Australia – Africa

Community Grants Scheme

Implementation Plan

14 April 2010

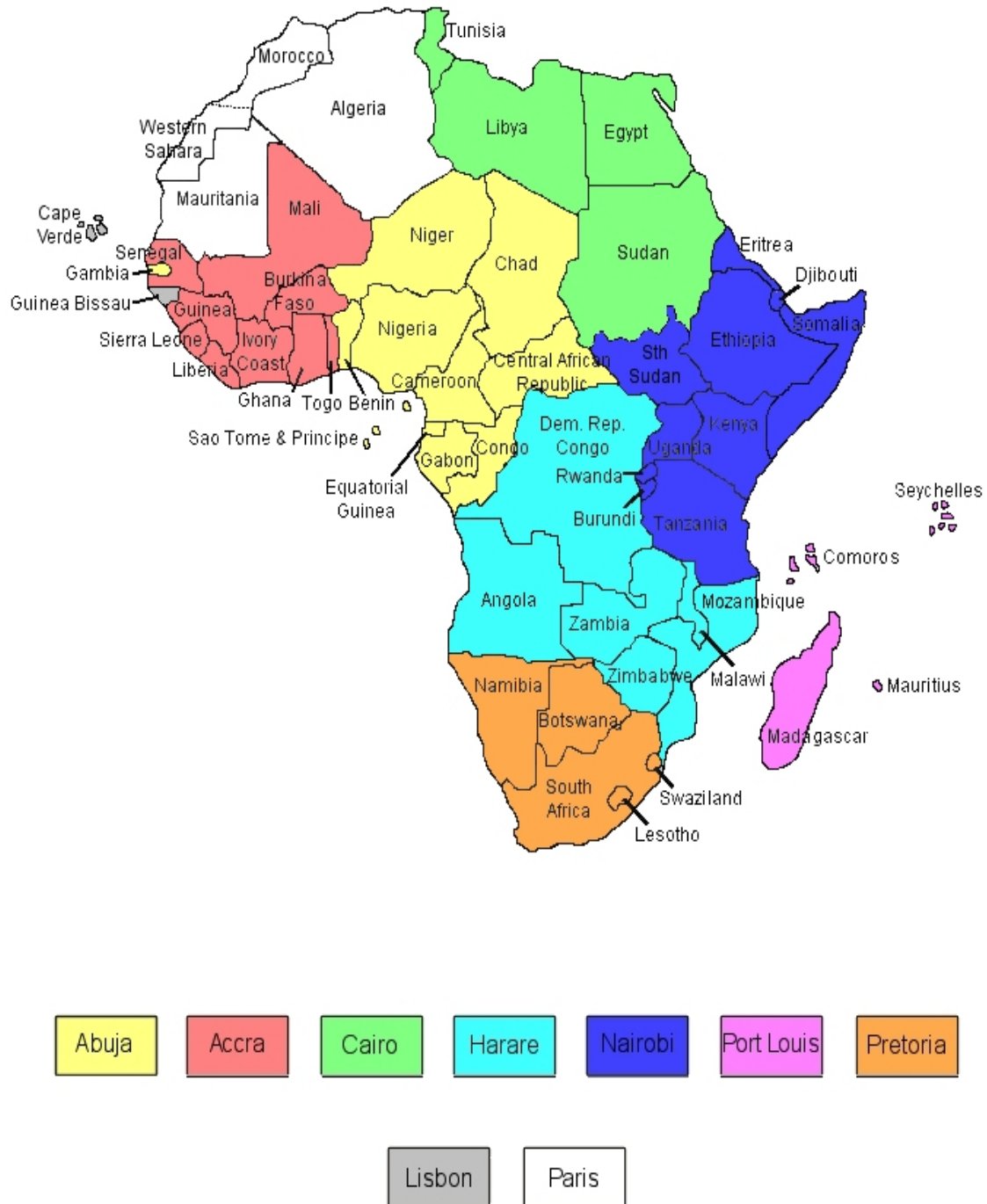**Table of Contents**

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Map of Africa

Australian Diplomatic Mission responsiblities by country
(subject to change)

