

The Power of Nutrition

How It Is Working and Early Learnings

Executive Summary

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Introduction and Background

Undernutrition is one of the world's most pressing problems, contributing to nearly half of all deaths of children under 5 and causing a loss of billions of dollars to the global economy through diminished productive capacity and health care costs (World Health Organization 2016; World Bank 2017). Despite the prevalence of proven, cost-effective interventions to address undernutrition, it suffers an estimated \$10.3 billion annual funding gap (Milken Institute 2013). The Power of Nutrition, launched in April 2015, is a partnership of investors and implementers committed to improving children's nutrition and contributing to ending the cycle of undernutrition. It seeks to do so by (1) raising new funds for nutrition, (2) stimulating donor investments through co-financing, (3) investing in ambitious programs that deliver results at scale, and (4) raising the prioritization of nutrition among key institutions and partner countries through commitment of domestic funds. The Children's Investment Fund Foundation (CIFF) and the United Kingdom's Department for International Development (DfID) were the founding funders, and the UBS Optimus Foundation was the first investor. Together, these three organizations provided the initial funding to create The Power of Nutrition. The Power of Nutrition invests in eligible countries with high prevalence of stunting, working through its implementing partners, the World Bank and UNICEF.

In November 2016, CIFF, on behalf of The Power of Nutrition's board of trustees, contracted with Mathematica Policy Research and our partner, Avenir Health, to conduct an external evaluation of The Power of Nutrition's activities. Mathematica and Avenir Health are working to conduct an external evaluation of The Power of Nutrition's impact and influence as well as to provide strategic, real-time feedback and inputs to The Power of Nutrition for monitoring and course correction, if needed. This report aims to document The Power of Nutrition's origin and early vision, the evolution of its model and current structure, its approach to fund-raising and investments, and the progress to date on these activities. It also discusses early perceptions of The Power of Nutrition's achievements as well as challenges and lessons learned from The Power of Nutrition's current model and approach. The report draws on data collected through a review of documents and rich qualitative information from interviews with key stakeholders involved with The Power of Nutrition since its inception.

The Power of Nutrition was created with the vision of being catalytic and spurring innovative financing for nutrition. It has a small executive (consisting of 16 staff) that seeks to raise new funds for nutrition from a largely untapped market of nontraditional donors for nutrition, including the private sector and individuals of high net worth. The Power of Nutrition matches these new funds using platform funding from its founding funders as well as other platform

funding it raises. These funds are used to co-finance investments made by The Power of Nutrition's implementing partners, the World Bank and UNICEF (and any future implementing partners), who bring extensive experience working with governments and nongovernmental programs and systems in eligible countries. The Power of Nutrition seeks to invest the funds raised in evidence-based nutrition interventions in 5 to 10 priority countries with a high burden of undernutrition.

Early achievements and challenges

Since its inception, The Power of Nutrition has made considerable progress with fund-raising and developing a pipeline of programs to invest in. Despite getting off to a slow start due to the time taken to set up its executive and the realities of what it takes to set up a new entity, The Power of Nutrition has raised \$23.4 million, nearly \$20 million of which it raised between January and September 2017. As of September 2017, The Power of Nutrition's board had approved three investments – in Tanzania, Liberia, and Ethiopia. The Power of Nutrition had also developed a strong pipeline of five potential investments to present to its board for review in late 2017 or 2018. These achievements are notable for a new and relatively unknown entity with no brand name, fund-raising track record, or program experience. All stakeholders we interviewed underscored the importance of The Power of Nutrition as an entity that has the power to transform the nutrition landscape. The Power of Nutrition is also starting to receive wider recognition, as acknowledged by its recent selection to the Bill & Melinda Gates Foundation's group of accelerators, "high-level partnerships that catalyze progress towards the Sustainable Development Goals through a combination of investment, expertise, and innovation."

Despite these early successes, there have been some challenges experienced so far, which stem from how the partnership was set up, changing expectations from the original plan or intent, and competing needs among the partnership's entities. Major organizational changes at CIFF, a key founding donor, led to many of the early architects of The Power of Nutrition from CIFF no longer

involved with this effort, resulting in little institutional memory of the original vision. Moreover, many of the original agreements with founding donors and implementing partners were made early in the process of setting up The Power of Nutrition as an entity, before there was a clear understanding of the details or the practical implications of these partnership agreements. The Power of Nutrition's operations have evolved as the organization has factored in the needs of donors when raising funds and the implications of working with implementing partners.

