



Department for
Business, Energy
& Industrial Strategy

The Newton Fund

Operational Framework



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OGL

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Contents

Context	5
The Newton Fund	6
Introduction to the Newton Fund	6
The Newton Fund as part of the UK's Official Development Assistance (ODA)	7
Governance and Accountability	8
Assurance	9
Newton Fund Partnerships	10
The Partnership Model	10
Primary Objective	11
Supporting Wider UK Government Objectives	11
UK Delivery Partners	13
In-Country Teams (ICTs)	13
Approach to Partnerships and Country Selection	14
ODA Compliance	14
Country Strategies	15
Specific Strategy aims	16
Strategy Development Process	16
Strategy Governance, Review and Evaluation	16
Global Challenges and Regional Engagement	17
Matched Effort	17
Our Theory of Change	19
Approach to Monitoring, Evaluation and Learning (MEL)	22
Monitoring	22
Key Performance Indicators (KPIs)	22
Value for Money (VfM)	22
Country Strategies	23
Reporting requirements in Delivery Partner grant letters	23
ODA Reporting Transformation project	24
Evaluations	24
Learning	25
Learning with Newton Fund awardees	25
Capacity Development	26
The Newton Fund's commitment to gender equality, climate change, safeguarding and transparency	27

Gender Equality	27
Climate Change	27
Safeguarding	28
Transparency	28
Ensuring the impact and sustainability of activities	29
Newton Fund Impact Scheme	29
Newton Alumni Network	29
Newton Prize	30
Newton Fund and Global Challenges Research Fund Annual Report	30

Context

The Newton Fund Operational Framework sets out the fundamental policies and principles that underpin the Newton Fund. It defines the key aims and objectives of the Fund and describes how at Fund level, impact, sustainability and value for money are assured.

In this document, the core features of the Newton partnership model have been brought together in a single place to serve as a reference tool for Delivery Partners, and others working to collaborate under the Fund.

The Newton Fund is based on the principle of equitable partnerships with other countries. Whilst this document sets out the common themes, policies and guiding principles that define how the Newton Fund operates in each partner country; it does not detail the specific priorities for each individual country partnership. These are set out in the individual Country Strategies which have been jointly developed and agreed by the UK and partner country governments.

The Operational Framework is designed to support the individual Country Strategies by making clear the basic requirements and conditions for a partnership under the Newton Fund; it does not make reference to future spend or commitments either for individual countries or for the Fund as a whole. The high-level priorities and strategic direction for the Fund, along with commitments to future spend, will be set out in the overarching Newton Fund Strategy to be published in advance of the next Newton Fund period.

This document will be reviewed and updated periodically to reflect any changes to the policies, principles, or key features of the Fund.

The Newton Fund

Introduction to the Newton Fund

The Newton Fund is a £735m fund from the UK's Official Development Assistance (ODA)¹ budget which, through global research and innovation partnerships, is used to promote the economic, sustainable development and social welfare of partnering countries. It aims to strengthen research and innovation capacity in partner countries and unlock further funding through which the UK and partner countries can build strong and sustainable relationships.

The fund supports 17 partnerships between the UK and other countries, underpinned by government to government agreements. Newton Fund partner countries must be eligible to receive ODA. The current Newton Fund partner countries are: Brazil, Chile², China, Colombia, Egypt, India, Indonesia, Jordan, Kenya, Malaysia, Mexico, Peru, Philippines, South Africa, Thailand, Turkey, and Vietnam.

The Fund is managed by the UK government department for Business, Energy and Industrial Strategy (BEIS) and delivered through seven UK Delivery Partners in collaboration with in-country funding partners. Our Delivery Partners work with their counterparts in each partner country to codesign relevant programmes, such as calls for research to which UK and Newton Fund partner organisations submit proposals through a competitive and peer-reviewed process.

The primary objective of the Newton Fund is the economic, sustainable and social development of partner countries which is achieved through a bilateral partnership that centres research and innovation collaboration around that country's development needs and aims to strengthen their research and innovation capacity. Alongside this, the programmes we fund through the Newton Fund contribute to the continued strength of the UK's research and innovation system and support the UK's wider prosperity and global influence.

The Newton Fund plays a unique and important role in the UK's portfolio of research and innovation programmes for international development. The core role of the partner country in setting objectives and designing and delivering joint programmes is key to achieving impact that is focused on national developmental challenges and building capacity that has the greatest potential to address national and global development needs.

A distinctive feature of the Newton Fund is the requirement for matched effort from each of the partner countries, which usually equates to matched funding when differences in purchasing power and benefits-in-kind are considered. This model builds collaboration into the research from the very beginning and has transformed

¹ Further information on Official Development Assistance is on page 8 this document.

² Although Chile has graduated from the DAC list and is no longer eligible for ODA support, it remains a Newton partner country (unfunded) until the end of this Newton Fund period (2021).

the UK's relationships with partner countries, helping us to jointly accelerate the impact of our work.

The Newton Fund as part of the UK's Official Development Assistance (ODA)

ODA is funding provided by official agencies, including state and local governments, for countries on the OECD Development Assistance Committee (DAC) list. It is administered with the promotion of economic, sustainable development and welfare of developing countries as its main objective. The UK's ODA expenditure aims to create a safer and more prosperous world by supporting efforts to tackle the global challenges of our time – poverty and disease, mass migration, insecurity, conflict and climate change – all of which are in our national interests. It enables the UK to build and invest in collaborative partnerships to tackle these global challenges and help extend the UK's global influence.

The department for Business, Energy and Industrial Strategy (BEIS) has two complementary ODA funds specifically for research and innovation activities, the Newton Fund and Global Challenges Research Fund (GCRF).

As ODA funding streams, these Funds share the same primary objective: to promote economic, sustainable development and welfare of developing countries. Specifically, as research and innovation ODA, the Funds work to maximise the practical impact of research and innovation to improve the lives and opportunities of the global poor and strengthen the research and innovation capacity within developing countries.

They also share a secondary objective, which is to contribute to the continued strength of the UK's research and innovation base and its wider prosperity, security and global influence.

However, the way they achieve these shared objectives is different.

The Newton Fund supports **bilateral and regional research and innovation partnerships** between the UK and selected developing countries agreed at intergovernmental level. The aim of this is to build science and innovation capacity in developing countries and address specific global development challenges affecting the partner country. It is a requirement that UK investment is matched by effort (either financial or benefits-in-kind) from the partner country.

Newton Fund activities must demonstrate that they will contribute to a reduction in poverty, and aim to further sustainable development (development that is likely to generate lasting benefits for the population of the country to which it is provided) or improve the welfare of the population of Newton Fund countries. The objective is to reduce poverty by generating and putting into use knowledge and technology to address development challenges and advance development for the poorest people and countries.