Abbreviations and acronyms

AACGS	Australia-Africa Community Grants Scheme
AAPF	Australia-Africa Partnership Facility
ACFID	Australian Council for International Development
ACIAR	Australian Centre for International Agricultural Research
APAC	Australian Partnership with African Communities
ANCP	AusAID NGO Cooperation Program
ARSAS	Africa Regional Small Activities Scheme
ASAP	Australian Scholarships for Africa Program
AusAID	Australian Agency for International Development
AVI	Australian Volunteers International
AWSP	Africa Water and Sanitation Program
CADAP	Comprehensive Africa Agricultural Development Program
CSO	Civil Society Organisation
DAP	Direct Action Program
DFAT	Department of Foreign Affairs and Trade (Australia)
DPO	Disabled People's Organisation
GAA	German Agro Action
HoM	Head of Mission
IP	Implementation Plan
MC	Managing Contractor
MDG	Millennium Development Goals
M & E	Monitoring & Evaluation
MOU	Memorandum of Understanding
MTR	Mid-Term Review
NGO	Non Government Organisation
PACT	Private Agencies Collaborating Together
PF	Partnership Facility
Post	AusAID staff posted overseas
QAI	Quality at Implementation
SWAPs	Sector Wide Approaches
TAG	Technical Advisory Group
UN	United Nations
UNFPA	United Nations Population Fund
WSI	Water and Sanitation Initiative

1   Executive summary

Scheme description

The aid program to Africa has a long history of supporting community-level initiatives in areas of common interest to Australia and Africa. This funding has enabled the delivery of practical support at community level and has highlighted Australia's role as a development partner in Africa. The funding has also focused on promoting Africa – Australia linkages where possible by supporting the work of Australian NGOs and local African NGOs with Australian connections, as well as supporting the work of Australian Volunteers placed with local African NGOs.

Currently, the predominant mechanism for community partnerships is the Africa Regional Small Activities Scheme (ARSAS). ARSAS is a flexible grants program intended to support community-based activities being implemented by NGOs. The ARSAS program was worth A$3 million in 2008-2009.

The expanded Community Grants Scheme covered by this Implementation Plan will build on past successes and enable support to community-level partnerships that target progress toward the MDGs while maintaining flexible sector coverage. The Scheme seeks to target activities where significant Australian identity may be assured, and/or where Australian experience or expertise may be utilised. The Scheme will also complement the DFAT-managed Direct Aid Program (DAP) which itself is being expanded and the Scheme will proactively seek complementarities with other AusAID-funded initiatives both ongoing and those scheduled to commence in 2010.

Length of assistance and funds to be committed

The Scheme will expand from its current annual expenditure level of $3 million to $5 million annually with a three-year commitment of $15 million commencing July 2010. A two-year extension is envisaged, subject to the outcome of a Mid-Term Review.

Partners

Two types of partnerships will be supported. These are:

Implementation partnerships

Partnerships with local Civil Society Organisations that receive direct support. Such arrangements will continue to be funded based on streamlined Guidelines. These partnerships will be progressively introduced in a wider range of African countries. By specifying in the new Guidelines a higher minimum size for individual activities the number of these types of partnerships may be limited but is still likely to expand in a larger program.

Management partnerships

Partnerships with agencies that fund and manage community level activities implemented by Civil Society Organisations. The purpose of such partnerships is to use the skills, experience and/or unique position of various types of agencies to help manage and monitor the implementation by CSOs of activities that meet AACGS guidelines. Ideally such partnerships should be able to manage and monitor multiple CSO activities.

Goal and objective

Goal

To contribute to the achievement of MDGs in Africa at the community level.

Objective

Organisations in a broad range of African countries have access to funding for effective community level development activities.

An M&E Framework has been structured to collect evidence covering this outcome defined as representing the 'achievement of the objective', as well as key Scheme outputs with associated targets.

Priority sectors

The Scheme has a flexible focus that will provide AusAID with the ability to support communities' own priorities and needs. Where possible, some preference will be given to sectors that contribute most directly to the achievement of MDGs in Africa consistent with the overall goal.

Delivery modalities

The expanded Scheme will incorporate two distinct AACGS Funding Windows from 2010-2011.

