INNOVATIONS FOR POVERTY ACTION | Financial Inclusion Program

Consumer Protection Research Initiative: 2022 Application Instructions

The Consumer Protection Research Fund is open to all academic researchers and accepts proposals for randomized evaluations of consumer protection in digital financial services in lower and lower-middle-income countries in sub-Saharan Africa and Asia. Applicants are invited to consult the accompanying **Request for Proposals Overview** document to better understand the policy motivation and research questions acceptable for consideration under this scheme.

I. Preparing your proposal:

Each application should consist of a narrative proposal and a budget. The proposal covers the following sections. Please refer to the attached budgeting guidelines to prepare your budget.

Cover page: Provide a brief abstract of the proposal being submitted.

Section 1: **Research Team**

List all researchers engaged in the project. Primary researchers must be affiliated with a research institution or a university. They must either hold a PhD or be a current PhD candidate in a relevant social science or engineering discipline such as economics, statistics, sociology, anthropology, psychology, public health, education, or computer science. They must demonstrate experience in field research. The primary researcher should not be affiliated with the practitioner organization implementing the program. Note that only the primary researcher field is mandatory; all co-researcher fields should be filled out only if applicable.

Provide contact information for the practitioner organization that is implementing the intervention or program that you propose to evaluate. A practitioner organization is typically a financial service provider, a regulator, or a provider of related training or services. Please note that the practitioner organization cannot be the same as the research implementation organization (Section 5). In Section 6, you will be asked to attach a signed letter of support from this organization confirming its role as your practitioner partner. Please make sure that the partner organization has read and understood the research proposal in detail and is copied in the email submission.

For projects being implemented through an institution that is not an IPA country office, at least one Primary Researcher should be from an institution that is able and willing to accept the administration of this award.

Section 2: Research Narrative | The research narrative is the core of your proposal. Please submit a detailed exposition on the proposed research project. The recommended length of the narrative is 5-6 pages for the ten sections listed below:

2.1 **Context and target problem**: Please describe the market and policy context that motivates this research. What is the target problem? What is the current state of knowledge in addressing the target problem? Please provide adequate references to prior academic work on this topic.

2.2 **Research questions and academic contribution:** Describe your research question(s) and study hypotheses. How will this study provide original insights on the target problem? How will this study contribute to the existing literature? Which specific mechanisms/barriers will the study test, and why are they relevant to the given context?

2.3 **Relevance of research to consumer protection policy in project country and potential for policymaker engagement with research findings:** Some of the main stakeholders in consumer protection are policymakers, such as regulators, consumer protection agencies and ministries. Please describe how your findings will be relevant to the interests of these policymakers and how you plan to engage them with the research findings.

2.4 **Proposed intervention, target population, and theory of change:** Provide details on the intervention/treatment proposed and the target population. Please describe the theory of change that links the intervention/program with the anticipated outcomes in the target population. Why might we expect this intervention to be effective in addressing the target problem? Provide detailed information about the proposed intervention, including information in support of program feasibility; risks to the successful and timely roll-out of the program at scale; and data on uptake and usage from any ongoing or completed pilots. If a pilot has not been conducted yet, provide information on the timeline for any future piloting or why a pilot is not necessary.

2.5 **Study location and partner organization:** Describe the study location and the partner organization(s) carrying out the intervention. What is the status of your relationship with the partner organization(s)? Has the research team already agreed on roles and responsibilities to ensure proper adherence to research design?

2.6 **Study design and research methodology:** Provide a detailed description of your study design **(please include a table or chart)**. Provide details on your sampling frame, unit of randomization, and randomization strategy. **Please include power calculations and the expected effect sizes to show how your study will have sufficient power to reliably detect the expected change in outcomes.**

2.7 **Data collection and analysis:** Specify target outcomes, data collection, and data analysis plans clearly. For example, if applicable, indicate how you plan to use administrative data from the practitioner organization alongside surveys and interviews.

2.8 **Threats to validity:** Briefly present the potential biases and threats to the internal validity of your study. How do you expect to limit such risks or correct for them?

2.9 **Study implementation and project timeline:** Detail the activities that you will carry out in your study, including the roll-out of the intervention and your data collection procedures. You should include a table that lists the timeline for the major activities involved in the project. Please also describe the roles and responsibilities of the members of the research team.