The Global Challenges Research Fund is £1.5 billion (between 2016 and 2021) of research and innovation ODA that **provides dedicated funding to UK-led research focussed on addressing the global challenges** which most significantly impact upon developing countries. It achieves this by supporting challenge-led disciplinary and interdisciplinary research, strengthening capability for research and innovation within developing countries, and providing an agile response to emergencies, where there is an urgent research and on-the-ground need. GCRF works at the research base level and decisions on research priorities are made independently of BEIS, albeit with strategic oversight.

Newton Fund partnerships focus on lower and upper middle-income countries rather than low income and least developed. The GCRF complements this approach through also working with the least developed countries. This approach ensures that our collective research and innovation ODA spend reaches across the developing world for the benefit of all.

While the two funds have distinctive purposes and mechanisms, there are coordination and oversight mechanisms, and sharing of learning between the funds in part due to a shared governance and reporting structure that reports to a BEIS Ministerial ODA Board. In addition, BEIS is an active member of the Strategic Coherence of ODA-funded Research (SCOR) Board. This Board supports coherence across all government ODA-funded research programmes.

Taken together, the Newton Fund and the GCRF are part of a coherent UK research approach to help promote economic, sustainable development and social welfare in developing countries.

Governance and Accountability

BEIS has a robust, formal governance architecture for the Newton Fund, including ministerial oversight. This has been in place since the fund's inception but has evolved over time in response to the increased scale and complexity of the Fund, as well as lessons learnt from our own and other government ODA funds.

BEIS is fully accountable for the strategic direction and overarching delivery of the Newton Fund. Responsibility for project delivery is devolved to our Delivery Partners who are experts in their field and therefore best placed to ensure that activities remain at the very cutting edge of research and innovation and are able to deliver maximum benefit for the development of partner countries.

Both the Newton Fund and GCRF report to the BEIS Research and Innovation ODA Board, which is chaired by the Minister of Science. This Board has broad cross-department, sector expert, and independent advisory representation. A senior officials group known as the Portfolio and Operations Management Board (POMB) sits below the Ministerial board to steer the operational delivery of the funds.

In addition, working groups are established for specific strands of work to ensure advisory capacity during the development of policy and strategy.

Assurance

Operationally, BEIS Research and Innovation ODA funds are managed by the ODA Research Management Team (ODA RMT). Their role encompasses fund-level management, coordination of UK Delivery Partners, programme reporting, portfolio mapping, evaluation, impacts tracking and analysis, as well as communications and brand development.

Programme assurance for the Newton Fund is carried out by the ODA Programme Management Office (ODA PMO) who are responsible for the systematic review of and delivery of all ODA research and innovation assurance activities.

Assurance activities ensure that the governance, mechanisms and processes that underpin accountability for the Newton Fund remain fit for purpose. The reporting and assurance framework for Newton Fund Delivery Partners is set out in individual grant agreement letters between the Delivery Partner and BEIS.

These assurance activities ensure that best practice is being followed for governance, roles and responsibilities, ODA policy and operational management, programme and financial monitoring, reporting and risk management, as well as cross-fund issues such as compliance with ODA eligibility, fraud, gender, safeguarding and matching.

Specifically, on ODA eligibility, assurance activities to ensure ODA compliance are in place throughout the Newton Fund programme cycle, from budget allocation to programme reporting.

The diagram in Figure 1 below demonstrates the criteria of compliance assurances for ODA eligibility performed at multiple points during the programme cycle, as an end to end process.



Figure 1.

The mutual roles and responsibilities of BEIS and Delivery Partners are set out in grant letters, issued by BEIS to each individual Delivery Partner, to ensure compliance to programme policies and ODA eligibility.

Applications from Delivery Partners to BEIS in response to research calls are evaluated by BEIS and the ODA Research management Team (RMT). ODA eligibility is a fundamental prerequisite for grants to be awarded, and BEIS must be satisfied that Delivery Partners have provided sufficient assurance that the grant will be used for ODA eligible expenditure before any payments are made.

Delivery Partners are responsible for ensuring compliance to ODA requirements in programme design and during the lifetime of programme delivery. Programme reporting ensures compliance to ODA requirements.

Newton Fund Partnerships

The Partnership Model

The Newton Fund has a unique model, characterised by:

- Development of equitable research and innovation partnerships with selected middle-income countries.
- A strong focus on bilateral technical cooperation with development of government to government and funder to funder relationships and joint agreement of funding priorities.
- Requirement for matched effort from partner countries.

The Newton Fund activities focus on three areas of work, which can be cross-cutting in nature:

- People: improving research and innovation expertise (capacity strengthening), student and researcher fellowships, mobility schemes and joint centres.
- Research: research collaborations on development topics.
- Translation: innovation partnerships and challenge funds to develop innovative solutions on development topics.

The UK jointly develops a strategy with each Newton partner country setting out what development challenges the Newton Fund partnership will address and how they will be delivered. In each country, activities are chosen and developed in collaboration with local government and funders. This ensures the programmes offered meet local development priorities.

Partnerships are framed by an overarching government to government agreement and underpinned by memoranda of understandings (MoUs) which set high-level direction. They are complemented by close working between UK and in-country Delivery Partners to design programmes that meet specific development needs.

On the UK side, the Newton Fund is delivered by a total of seven individual Delivery Partners, chosen to represent the full range of UK research and innovation collaboration opportunities, from basic research to innovation and across all disciplines. There is no fixed set of in-country Delivery Partners. Instead, UK Delivery Partners working with the in-country government identify the most relevant counterparts on a programme-by-programme basis. These counterparts fund and deliver the partner country's part of the programme in partnership with UK Delivery Partners.

Each partnership is therefore unique, but each will include a mix of joint research and innovation programmes and capacity building programmes. The Newton Fund, named after the British scientist Isaac Newton, is co-branded with a national scientist

in twelve partner countries to illustrate the joint design and delivery model and therefore co-ownership of the Fund, for example the Newton-Bhabha Fund in India and the Newton-Caldas Fund in Colombia.

Any activity that a delivery partner supports through the Newton Fund must demonstrate the following:

- Eligibility for ODA.
- That they utilise an open and transparent process
- That the project addresses a strong development need and has a clear benefit in-country
- That the activity would not take place without the Newton Fund
- Matched funding and/or matched effort from the partnering country
- Scientific excellence and value for money

The nature of the Newton Fund partnership model is of bilateral technical assistance which allows the best researchers in the UK to collaborate with top researchers from our partner countries to work on their most pressing development challenges. This meets the OECD-DAC requirements³ for untied aid.

The government commitment to untying all UK aid ensures that aid is focused on the benefit of developing country partners, and not the needs of suppliers. Research and innovation challenges addressed by the Fund focus on the development priorities of our developing country partners and are co-funded by them.

