

ANCP Annual Reflections Workshops, 1-2 September 2015

Outcomes Document

The purpose of the ANCP Reflections Workshop was to reflect on DFAT and Australian NGOs' (ANGOs) work this past year mainly through discussion of the ODE evaluation recommendations and DFAT's management response. The workshop provided the opportunity to discuss in detail DFAT documents: the ANCP Theory of Change, Performance Assessment Framework and Funding Principles; and share plans over the next 12 months.

Theory of Change

DFAT and NGOs undertook a Theory of Change (ToC) process to articulate a set of program objectives for the ANCP. Starting one year ago, consultations on the ToC included meetings with the NGO sector, commenting on draft documents, and an internal DFAT peer review. After a few months' pause to allow for the ODE evaluation to complete, the reflections workshop provided an opportunity to resume discussion to finalise this piece of work.

The revised ToC document has been reduced in length to make it clearer and tighter. The essence of the consultations and the strengths of the program have been maintained, while keeping the detail to a page for use as an internal advocacy tool.

Feedback

The new goal statement for the ANCP is: *Through accredited Australian NGOs, improve the living standards and well-being of individuals and communities in developing countries.*

The program outcomes are: *effective and value for money programming; ANGOs draw on funding and expertise from a range of sources; and effective engagement with in-country partners.*

Participants noted that while the goal is plain-speaking, is the target clear? Do we need to specify 'poor' people? Is the use of 'developing countries' antiquated? Do we need to specify local partners as well?

Participants commented that the outcome statements appear to measure the mechanism, not the goal. Inserting an additional layer of longer-term outcomes could explain the approaches/contributions which enable change to reach the goal. Some argued there should be emphasis on 'civil society', 'Australian community', 'partnership', 'diversity' and 'comparative advantage of ANGOs'.

There was the suggestion that it may be too difficult to do a ToC for the overall program and instead the document could be re-badged as a 'Program Logic'. There was also the comment that the document is workable, broad enough and does not require additional reporting by ANGOs.

Performance Assessment Framework

The ToC informs the development of tools for DFAT to assess program performance. DFAT drafted a Performance Assessment Framework (PAF) to measure ANCP's overall program results and outcomes. Underlying the ToC and PAF is the commitment to continuous improvement, noting that it takes time to achieve outcomes and the operating context is not linear. DFAT will draw on a number of inputs to complete the PAF: accreditation, NGO annual development plans and performance reports, partner performance assessments, evaluations and DFAT M&E visits. Results from the PAF will contribute to

DFAT corporate reporting, such as the annual Aid Program Performance Report. Recognising the PAF is a 'living document', it will be reviewed at ANCP annual reflections workshops. DFAT is not directing NGOs to work in any particular sectors or countries to ensure ANCP remains a flexible program.

Feedback

Participants split into three groups and provided feedback on the following areas to assist with filling out the PAF.

What does success look like over time?

- Increased recognition of NGOs at DFAT Post (e.g. institute annual NGO meetings at DFAT Posts)
- Other funding leveraged by ANGOs
- Cross pollination of learning
- Increased public diplomacy opportunities

Are there any concerns with the proposed performance benchmarks for the program?

- Investments that address people with disability
- Ability to exit projects well – sustainability
- Poverty reduction (change in poverty levels)
- Diplomatic advocacy with DFAT Post

What are the assumptions we need to consider for the program?

- Evolving nature of aid and development and NGO/civil society sector
- Acceptance of self-reporting as accurate/acceptable
- Tolerance of embracing failure

What are the risks?

- Tension of NGOs maintaining autonomy and censoring to fit ANCP 'targets'
- Lack of engagement between NGOs and Post/DFAT
- Australian public engagement wanes

Funding Principles

The ODE evaluation identified Recognised Development Expenditure (RDE) as a key strength of the program. DFAT plans to revise the current approach to allocating funds and formalise arrangements in a funding policy. DFAT presented funding principles, including predictability, transparency, organisational capacity and community support, which would inform DFAT's funding policy and updates to the RDE explanatory notes.

DFAT explained that the current ANCP Partnerships MOU with the top ten ANGOs would continue to 30 June 2017; DFAT also noted that the principle of 'no one goes behind' their funding allocation from the previous year had been removed as this was no longer sustainable in a decreasing budget context. Any adjustments to individual NGO allocations to both Partner and Full NGOs would be implemented in a graduated way from 2017-18 to bring NGO's funding in line with their RDE to prevent a sudden change in allocations and to assist with longer-term planning. Once NGOs submit their RDE worksheets in March 2016, DFAT will hold individual meetings with ANCP NGOs to walk them through what returning back to basics means for their organisation.

