publication requirement (considering applicable laws/regulations and privacy requirements).

## 5.2 Evaluation

KCP has been commissioning external evaluations on the value and effectiveness of the program periodically. So far, three evaluations have taken place, in 2007, 2012, and 2020/2021. An external evaluation will be commissioned by the World Bank in the middle of Phase IV (toward the end of 2024), which would include an assessment of the overall Umbrella program covering all trust funds, including the anchor and all associated trust funds. Having regard to the nature of the action, and the fact that a mid-term evaluation will be carried out by the World Bank in 2024, an evaluation may be carried out for this action or its components via independent consultants contracted by the Commission.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and

recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

### 5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

## 6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

The 2021-2027 programming cycle has adopted a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

Action documents for specific sector programmes are no longer required to include a provision for communication and visibility actions promoting the programmes concerned.

However, in line with Article 46 and subject to Article 47 of the NDICI Regulation, all entities implementing EU-funded external actions shall take all reasonable measures to publicise the European Union support. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

## Appendix REPORTING IN OPSYS

Action level		
<input checked="" type="checkbox"/>	Single action	Present action: all contracts in the present action