Primary Objective

The primary objective of the Newton Fund is the social, economic and sustainable development of partner countries. This is achieved through bilateral and regional research and innovation partnerships that address the specific global development challenges identified by each partner country and strengthen their research and innovation capacity.

Supporting Wider UK Government Objectives

Whilst the primary aim of the Newton Fund is the promotion of social, economic and sustainable development of partner countries, the Newton Fund, and similarly GCRF, produce a wealth of wider benefits to support the work of government in the UK and internationally.

³ <https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/untied-aid.htm>

The mechanisms and structures employed to deliver the fund are shaped to maximise effectiveness in delivering on our primary aim, but it is the nature of the activities undertaken, and the way in which they are delivered, that generate these multiple additional benefits. Securing these benefits, however, does not actively direct priorities or detract from our focus on delivering our primary objective. The secondary benefits gained from our research and innovation ODA spend have:

- Established the UK as a global partner of choice: through the Newton Fund, we create and promote partnerships between governments, universities and researchers, guided by development impact and research excellence, helping to establish the UK as a global partner.
- Brought together talent: we connect researchers and entrepreneurs, support their professional development and the translation of their ideas into businesses and products, and build global research networks.
- Created a global hub for innovation: we support research and innovation hubs between the UK and partner organisations around the world for researchers and innovators to connect and tackle global development challenges.
- Established a global platform for the technologies of tomorrow: we form and strengthen industry-academia partnerships that bring forward emerging technologies and the business know-how to help them flourish.
- Created a partner for a sustainable future: we build and invest in collaborative partnerships to tackle the greatest global challenges.
- Positioned the UK as an advocate for better research governance, ethics and impact: we contribute to research and innovation infrastructure and capacity around the world based on research excellence in the UK.

We capture these wider benefits in our evaluations alongside the impact and benefits gained from work towards our primary objective in order to gain a comprehensive picture of the impact of the fund.

UK Delivery Partners

The Newton Fund is delivered by seven Delivery Partners. They use their proven domestic expertise to develop relationships with partner-country counterparts, co-designing and operating calls, allocating the funding they receive as part of the Newton Fund and sharing their expertise.

UK Delivery Partners work with their counterparts in each Newton partner country to issue calls for research proposals. UK Delivery Partners have been selected based on their capacity to meet the demands and priorities of partner countries, and their proven ability to deliver large scale research and innovation programs effectively. The selection process for existing Delivery Partners involved identifying key areas of demand amongst prospective partner countries and the exploration of the capacity of the UK research and innovation sector.

The extent of Delivery Partners previous international engagement varies across the Newton Fund countries, but all have been actively sought out by partner countries to build on existing collaboration, or to establish future collaboration. The seven Delivery Partners taken together represent a wide range of UK research and innovation collaboration opportunities, allowing partner countries access to excellence within all parts of the UK R&I ecosystem to help address their priorities.

The ability to bring together these existing UK partners of excellence with pre-existing mechanisms of delivering research and innovation to international development collaborations has offered considerable efficiencies to the administrative process, allowing a maximum amount of funding to be directed to beneficiaries.

BEIS may consider widening the Delivery Partner group but in doing so, would look to bodies that could fulfil these same criteria, supporting the already successful and efficient model while adding a further layer or area of expertise to the delivery of the Fund. Critically, additional UK Delivery Partners would also need to either be sought or welcomed by Newton Fund partner countries.

In-Country Teams (ICTs)

The Newton Fund's ICTs are teams embedded within our diplomatic posts overseas and operate the Newton Fund in-country on behalf of BEIS. ICTs hold a strategic position as the link between the UK and partner countries and their role in establishing relationships is key to the success of the partnership.

There are dedicated Newton Fund staff based in all active countries, and in some cases, there are representatives of UK Delivery Partners also based in-country who are able to liaise with local partners directly.

The ICT function is at the core of the Newton Fund cycle, from facilitating the development of Country Strategies to identification of opportunities, establishing connections, ensuring support from local funding partners and resolving challenges

around program delivery. Their role is vital in ensuring continued contact with beneficiaries to support long-term collaboration once the partnerships under Newton have officially ended.

Approach to Partnerships and Country Selection

Under the Newton Fund, countries enter into partnerships with the UK on the basis of several criteria. They must be on the OECD's DAC list of countries eligible for ODA and partnerships are typically with lower and upper middle-income countries, rather than low income and least developed.

In addition to being ODA recipients, countries need to demonstrate that they:

- have strong research and innovation (R&I) excellence
- have the opportunity and appetite for R&I engagement with the UK on areas that will help meet their development goals
- can meet the conditions for partnership through matching resource or effort.

ODA Compliance

Ensuring ODA compliance is of the highest importance to BEIS and its Delivery Partners. Delivery Partners must provide evidence at various stages in the programme life cycle that all funding reaches ODA eligible countries (those that appear on the OECD DAC list), and that the research activity is compliant with the ODA eligibility criteria.

ODA-compliant research activities must focus on outcomes that promote the long-term sustainable growth of ODA eligible-countries. Through the Newton Fund, they are delivered with the promotion of economic, sustainable development and social welfare of those countries as the main objective.

The OECD defines ODA compliant research activities as follows:

“Research includes financing by the official sector, whether in the donor country or elsewhere, of research into the problems of developing countries. This may be either (i) undertaken by an agency or institution whose main purpose is to promote the economic growth or welfare of developing countries, or (ii) commissioned or approved, and financed or part-financed, by an official body from a general purpose institution with the specific aim of promoting the economic growth or welfare of developing countries. Research undertaken as part of the formulation of aid programmes in central or local government departments or aid agencies is considered as an administrative cost.” (DAC Statistical Reporting Directives, <http://www.oecd.org/dac/stats/38429349.pdf> 51.iv)

The OECD further specifies the following in relation to ODA compliant research:

“Only research directly and primarily relevant to the problems of developing countries may be counted as ODA. This includes research into tropical diseases and developing crops designed for developing country conditions. The costs may still be counted as ODA if the research is carried out in a developed country.”
(<http://www.oecd.org/dac/stats/34086975.pdf>)

The fund can support research capacity building to address the development issues, for example, to increase the skills and knowledge base and support the development of the research capability within developing countries. Capacity building should be aimed at improving the ability to undertake and disseminate research in order to promote the welfare and economic, sustainable development of the developing countries.

Activities must be compliant with the following criteria:

The project or activity must address the economic, sustainable development and welfare of one or more LMICs (Low and Middle Income Country, as per the OECD DAC list)

- Primary Intention: The promotion of the economic, sustainable development and social welfare of the LMIC must be the primary purpose of the activity.
- ODA Eligible Country: The benefitting country/countries must be on the DAC list of ODA eligible countries and be the primary beneficiary of the funding
- Detailed Directives: for example, does the project include activities in areas where there are specific ODA criteria? Are there elements which may have an impact on ODA eligibility?