2.10 **Plans for results dissemination, opportunities for replication or scale-up**: Briefly describe how you intend to disseminate the results from your study, including in partnership with IPA's

Consumer Protection Research Initiative. If appropriate, describe the scope for the study to be replicated in other contexts or for the intervention to be scaled up if the present study demonstrates significant impacts from the intervention.

2.11 **Cost-effectiveness analysis:** Please describe whether it is suitable for your project to include a cost-effectiveness analysis.

Section 3. Project Milestones

In this section, please insert each key milestone of the project and provide its target start and end date. Most projects will list 8-12 milestones. You may add or remove lines as needed from the table provided in the form. Examples of milestones include 'Baseline Survey Design,' 'Baseline Survey Implementation,' 'Baseline Data Analysis,' and so on. Remember to include milestones relevant to each stage of your project, including the baseline survey, treatment and implementation activities, the endline survey, and publication and dissemination.

Section 4. Budget Narrative

Please include a short (up to one page) narrative that discusses your budget estimates and assumptions in detail. If partnering with an IPA country office for research implementation, please work closely with the country office management team, who will create an initial project budget based on the scope of project activities.

For proposals requesting partial or top-up funding, please list the other funding sources and corresponding amounts. Please discuss the reasons for partial or top-up funding requests and discuss in detail the specific components of the study for which you are seeking funding from the Consumer Protection Research Fund.

All funding is for research costs. Implementation costs for the program are expected to be covered by other sources. Any exceptions should be adequately justified in the budget narrative and will be considered on a case-by-case basis by the selection committee. No funding will be provided for the salary or time of the primary researchers. In certain cases, adequately motivated funding for the salaries and/or time of researchers in developing countries may be considered on a case-by-case basis by the selection committee. Refer to Appendix A: Budgeting Guidelines for detailed budget guidelines and recommendations.

Section 5. Research Implementing Organization

Projects are encouraged to partner with the local IPA Country Office, as these offices have the experience and long-term presence to ensure that projects meet excellent research quality standards, maintain strong partner relationships, and that the study is well integrated with the work of the Consumer Protection Research Initiative and IPA, as a whole. Where applicable, please contact the relevant Country Representative (see "Country Leadership" list) as well as Rafe Mazer (Project Director, Consumer Protection) as soon as possible to discuss and prepare your proposal.

Section 6. Proposal Checklist & Attachments

Budget: Please use the attached Excel file, CP Budget ResLastName PracOrg Country 2022 to detail project costs. Refer to **Appendix A: Budgeting Guidelines** when preparing your budget.

Letter of Support from the Practitioner Organization: Please attach a signed letter of support from the financial service provider or other partner organization(s) (i.e., the organization(s) implementing the intervention being evaluated) that confirms their participation in the proposed study and contains their endorsement of your research plan.

II. Submitting your proposal:

Please submit your proposal to financialinclusion@poverty-action.org

The subject line of your email should read: "CP Proposal 2022 [ResLastName] [PracOrg] [Country]"

III. Evaluation Criteria

Proposals will be evaluated based on the following criteria:

Relevance to financial consumer protection and contribution to the field	• Does the study address the Consumer Protection Research Initiative's research priorities? Will results from the intervention have generalizable implications? • Does this study make a new contribution to consumer protection policy and practice? • Does this research address consumer protection issues faced by base-of-pyramid consumers? Special consideration will be given to studies with a focus on women and other vulnerable groups.
Technical design	• Does the research design appropriately answer the questions outlined in the proposal? Are there threats that could compromise the validity of results? If so, does the proposal sufficiently address those threats? What changes could the researchers make to improve the design? Are there sufficiently detailed power calculations?
Project viability	• Is the relationship with the implementing partner strong and likely to endure through the entire study? What is the credibility and policy influence of the implementing partner? Are there any logistical or political obstacles that might threaten the completion of the study, for example, government authorization or Human Subjects review? For pilots, do researchers describe how piloting activities would inform a full-scale randomized evaluation? Does the research team have a track record of implementing successful projects like the one being proposed?
Academic contribution	• Does this study make a significant contribution toward advancing knowledge in the field? Does it answer new questions or introduce novel methods, measures, or interventions? Is there academic relevance? How does the study compare with the existing body of research? Does the research strategy provide a bridge between a practical experiment and underlying economic theories?
Value for money	• Is the cost of the study commensurate with the value of expected contributions to science and policy? Does the study leverage funding from other sources?