At the time of its creation, it was expected that The Power of Nutrition would primarily focus on fund-raising, while the implementing partners, selected for their technical expertise and country presence, would shape the investments. In reality, for a number of reasons, including donor needs and accountability, The Power of Nutrition has been much more hands on in shaping investments as well as having an ongoing engagement with the investments. Its greater involvement in shaping investments has led to long lags in getting from concept note inception to approval, and also put a burden on implementing partners' resources. Additionally, its ongoing engagement with investments also puts a burden on both The Power of Nutrition staff and implementing partners since The Power of Nutrition executive does not have a country presence and relies on implementing partners for its engagement in countries. Additionally, The Power of Nutrition requires implementing partners to commit to co-financing investments at the time of program development, prior to obtaining board approval for the program. This is required for The Power of Nutrition to guarantee leverage to its donors as it raises new funds; nonetheless, the sequencing can be challenging for an implementing partner such as UNICEF, which has to identify sources to guarantee co-financing. Finally, The Power of Nutrition also has to meet the needs and requirements of its donors, particularly founding donors such as CIFF that have made large investments in creating this partnership, and have expectations around wanting more innovative investments and to see quicker results, but that may be hard to implement given the structure of the overall partnership. These

challenges will be important to address to help The Power of Nutrition and this partnership realize its full potential.

Recommendations and next steps

Based on our analysis and findings described in greater detail in the report, we identify five areas that will be important for The Power of Nutrition's executive and its board to prioritize in the near term to ensure that the early success carries forward and picks up further momentum.

- **Provide guidance to implementing partners on key elements for concept note to help reduce timeline for approving investments.** The process for developing and approving investments is protracted, partly because it takes time to work with countries and develop programs, and because of a high level of engagement from The Power of Nutrition's executive when implementing partners are preparing the concept notes. While this has helped improve the rigor of the design descriptions and monitoring and evaluation systems, it has been time and resource intensive for the implementing partners. By providing clear guidance on the requirements upfront, The Power of Nutrition can reduce time between identifying and approving investments, so investments can get rolled out more quickly.
- **Improve flexibility around co-financing.** As of September 2017, The Power of Nutrition had more programs (including those in the pipeline) with the World Bank than with UNICEF, which may partly be driven by differences in the co-financing agreements with the two implementing partners. The World Bank uses International Development Association funds to co-finance investments, whereas UNICEF has to raise new funds for co-financing and commit to co-financing the investment before The Power of Nutrition gets board approval for the investment. The co-financing requirements are particularly challenging for UNICEF to meet and can restrict the number of investments and the size and scale of programs. This issue is likely to be relevant for future implementing partners of The Power of Nutrition. To help alleviate this challenge while ensuring that its investments are co-financed, it will be important for The Power of Nutrition's executive and its board to create some flexibility around the sequencing of co-financing commitments and investment approval as well as the sources of funding considered for co-financing.
- **Improve communication with implementing partners.** The Power of Nutrition relies on implementing partners to make investments and successfully deliver nutrition interventions in countries. However, given The Power of Nutrition's greater involvement in shaping investments and greater engagement at the country level than originally envisioned, it is important for The Power of Nutrition to improve and streamline communication with implementing partners to help reduce burden on implementing partner resources. The Power of Nutrition and implementing partners should discuss and identify clear communication protocols that align with their organizational structures and agree on best practices for The Power of Nutrition's country-level engagement.
- **Improve coordination between members of the partnership.** The Power of Nutrition is a partnership that includes diverse organizations with different approaches to development. On the one hand, The Power of Nutrition's donors, including founding donors such as CIFF, seek to drive innovation; they may be viewed as disruptive innovators wanting to see innovations in how things are done and to see larger and more ambitious results quickly, and are willing to invest in riskier programs. On the other hand, The Power of Nutrition's implementing partners have to work closely with country governments in the more tradition-steeped world of development, in which policy makers have to be accountable to taxpayers, and as a result, programs take more time to implement and results emerge slowly. It will be important for these partners, both donors and implementers, to understand the constraints each partner is facing, and meet to discuss their expectations, and create a common understanding of the types of country-level investment approaches

and strategies that should be prioritized by the partnership.

In the next phase of our evaluation, we will dive more deeply into understanding The Power of Nutrition’s investments through site visits and interviews with country stakeholders. We will also use the Lives Saved Tool (LiST) to make projections for the potential impact of The Power of Nutrition’s investments on stunting and mortality based on the intended reach and coverage of the programs. This will enable us to assess the plausibility of the

estimated program impacts and whether The Power of Nutrition is on course to meet its overall impact targets.

This report draws on information and materials as of September 30, 2017. There continue to be updates to The Power of Nutrition’s fund-raising and investments since this report was finalized. For more information on The Power of Nutrition’s fundraising and investments, please visit The Power of Nutrition’s website: www.powerofnutrition.org.