BEIS must be satisfied that the Delivery Partner has provided evidence to demonstrate that the grant will be used for ODA eligible expenditure throughout programme life cycles. Details of BEIS assurance activities to ensure compliance with ODA eligibility criteria throughout the Newton Fund programme cycle are detailed under the section titled “Assurance” in this document.

Country Strategies

Central to the design of the Newton Fund are partnerships with other countries and each partnership is defined by the specific development needs and capabilities of those countries. Partnerships are therefore unique and underpinned by bespoke strategies that are jointly developed, and that define the country’s priorities and how they are to be delivered.

Since the Fund was launched it has sought to meet the needs of partner countries through a combination of government to government engagement and memoranda of understanding (MoUs) to set high-level direction; and close working between UK

and in-country Delivery Partners to design programmes to meet specific development needs.

The individual Country Strategies provide a vital link between high-level agreement on direction and the programmes delivered. Each strategy will set out the key priorities that the UK and Newton partner country have mutually agreed, which in turn will inform the design and selection of programmes to fund.

Specific Strategy aims

Each strategy, and the development process, enables the UK and partner country governments to jointly identify and agree common key aims and priorities over a three or more year timeframe (or other period as appropriate), and provides the mechanism through which a joint review process (currently annually) can be conducted to reflect any key changes to priorities.

When complete, the strategies are used to guide Delivery Partners in planning programme proposals and inform governments in the selection and allocation of programme funding. The strategies will help to support thinking on cross-cutting activity, such as the potential for regional approaches or programmes, or common development needs across countries. They also help to inform wider stakeholder understanding of the Newton Fund and country activity.

While strategies set out priorities, they do not commit to fund programmes in all areas or prevent partnerships outside stated priorities.

Strategy Development Process

Each country strategy is developed through a structured process, which begins with identifying and agreeing joint priorities, which are at the heart of the strategy. This process involves firstly identifying individual stakeholders' priorities and interests (i.e. those of the UK government, the country government and UK delivery partners); secondly, analysing the overlap of interests – to identify initial common priorities; and thirdly, testing and agreeing those priorities with stakeholders. When the common priorities are known, the wider country strategy document can be completed, through defining key stakeholders, expectations of working together, governance and review.

The overall process is managed by BEIS who have a central role in identifying common priorities, finalising the strategies and securing final UK-to-Country government agreement.

Strategy Governance, Review and Evaluation

Ownership, final agreement, and subsequent annual reviews of each strategy rests jointly between the UK and the respective Newton Country government. Country Strategies are 'living documents' – they are updated and reviewed periodically to ensure they remain current and provide insight on both strategic direction and the selection of programmes.

Global Challenges and Regional Engagement

As the Newton Fund's global partnerships grow and evolve, so too can their potential impact. Where some partnerships deliver focused and strategic impact within national, or regional boundaries, others may have the potential to look more broadly and aim to deliver development impact globally as a primary objective.

Developing programmes to support wider global challenges allows us to leverage partner country strengths and talent, with our own, to deliver benefits which are translatable to other developing nations, while supporting our delivery against the sustainable development goals.

Though the Newton Fund consists of bilateral programmes, there are instances where it is mutually advantageous to consider other types of working, including multi-partner and regional working. This may be particularly relevant where we seek to address challenges which do not respect national borders, examples may include climatic events and infectious diseases.

These alternative approaches are underpinned by the priorities identified by participating partner countries in their country level strategies. Programmes of activities seek to deliver additional value to the research and innovation work undertaken, with the goal of achieving value beyond the sum of the parts. Examples of ways to deliver regional working may include, but are not limited to, multi-partner country research teams, or clusters of bilateral projects which are then brought together with post-project workshop and dissemination sessions.

Matched Effort

The requirement for Newton Fund partner countries to match the contributions they receive from the UK is central to the unique nature of the Fund's design. Partner countries and their funding agencies must be able to match (either by money, resources or effort) the UK's contribution. The "match" approach has become an important vehicle for developing a sense of co-ownership of the Fund and ensures that partnership and collaboration is built into the research from the very beginning.

The principle of match allows programmes to operate at greater scale, and with clear and strong commitment from partner countries at inter-government level. Evidence has shown that matched effort creates the conditions for additional resources that enlarges partnerships, but it is equally valuable in ensuring that the area of work being explored has the full commitment of partners. Partner commitment to certain areas of research and innovation is demonstrated and reinforced by their continuing allocation of resources to it.

The flexibility in how countries are able to meet the match requirements has been key to successfully implementing the Fund in those countries. For example, where countries have been committed to the partnership, but their funding structures, timelines, or other administrative barriers, or government changes has meant that providing a cash match was not possible, in-kind contributions have been considered

and have enabled partnerships to go ahead. Match can be money, resources such as facilities or equipment, effort (e.g. labour) or a combination of all three. It is important to note that matched resource on a non-cash basis does not mean it is less impactful, or demonstrative of a reduced level of engagement. On the contrary, in-kind contributions often far outweigh a cash amount provided, as seen for example in follow up training and mentorship.

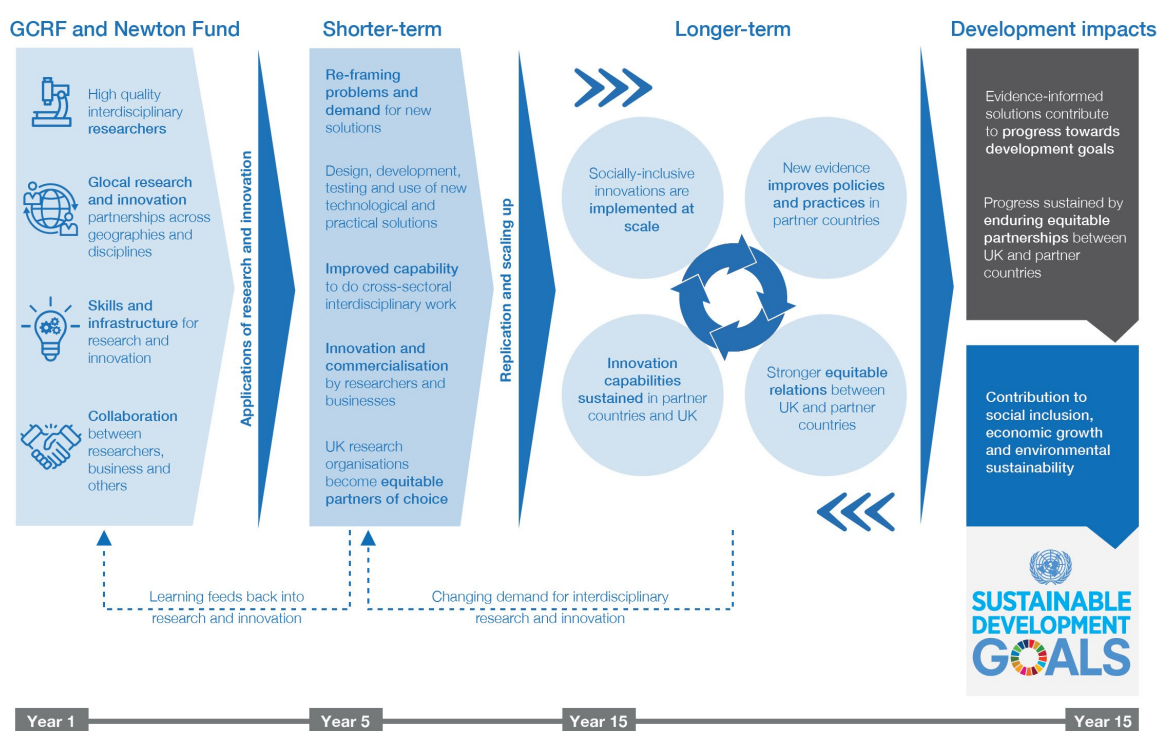
Matched effort within the Newton Fund is evaluated annually as part of the country strategy reviews.