Appendix A: Budgeting Guidelines

Please use the Excel file titled "CP Budget ResLastName PracOrg Country 2022" to present your proposed budget. Do not add or delete any columns. Provide a description (if not clear from the item name) and an annual spending estimate for each item. As noted on the budget template, the proposed budget should include an estimate of the total project budget with the amount requested from the FIP grant separately detailed. Please also be sure to discuss whether other funding for this project has already been secured and explicitly mark what this funding will cover. Please prepare the budget and timeline of activities jointly with your implementing partner organizations and the appropriate IPA country office, if working with IPA.

BUDGETING GUIDELINES

These guidelines are to help ensure that proposal budgets include all relevant project costs. The list includes items that tend to be forgotten or underestimated, but it is by no means exhaustive. Please note that these guidelines primarily apply to full-scale randomized controlled trials that are run through IPA Country Offices. They can also be useful for creating a budget for projects not managed through IPA, but not all items outlined in these guidelines will apply to such projects.

1. Project Management

- **Staff time**: The total amount of staff time required to implement a project tends to be commonly underestimated. IPA projects generally have at least one Research Associate (RA) or Research Coordinator (RC) per project throughout the period of the project. In addition, keep in mind that you may need to hire short-term staff for crunch periods during survey implementation, or have a staff contingency (for example, have someone quit in the middle of the project, or need extra training). Also be sure to take into account whether you are hiring at the RA or RC level (RC level is more experienced and requires a Master's degree, but has a higher salary). Keeping in mind these common occurrences, it is a good idea to be generous in budgeting for staff time costs. For IPA studies, the IPA Country Office will also include management staff salaries (Country Director, Deputy Country Director, and Research Manager) as part of the budget.

- **Fringe (Benefits and medical expenses):** For IPA-run projects, you should budget the most recent fringe rate determined by the IPA Finance Department for each RA/RC. Vaccinations and relevant out-of-pocket medical expenses should also be budgeted for separately. Additionally, for IPA-run projects, please budget a 3% increase in personnel costs each year to take into account salary increases.

- **Researcher time and benefits**: No funding will be provided for the salary or time of primary researchers. In certain cases, adequately motivated funding for the salaries and/or time of researchers based in developing countries may be considered on a case-by-case basis by the selection committee.

- **Training for personnel**: Be sure to budget enough time and funding to provide training to staff. If you are planning to conduct this study with a third-party implementing partner, we require that any staff you hire for longer than six months participate in IPA's one-week training course. If you are planning to conduct this study with IPA as the implementing partner, keep in mind that the training course is mandatory for all new IPA research associates and research coordinators. You should budget to pay the per-employee rate of $2000, plus the cost of travel to and from the training site.

- **Data Publication**: IPA will require and support grant recipients to publish all project datasets within three years of completing the final round of data collection. More information about IPA's data publication guidelines is available here. The costs associated with preparing datasets for publication should be included in the individual project's budget as part of Data Analysis expenses. However, costs associated with storage and technical support from the IPA Research Transparency Team will be covered by the IPA outside of the project budget.

- **Other**: Do not forget costs of visas when budgeting for international travel.

2. Data Collection
SURVEY COSTS

- **Survey team:** Make sure to include surveyor salaries and allowances for all survey rounds. For example, make sure to anticipate whether you will need to do a census/household listing from which your sample will be drawn.
- **Training costs:** You should budget for a few extra days of staff salary to train the surveying team and other in-country staff, as well as costs for the training facility, catering, materials, and/or trainers.
- **Survey Team Transportation:** Depending on the logistics and location of survey sites, you have to decide if you will provide staff with travelling allowances or organize transport for them. In case you have to organize transport, take into account that based on where your survey sites are, the distance that will be travelled could vary during your survey. We encourage the use of the safest possible form of transportation.
- **PI/RA/RC Transportation costs**: Please budget for transportation and travel to the survey sites within the country where the project is taking place, for the purposes of data collection, treatment monitoring, etc. You should budget for costs for both the PI and/or the RA/RC. In some circumstances you may decide to use a car, in which case do not forget to factor in the cost of gas.
- **Buffer days**: When you budget for a survey, make sure you include buffer days, as experience shows that it is likely that your survey will go on longer than originally planned. We recommend that you include buffer days, amounting to 10% to 15% of the total expected length of the survey, for surveyors' salaries and allowances.
- **Translation:** If your survey will not be in English, make sure to include costs of both translation and back translation (which will be probably as high as translation).
- **Quality monitoring**: Make sure to include costs of monitoring your data: back-checks (audits), spot checks, and scrutinizing questionnaires (on the field and in office). For example, it is useful to budget for at least one office scrutinizer (or editor) – to ensure that all surveys are entirely scrutinized again in office before they go for data entry. If you don't have time or enough information to budget precisely for monitoring, budget something like 8% to 10% of your survey costs (on the higher side if your sample size is small).
- **Tracking costs:** In addition to those adjustments, add respondent tracking costs, as it may be more difficult to find respondents in follow-up surveys than during the baseline. Depending on the context, add 5% to 30% of survey costs for respondent tracking.
- **Others:** Any other costs for completing the surveying, including cost of respondents' compensation (if necessary), equipment for surveyors (e.g. helmets, pens), etc.