Feedback

Participants were broadly comfortable with the principles. Some questioned whether 'predictability', 'stability and reliability' were realistic given the multiple variables not in DFAT/NGO control: Australian aid budget, ANCP appropriation, Australian community support. One participant suggested that 'consistency' could replace 'predictability', ensuring a consistent approach to the allocation of funds.

Most acknowledged the importance of 'transparency' as a principle and many were open to sharing their allocations and RDE. A few suggested that the 'effectiveness' principle could clarify the link of performance to funding.

Participants agreed with a graduated return to an NGO's RDE noting that allocating funding based on an NGO's three year average RDE helps to buffer NGOs from sudden increases or decreases in community support. Some admitted that they were not clear what going back to their current RDE would mean for their organisation.

Some asked about the opportunity for DFAT to provide multi-year agreements allowing NGOs to submit three-year designs, but acquit funds with performance reporting each year.

Accreditation levels and Partnerships

DFAT confirmed that it supports maintaining two levels of accreditation (base and full), and a streamlined and simple to administer funding model which reinforces these two levels. DFAT also supports a principle of partnership that applies across all ANCP members. Broader partnerships can be delinked to funding arrangements and may not need to be formalised in a future ANCP MOU or Partnership Agreement.

DFAT wishes to capitalise on NGO strengths and expand partnership principles to all NGOs in ANCP. This would extend the effectiveness of the program and link to key priority areas for the Australian aid program such as gender equality and women's empowerment and engagement with the private sector.

DFAT would look to existing mechanisms in the Department for high level strategic engagement that a range of ANCP NGOs can participate in on specific issues. The rollout of the refreshed NGO Engagement Framework is likely to yield important points of engagement for both DFAT and NGOs. Regular, informal exchanges between DFAT and NGOs can provide a useful distillation of expertise and information and contribute to policy development and innovation.

Role of Posts

The ODE Evaluation recommended that DFAT clarify the role of Posts in the ANCP with a view to establishing a consistent and minimum level of resourcing and engagement between DFAT Posts and ANCP members in-country. DFAT explained what work we've done to increase engagement with Posts, such as putting ANCP data on the intranet for Posts to access, working through DFAT state offices to include ANCP in pre-departure meetings with Heads of Missions, and including Post staff in ANCP M&E visits. We noted that we are developing new 'products' to provide to Posts along with our standard country/thematic briefs that we give on the program, including a one-page info-graphic on the 'role of Post' and mapping of ANCP projects by country.

Feedback

Many participants saw great advantage to engaging more closely with Posts (especially DFAT locally engaged staff) as well as with other NGOs in-country. This would assist with coordination, learning, and public diplomacy opportunities. Participants were keen to understand the roles and functions within a typical Post and to know if there is a specific ANCP focal point. Many saw merit in Post holding annual NGO roundtables, preferably in advance of the ANCP Annual Development Plan cycle to enhance program coordination.

Learning

The ODE Evaluation recommended that DFAT, ACFID and the ANCP NGOs commit to testing new approaches to improve the sharing of lessons between Australian and local NGOs and DFAT aid staff. Over the past few years we have made improvements to the Monitoring Evaluation and Learning Framework (MELF) and started to capture accreditation and program data on ANCP Online. Now that we are in the Humanitarian Division, we see greater opportunities for collaboration. We would like to re-engage the MEL Reference Group and plan to meet with ACFID in coming weeks to discuss their learning program and points of entry for engagement in the ANCP.

Feedback

Participants agreed more could be done to share project information among NGOs, particularly by country prior to when Annual Development Plans are due. Sharing of evaluations would also be valuable, although consider sharing abstracts in the first instance. Most ANCP NGOs agreed to the concept of sharing their information with other NGOs, possibly on the ANCP Online dashboard (if this is functionally possible). Some participants noted DFAT Posts should be included as a stakeholder on what learning would benefit them. Others explained that NGOs should be invited to DFAT training events to share practical experience and lessons (e.g. cash transfers in emergencies). Clear feedback loops of learning will be important in any sharing/learning system. This was done to an extent with the 2012 ANCP Meta-evaluation feeding into the Thematic Review on gender equality and women's empowerment.

Next steps

- Hold Performance Report webinar (8 September 2015)
- Update documents discussed at workshop and share with the Committee for Development Cooperation (17 September)
- Share DFAT approved Theory of Change, Performance Assessment Framework and Funding Principles (by end of 2015)
- Hold consultations with individual ANCP NGOs on funding allocations after RDE worksheets are submitted in March 2016
- Hold annual webinar series – ANCP program cycle and DFAT policy refreshers – via ACFID
- Hold next ANCP Annual Reflections Workshop in August 2016