Our Theory of Change

BEIS, working with the external evaluation contractors for both Funds, have developed a unified theory of change (ToC) which sets out how the overarching ODA funded international research and innovation activities are not only having a short-term impact, but are contributing to long-term sustainable development. The unified ToC, in Figure 2, will be updated in Autumn 2020.

It shows how the Newton Fund (along with the GCRF) support high quality interdisciplinary research and innovation, equitable research partnerships, enhanced capacities and stakeholder networks. These funds contribute through the better use of research and innovation to the overall goal of poverty reduction through promoting social inclusion, economic growth and environmental sustainability in partner countries. To measure this, evaluations and Key Performance Indicators are being conducted and delivered to track and review how programme activities have fed directly into development impacts outlined below.

Figure 2. Unified Theory of Change



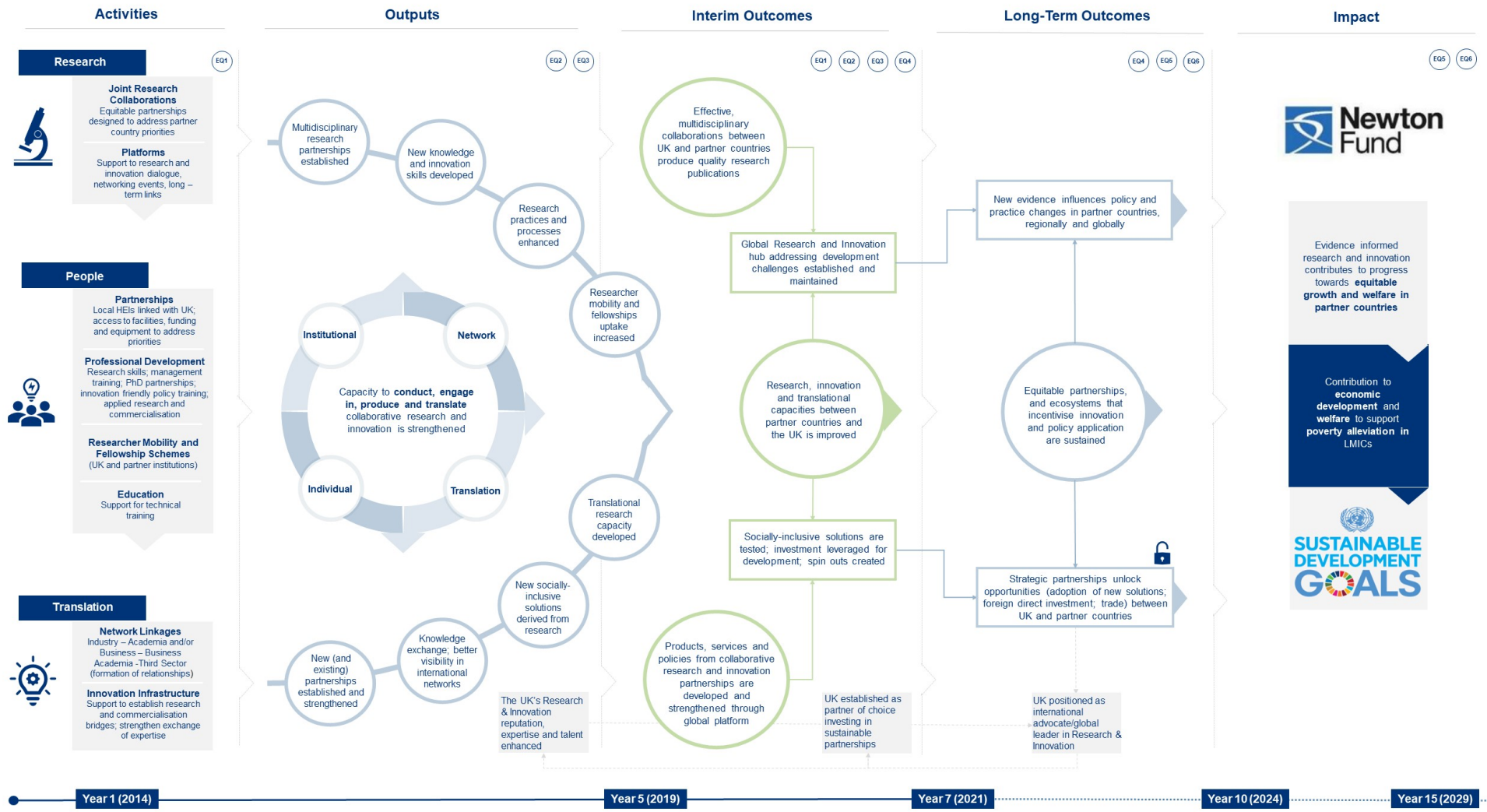
Alongside the unified ToC, the Newton Fund also has a more detailed ToC. In 2016, external evaluation contractors scoped out an initial ToC which set out the expected pathways to impact, and the underlying assumptions on which success is predicated.

In July 2020 the external evaluators updated the original ToC, this version is in Figure 3. Figure 3 explains the different logic, outputs, outcomes and impacts that the Fund is seeking to achieve under each of the Pillars of activities; people

(capacity building at individual level), research (addressing specific challenges faced in the partner country) and translation (ensuring research has a route to the policy arena or the market). These Pillars are not entirely separate but work simultaneously and synergies are expected between them.