A *Targeted Window* covering 80% of funds available for activity funding of registered NGOs. It will have a flexible sectoral focus; funds will be distributed to various Posts (increased from current levels); there will be streamlined operational guidelines; and application and selection processes will as far as practicable be aligned as at present with the DAP to facilitate the work of DFAT staff at Posts with no AusAID presence. A minimum activity size of $30,000 will apply with 2-year conditional funding available to 'trusted' Implementation Partners.

A *Flexible Window* covering 20% of funds available for activity funding. It will be available for non standard activities that may not qualify for funding under the published General Guidelines although operating priorities common to both Windows will apply as will the Scheme's goal and objective. While the Targeted Window will only fund activities implemented by registered NGOs, the Flexible Window may also fund activities of strategic priority, or of high public diplomacy value. These activities may be implemented by a broader range of organisations including private sector or other non-CSO entities discharging their community level development obligations or requested and/or implemented by a government or semi-governmental agency. Activities will still need to be clearly community level/civil society related.

Critical challenges to success and implementation response

The Implementation Plan gives serious attention to lessons learned and associated risks from the implementation of partnership programs in Africa and elsewhere.

Management and governance

AusAID will continue to manage the program, including final selection and exercise responsibility for partner relationships, program expansion to new countries and promotional strategies. Outsourced staff supervised by AusAID will provide specialised and administrative support. A full outsourcing model was considered but not pursued on cost and efficiency grounds. The Scheme does not require formalised governance arrangements with monitoring and evaluation oversight and other specialist technical support provided by an Africa program-wide TAG.

Streamlined administration

It is difficult to manage effectively a large number of projects across numerous countries without streamlined management processes. The Implementation Plan incorporates streamlined processes using two distinct Funding Windows, simplified templates for applications, reporting and monitoring and evaluation and revised eligibility criteria including multi-year funding and adherence to a higher minimum activity size. Efficient mechanisms for working with DFAT Missions in Africa have been maintained.

Equity considerations

Cross-cutting issues such as gender equality and disability inclusiveness will be targeted proactively by seeking Management Partnerships with national and regional organisations specialising in these issues. The M&E Framework addresses gender equality and disability inclusiveness and includes output targets for developing Management Partnerships that will be able to focus on these areas.

Practical objectives and outcomes

Heavily targeted small-scale community development is not simple, and carries high transaction costs and significant risks that are challenging to manage without disproportionate (and expensive) levels of technical and advisory input. The Scheme has a realistic goal and objective that avoids overly ambitious targeting with a flexible sector focus while seeking to target organisations specialising in cross-cutting issues. A significant capacity building focus is not planned given that capacity building takes time, needs sufficient resources, is complex, and would not be feasible for a pan-African Scheme of this scale.

Monitoring and evaluation

Practical objectives and outcomes are needed both at program and activity level and these must be clearly understood by those responsible for monitoring and reporting. The program level objective reflected in this Implementation Plan is realistic and practical and templates for activity proposals and reporting will help ensure that the requirements are met at activity level. A simple Monitoring and Evaluation Framework has been included in the implementation Plan.

2   Analysis and Strategic Context

2.1   African development context

Africa is the world's poorest inhabited continent and the only region in the developing world where the proportion of the population living below the international poverty line is growing. During the last two decades the number of Africans living in extreme poverty has doubled from 150 million to over 300 million, more than 40 per cent of the region's population. The HIV/AIDS epidemic is escalating, with the AIDS death toll expected to double over the next decade. Violent conflicts continue to affect over 50 per cent of Africans, predominantly through the devastating impact on economic, social and political stability. Africa is also vulnerable to harsh climatic patterns and natural disasters such as droughts, contributing to Africa's food security crisis.

Recent progress, albeit modest, provides some cause for optimism. After steep declines between the mid-1970s and the late 1980s, average annual GDP growth in Sub-Saharan Africa has increased to 3.8 per cent since the mid 1990s, more than doubling the 1.8 per cent average growth rate recorded over the preceding ten years. African countries are increasingly taking ownership of and accountability for their development programmes, and there have been measurable improvements in both political and institutional governance. The challenge is to build on this momentum and accelerate progress toward the MDGs. There are however key vulnerabilities to this progress including the need for strengthened local development capacity.

Boosting African local development capacity means strengthening of government institutions and delivery mechanisms, but it also means boosting community-level development capacity. For example, to meet the sanitation MDG target, access to improved sanitation at the household level is the immediate priority and this can be addressed through strengthening community-level efforts in the sector.