DATA ENTRY

- If collecting data via paper surveys, you should decide whether to do in-house data entry or outsource your data entry. In the case of in-house data entry, you should account for equipment (in the equipment section), maintenance of equipment, staff time spent managing data entry operators, wages and benefits for in-house data entry staff, and rent for the space where the data entry will happen. If these costs seem too high, you may choose to outsource, in which case you should budget for either a local data entry company or an online option. Make sure to include taxes in the cost of outsourced data entry.
- **Double-blind entry and reconciliation:** To ensure accurate data entry of paper surveys, all surveys should be entered twice by two different people and then reconciled in order to catch any discrepancies. Make sure to account for this in the data entry costs.
- **Error rate checking**: Make sure that you budget for doing data entry error rate checking on a sub- sample of surveys. A quick estimate is to add 5% of data entry costs.
- **Treatment monitoring:** Make sure that you anticipate any data collection costs associated with treatment monitoring. Treatment monitoring is very important and consists of checking whether both treatment and control groups complied with the random assignment. You may need to collect quick data to do that. Make sure you include it in the budget.
- **Equipment and equipment shipping:** If you plan to use equipment (such as GPS devices), make sure that you budget for the appropriate costs and also for shipping the equipment (including customs taxes etc.).
- **Unforeseen costs:** It is useful to budget for unforeseen costs, in case any aspect of data collection turns out to be more expensive or takes longer than expected. Include up to 5% of all data collection costs here.

3. Intervention Implementation Costs

All funding is for research costs. Implementation costs for the intervention are expected to be covered by the financial service provider partner or from other sources, except when adequate justification is provided for their inclusion in the research project’s costs as part of the budget narrative. Fully justified implementation costs will be considered on a case-by-case basis. No funding will be provided for the salary, or time, of the practitioner partner.

4. Technology/Equipment/Communications

- **Equipment:** Each RA/RC on the project should have a computer with statistical software licenses. These are required for IPA-run research projects for which a RA/RC is hired. Some projects elect to use tablets or smart phones to input survey answers instead of paper surveys. You should budget for the number of tablets or smart phones you will need, as well as the software costs for using them, maintenance, cases, spare devices, etc. If you are buying a printer or a scanner for the project, that cost should also be entered here.
- **Equipment shipping:** If you plan to get equipment from outside the study country, make sure to include in your budget the costs of shipping and customs fees.
- **Data entry software costs:** Don’t forget the cost of developing the data entry software. The software development process is similar whether you are doing data entry in-house or outsourcing data entry. The vast majority of data entry problems can be mitigated through effective software design, so it is worth spending time focusing on software development.
- **Data storage:** You should budget for off-line hard drives to back up your data.
- **Communications:** You should budget for air time minutes for the RA, RC (if you are hiring one), and one or more of the surveyors.
- **Other costs:** Any other communications or equipment costs should be entered here.

5. Other Costs

Inflation and exchange rate: You may want to budget for yearly inflation and changes in exchange rate over the period of the project. Inflation should be estimated with a 12 month or 5-year average, depending on the stability of the country.

6. Indirect Cost Rates

Please note that support from the Consumer Protection Team and assistance from IPA headquarters have already been accounted for in the prime award. Projects implemented through an IPA country office should include an Indirect Cost Rate at 15% (overhead rate on the prime award).

Projects implemented through an institution that is not an IPA country office must also observe an Indirect Cost Rate cap of 15%.