The Newton Fund ToC is a live document, and a final version will be published in March 2021 at the end of the Newton Fund Final Evaluation. As the ToC is an evolving hypothesis of how and why change happens, the primary aim of the revision exercises is to ensure that it accurately reflects the changes made to the management of the Fund based on learning. The secondary aims are to simplify and streamline the ToC. The ToC is revised through collaborative and interactive workshops, with ICTs and Delivery Partners. The workshops ask stakeholders to consider if the overall goals and outcomes are still accurate, if they can identify any missing elements or assumptions and if the assumptions being made are valid. Due to the devolved delivery of the Fund, Delivery Partners and ICTs are best placed to provide these insights.

Figure 3. Newton Fund Theory of Change



Approach to Monitoring, Evaluation and Learning (MEL)

BEIS recognises that MEL is central to the development of both Funds and is committed to undertaking robust monitoring and evaluation of the Funds along with publishing all available data, MEL activities provide robust evidence on the effectiveness of the Fund's processes, outputs, outcomes and impacts. MEL also demonstrates whether the Funds are being delivered in a way that achieves Value for Money.

As outlined in the previous section, the Newton Fund Theory of Change (ToC) was developed in the early years of the Fund and provides an overarching frame for our MEL activities. BEIS uses a combination of in-house analysis and commissioning external MEL experts to deliver its MEL portfolio. This combination ensures that we have robust and rigorous MEL of the Newton Fund and that learning is captured to improve the Fund during its lifetime. As part of its devolved funding model, BEIS has a coordinated approach to MEL with Delivery Partners, with BEIS leading some activities and Delivery Partners leading others. Delivery Partners are an important stakeholder for the MEL activities. The MEL portfolio is accompanied by an extensive governance structure including three advisory groups.

Monitoring

Key Performance Indicators (KPIs)

BEIS have worked collaboratively with Delivery Partners to develop cross-Fund and Fund-specific KPIs to report on performance. They provide BEIS and stakeholders with important information on what is happening in the funds and their progress. To date, 22 fund-level indicators have been developed for the Newton Fund (18 of which also apply to the Global Challenges Research Fund to facilitate learning between the funds). The indicators range from operational through to long-term performance. These indicators provide information on important aspects of the Fund such as gender equality, co-design, equitable partnerships, capacity-building, and the outcomes of our research and innovation work. They also map on to the theory of change and will be able to show progress through it.

The indicators are designed to be used alongside other sources of information about the Funds, such as the independent evaluations. Three KPIs have been successfully piloted (intellectual property, fellowships and spinouts) and have been included in the 2018/19 annual report. BEIS will work with Delivery Partners to agree the implementation of the remaining KPIs by the end of 2020.

Value for Money (VfM)

Value for Money (VfM) is integral to MEL and Data strategies of both funds. Both BEIS (internally and in commissioning contractors) and Delivery Partners currently ensure that VfM is assessed at every stage and level of the funds from pre- to post-delivery. A VfM portfolio of work has been developed that is linked to the development and monitoring of the aforementioned KPIs and other monitoring and evaluation activities. The following approach provides an end-to-end assessment of VfM by using the vast array of data/information on the funds. This includes, amongst other things:

- Mining and making better use existing data and information to provide insight and areas for improvement in real time,
- Devising a strategy that gathers new data (project and higher levels) from Delivery Partners including bespoke surveys and interviews to further fill knowledge gaps;
- Periodically applying a rubric scoring system to this data that ties into the externally commissioned evaluations to allow for regular VfM assessment during delivery, and
- Conducting a final VfM assessment as part of the impact evaluation post-delivery.

BEIS is convening an Evaluation Advisory Group with membership which extends to experts in VfM, to advise on BEIS' approach. This group will report to the Portfolio and Operations Management Board (POMB)⁴.

Country Strategies

BEIS and Delivery Partners are developing Results and Learning Frameworks for the refreshed Country Strategies. These frameworks will allow the strategies to be regularly assessed for continued relevance, monitoring progress at the country-level against its strategy, and to support evaluation and learning between countries. Annual reviews will seek to ensure the strategies remain current and provide insight on both strategic direction and in the selection of programmes. It will also link with relevant reviews of individual programme delivery. The results frameworks will also allow for evaluations of the contribution of the Newton Fund in each country and VfM assessment to allow for monitoring and learning across partner countries. This will facilitate important learning at the fund-level and between countries. As the Country Strategy Refresh project is still in progress, the development of the results frameworks is also still in train.

Reporting requirements in Delivery Partner grant letters

BEIS allocates Newton Fund funding to Delivery Partners with a grant letter that sets out Delivery Partner obligations. BEIS have issued a grant variation to the current grant letter covering FY 2019/20. The variation includes changes to help strengthen the reporting requirements to enable BEIS to more effectively monitor the Newton Fund. Key changes include the addition of a risk register, safeguarding provisions, quarterly progress reports, programme completion reports. Amongst other things the reports will cover:

- an explanation of to what extent the programme purpose was achieved; and if not, the reasons why,
- evidence of progress against the programme objectives, including a summary of development benefits,
- confirmation that all agreed activities were completed, and if not, the reasons why,
- confirmation of actual versus planned spend and reasons for any significant variance,
- an explanation of any unplanned outcomes; and lessons learnt,
- and confirmation that activities were ODA compliant.

⁴ See section on Governance and Accountability for more detail on POMB.

Programme completion reports will provide assurance that individual programmes within the Newton Fund are achieving their objectives and the objectives of the fund. They will also allow for learning of what works for the Newton Fund and for other funds such as GCRF.

ODA Reporting Transformation project

In 2017, BEIS began a Data Reporting Transformation programme to enable more consistent collection of monitoring data, support more efficient portfolio management, and aid transparency. The project is currently in the Private Beta phase of development, having moved through Discovery and Alpha phases. In September 2019 a digital design agency, was contracted to work with the project team to deliver the data management solution known as RODA (Reporting ODA). The findings of this research are being used to inform the development of the Minimum Viable Product (MVP) which was tested with initial users in February 2020. Thereafter the MVP will undergo further testing before being rolled out to all users over the course of the year. This will also support the reporting of KPIs for the Fund. The project has an established Project Board who meet regularly to monitor progress.

Evaluations

External evaluations will allow BEIS to assess the effectiveness of its funds, provide evidence of VfM, feed into learning loops to improve the operation of the funds, and inform the design of and VfM case for future funds. At the fund-level, BEIS has commissioned large-scale external evaluations of the Newton Fund, which developed a Theory of Change and evaluation strategy, a baseline evaluation and mid-term evaluation⁵. These looked at the management of the fund and collected evidence of early impact and recommendations that BEIS and Delivery Partners are already implementing.

External evaluators are currently conducting an (endline) evaluation of the Newton Fund. This evaluation aims to establish whether the goal of the Newton Fund – to develop science and innovation partnerships that promote economic, sustainable development and welfare in partner countries – is being delivered; and whether it is being delivered in a way that represents value for money. It will also include, a thematic review of approach to gender, additional value-for-money assessment to support the wider VfM assessment of the Newton Fund, additional country research to ensure adequate coverage of new Newton Fund countries (Peru, Jordan and Kenya) that were included in the Fund after the baseline evaluation, in-depth review of research quality resulting from the Newton Fund approach and ongoing learning to allow for flexible and adaptive learning and dissemination activities throughout the life of the evaluation. Following the completion of the programme, the evaluation plan envisages an impact evaluation, to assess evidence of the impacts of the Newton Fund activities.

Delivery Partners support specific evaluations of their Newton Fund programmes. To note, the start of the GCRF mainstage evaluation will coincide with the final year of the Newton Fund evaluation. As a result of ICAI's recommendations, the evaluation strategy for the mainstage has been revised to now include additional modules on sharing ongoing lessons learned, a specific focus on a thematic review of gender across both funds, identification of practice from elsewhere to feed into the wider gender strategy, and an earlier and more resource intensive VfM assessment. One of the objectives of the ODA Evaluation Advisory Group will be to identify further areas for cross-fund learning, which will further enable methodologies and

⁵ Newton Fund evaluation publications can be found here: <https://www.newtonfund.ac.uk/about/newton-fund-evaluation/>

learning to be shared across both sets of evaluations. Coffey will also play a supporting role in the development of cross-fund KPIs.

Learning

Facilitating and strengthening learning is integral to Newton Fund. BEIS holds that learning should occur at all levels of the fund with all types of stakeholders, as well with the wider UK government and other international development funders.

The monitoring and evaluation activities detailed in this section all include dedicated learning components. In addition to this, BEIS, Delivery Partners and other stakeholders work closely together to regularly share learnings, best-practices and challenges. BEIS believes that learning with different stakeholders is crucial to the Newton Fund. In addition to the ODA Evaluation Advisory Group and the Delivery and Learning Forum, there are a number of groups that regularly meet to share learning, including:

- In-Country Teams teleconferences
- Delivery and Learning Groups with BEIS and Delivery Partners
- Bi-monthly meetings between the BEIS ODA R&I evaluation team and the BEIS ICF evaluation lead
- Strategic Coherence for ODA-funded Research (SCOR) Board and Officials Group, UK Collaborative on Development Research (UKCDR) and sub-groups (such as data mapping)
- Cross-departmental Evaluating ODA Community of Practice

BEIS held a Global Conference in February 2020 with the Newton Fund In-Country Teams (ICTs) and Delivery Partners. This provided a dedicated opportunity to share learning between ICTs, Delivery Partners and other stakeholders face-to-face.

Learning with Newton Fund awardees

There are also activities to facilitate learning between Newton Fund award holders, for example, the recent Met Office Weather and Climate Science for Service Partnership Programme's Workshop (23-24th September 2019) which brought together Newton Fund scientists from around the world to share best-practice and challenges.

Capacity Development

The Newton Fund, together with the GCRF, aims to increase the overall quality of research and innovation taking place around the world by supporting collaboration on important and pressing challenges that affect everyone, such as: climate change, public health, peace and security.

Research capacity strengthening (RCS) in our partner countries is a significant component of this work and is an important aspect of building equitable partnerships between the UK and countries and organisations around the world.

RCS activities enhance the ability and resources of individuals, institutions, and systems to undertake, communicate, and use high quality research efficiently, effectively, and sustainably. Capacity strengthening can be pursued through stand-alone activities delivered through dedicated programmes, or through embedded activities that take place as part of research grants, programmes, and consortia.

RCS activities are usually described with reference to one of three 'levels' of the research system within a given country or region. These levels are:

- **Individual:** activities designed to develop and enhance the ability of researchers themselves, individually or in teams, to design and conduct high quality research, write up and publish their findings in appropriate venues, and communicate effectively with research users.
- **Institutional:** activities designed to develop and enhance the capabilities of research organisations (e.g. universities, think tanks) to effectively fund, manage, and sustain their own research programmes. Interventions at this level are highly varied. For instance, they could focus on one or more aspects of an organisation or organisations such as research administration, financial management, pay and incentives, infrastructure, or mentoring and career progression structures.
- **Systems:** activities designed to change the 'rules of the game' by driving improvements in the wider national environment in which researchers and research organisations operate. These could include political and regulatory structures, good practice and ethics codes and behaviours, intellectual property regimes, or the research/policy interface.

RCS activities can have impacts at one or more of these levels. Newton Fund and GCRF programmes develop capacity across all three levels, strengthening research and innovation sectors in partner countries and the UK through collaboration and knowledge exchange and supporting the sustainability of funded programmes and partnerships.

The Newton Fund's commitment to gender equality, climate change, safeguarding and transparency

Gender Equality

BEIS and its Delivery Partners recognise the important role that research and innovation can play in supporting improved gender equality in partner countries.

Gender equality means that all genders should have equal rights and entitlements to human, social, economic and cultural development, and an equal voice in civil and political rights. However, equality does not mean that everyone has to be the same. People of different genders have the right to define for themselves the objectives of development and to seek outcomes which are not necessarily identical to those traditionally sought and enjoyed by men.

BEIS research and innovation spending through the Newton Fund is directly governed by the International Development Act 2002, and therefore all Newton projects must also be fully compliant with the International Development (Gender Equality) Act 2014. This act requires that development assistance must be “likely to contribute to reducing poverty in a way which is likely to contribute to reducing inequality between persons of different gender”.

In practice this means that it is mandatory for all applications to Newton Fund calls to include a Gender Equality Statement that outlines how applicants have taken “meaningful yet proportionate consideration as to how the project will contribute to reducing gender inequalities” as required by the Act. These statements must show that the applicants have proportionately and meaningfully considered how their project is likely to reduce inequalities between persons of different gender throughout the design of the project, implementation of the project and impact. They must acknowledge where there is potential for direct or indirect impact on people of different genders as a result of their project, should it be funded.

Beyond legal compliance, BEIS wants to ensure that through our research and innovation ODA funding, inequality is not perpetuated; that the different rights and needs of all genders are recognised and addressed; and that people of all genders share the benefits of research and innovation projects.

A comprehensive strategy setting out how the department will support gender equality through ODA funded research and innovation is currently being developed and will be published towards the end of 2020.

Climate Change

The government committed through the July 2019 Green Finance Strategy to ensure that all ODA spending aligns with the commitments within the Paris Agreement. Aligning the UK's ODA with the Paris Agreement demonstrates the government's commitment to leading by example by integrating climate and environmental factors into financial decision making in the public sector.

We have embodied this commitment within the Newton Fund by identifying opportunities to work with partner countries to enhance and embed clean growth and climate resilience as part of our collaborative programming, and complementing what is included in partner countries' Nationally Determined Contributions and Adaptation Plans to help meet the long-term goals of the Paris Agreement.

Safeguarding

BEIS, along with HMG partners, is determined to tackle the issue of sexual exploitation, abuse and sexual harassment to ensure that recipients of the Newton Fund, and those working for our delivery and multilateral partners, are protected from harm.

DFID hosted a summit in London in October 2018, where UK Newton funders issued a joint statement affirming their commitment to safeguarding. A cross-department coordination group has been working to ensure we take a consistent approach and learn from DFID's best practice.

We continue to work jointly with other government funders of research and innovation ODA to build in stronger assurance processes into our programmes that meet the developing models of best practice. BEIS is also working closely with Delivery Partners to monitor progress and take internal measures so that donor commitments are actioned, for example, ensuring that we have a strong commitment to gender equality, diversity and inclusion.

The UK Collaborative on Development Research cross-department Safeguarding Group allows us to develop and deliver best practice on safeguarding in delivering Newton funding. Working jointly with other government funders of research and innovation ODA to seek assurances from and continue to work closely with Delivery Partners to monitor progress.

Transparency

The 2015 UK Aid Strategy outlined the UK government's commitment to improve the transparency of its ODA spending, by enhancing the quality and quantity of data published to the International Aid Transparency Initiative (IATI) standard. This requires BEIS and all ODA spending government departments to regularly publish their ODA activities, including finances and project level information, in an IATI compliant format.

As a measure of this commitment, the 2015 UK Aid Strategy aimed for all UK ODA spending government departments, within the next five years, to be ranked as 'Good' or 'Very Good' in the Aid Transparency Index, an independent measure of aid transparency developed by Publish What You Fund (PWYF) that uses IATI published data. In 2019, PWYF were commissioned to carry out an assessment of all ODA spending government departments progress in achieving a 'Good' or 'Very Good' ranking.

BEIS met the criteria of the assessment scoring well within the 'Good' category and will continue to publish IATI data on all BEIS ODA activities, including those it funds through the Newton Fund. As well as maintaining regularly publishing, BEIS will continue to look to make improvements in its published data and to work with other government departments to enhance the overall transparency and traceability of the UK government's ODA spend.

Ensuring the impact and sustainability of activities

Newton Fund Impact Scheme

The Newton Fund Impact Scheme (NFIS) provides funding for current and previous funded Newton Fund grant holders aiming to maximise the impact from Newton Funded activities.

It is delivered by the British Council in partnership with UK Research and Innovation (UKRI) on behalf of all Newton Fund Delivery Partners. This is the first dedicated Impact Scheme delivered under the Newton Fund. The program is being delivered in several phases with phase 1 countries being Malaysia, Mexico, Brazil, Kenya.

The collaboration between UK and partner countries can build upon the original partnership or form a new partnership. Grants will not be provided to support the continuation of existing activities and proposals must consist of new ODA-eligible activities which broaden or extend the impact of previous work into other areas or stimulate new routes to impact.

The grants will provide funding targeting the following key areas:

- Initiating or increasing policy impacts or user engagement, for example by translating existing research or research outcomes into policy impacts, increasing engagement with the end-users of research/communities directly affected by the research outputs, introducing measures to overcome identified barriers to impact or extending engagement into new user communities.
- Initiating or increasing engagement with organisations that will deliver or help to maximise the impact of research, such as (e.g. businesses, start-ups, NGOs or charities). This may involve moving research outcomes further along the translation pipeline or extending the outcomes into the commercial sector.

Newton Alumni Network

The Newton Fund builds deep partnerships between the UK and emerging countries, supporting excellent research and innovation with a clear impact on social development and economic growth. Capacity strengthening is an important direct and indirect pathway to impact. Many Fund activities specifically focus on strengthening the capacity of researchers and innovators in partner countries. Even when this is not the primary focus of the programme, there are often significant indirect capacity strengthening outcomes for researchers and innovators through partnership on excellent projects with their UK peers and capacity strengthening activities embedded within programmes and consortia.

These benefits do not end with the improved skills and knowledge of the individual. Many alumni have gone on to act as influencers and enablers, drawing upon their experiences to upskill the next generation and facilitate mindset change within research, business and policy communities, thereby strengthening capacity across the wider research environment. We envisage many alumni moving into leadership positions and becoming long-time advocates for research and innovation for development, and for sustained research links with the UK.

In order to capture these impacts and extend their reach, Delivery Partners and in-country teams have evolved a suite of formal and informal networking and alumni activities, including events, virtual communities and platforms. These have become an integral element of Newton Fund activities on the ground, facilitated the sharing and dissemination of learning, generated new connections among alumni, and increased awareness of the Fund's impact to in-country stakeholders.

Newton Prize

The Newton Prize celebrates outstanding international research partnerships between the UK and Newton countries, enabling international research partners to continue working together to address some of the world's most pressing health and development issues such as malaria, antimicrobial resistance and climate change.

Open to existing or past Newton Fund grantees, the annual £1 million prize fund is divided between winning projects from eligible countries.

All projects align with the Newton Fund's overall objectives: contributing to poverty reduction, economic, sustainable development and improving the welfare of the population of Newton Fund countries. The Newton Prize is currently administered by the United Nations Educational, Scientific and Cultural Organization (UNESCO) on behalf of BEIS.

The independent Newton Prize judging committee is made up of experts from the UK and relevant countries. They review the shortlisted applications, along with feedback from expert peer reviewers, and select the winners. The current chair of the Newton Prize is Professor Alice Gast, president of Imperial College London.

Newton Prize funding has so far been awarded to projects in the following countries:

2017 – India, Malaysia, Thailand, Vietnam

2018 – Brazil, Chile, Colombia, Mexico

2019 – China, Indonesia, the Philippines

2020 – Egypt, Jordan, Kenya, South Africa and Turkey

Newton Fund and Global Challenges Research Fund Annual Report

The Newton Fund and Global Challenges Research Fund (GCRF) are two complementary ODA funds that share the same primary objective: to promote economic, sustainable development and welfare of developing countries through sustainable and equitable partnerships.

The 2017-18 annual report sets out how the funds deliver this objective as well as contributing to wider government goals. It explains how they are already having an impact and transforming lives and how we continue to develop and improve the funds, from increasing strategic coordination through to better monitoring and evaluation.

The report shines a spotlight on how Newton Fund and GCRF are working with partner countries to strengthen the capacity of individuals and institutions, both abroad and here in the UK, so that research and innovation for sustainable development can thrive.

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