2.2   Problem analysis

2.2.1   Rationale for a Community Grants Scheme in Africa

Australia can make a difference to Africa's development through a distinctive and identifiably Australian program of assistance, sharing similarities with many African countries in terms of geography, climate, trade, resources and economic profile. Australia has a non-government organisations (NGO) sector that is active both in Australia and throughout the world.

The aid program to Africa has a long history of supporting community-level initiatives in areas of common interest to Australia and Africa. This funding has enabled the delivery of practical support at community level and has highlighted Australia's role as a development partner in Africa. The funding has also focused on promoting Africa – Australia linkages where possible by supporting the work of Australian NGOs and local African NGOs with Australian connections, as well as supporting the work of Australian Volunteers placed with local African NGOs.

2.2.2   The current Small Activities Scheme and other AusAID programs

Currently, the predominant mechanism for community partnerships is the Africa Regional Small Activities Scheme (ARSAS). ARSAS is a flexible grants program supporting

community-based activities being implemented by NGOs. The ARSAS program was worth A$3 million in 2008-2009 with funded projects normally ranging from A$10,000 to A$50,000. Funding under ARSAS is currently available to any ODA-eligible country in Africa to which an Australian Mission is accredited. However, due to resource constraints in identifying projects across the continent, most activities are focused on Kenya, Lesotho, Malawi, Mozambique, South Africa, Swaziland, Tanzania, Uganda, Namibia, Zimbabwe and Zambia through relevant AusAID offices and in South Sudan, Egypt, Ghana, Mauritius and Nigeria through the accredited Australian Diplomatic Missions.

A June 2009 *Quality at Implementation* assessment rated the ARSAS as *"Good Quality (5)"* in terms of its activity outcomes. On monitoring and evaluation and sustainability the rating was *"Adequate Quality (4)"* and the need to enhance performance in these areas. A Scoping Study conducted as part of the design process for an expanded Scheme tended to confirm these ratings.

An expanded Community Grants Scheme will build on these successes. It will enable support to community-level partnerships that target progress toward the MDGs; involve significant Australian identity or strategic value; and/or utilise Australian experience or expertise (eg LandCare, Newcastle Disease program, AFL South Africa). The Scheme will also complement the DFAT-managed Direct Aid Program (DAP) which itself is being expanded and will proactively seek complementarities with other AusAID-funded initiatives scheduled to commence in 2010.

Current and proposed future AusAID initiatives in Africa are summarised in *Annex 1* and options for achieving complementarities with these programs are described in *Section 4.3.1* and *Annex 2.*

2.2.3 Using delivery partners including other donors for community development programs

Partnerships and delivering through and with partners will crucially underpin Australia's efforts to build Africa's capacity to respond to current development challenges. Partnership arrangements are discussed in *Section 3.6* and will provide an opportunity to interact on a selective basis with other organisations and donors operating similar programs in Africa, as discussed in *Section 4.3.2.*

2.2.4 Interaction with AusAID's Africa Strategy and consistency with other AusAID programs

The Australian Government has indicated its intention to re-engage with Africa, including through scaled-up development assistance. This is in a context of a growing aid budget, so the increase will be even more marked. A Community Grants Scheme provides an opportunity to complement larger AusAID-funded programs and to extend the reach and influence of Australia's assistance in Africa. Opportunities will be sought to facilitate links, information exchange and collaboration between this scheme and other AusAID-funded programs where appropriate.

A new strategy for development assistance to Africa is under development. The strategy is expected to be shaped around progress towards select MDGs (specifically, those relating to food security, maternal and child health, and water and sanitation) and is likely to focus efforts on other areas of Australian expertise.

2.3   Lessons learned

Key lessons learned in the implementation of partnership programs in Africa and elsewhere have influenced this Implementation Plan. They are listed below together with comment on how they have been reflected in the Implementation Plan.

▪ AusAID needs to maintain substantial involvement in such programs to maximise impact, ensure transparency of processes, effectively manage relationships with various partners and to promote Australian identity. Related to this, there is a point beyond which the adoption of a full outsourcing model becomes counter productive.

  o *AusAID will continue to manage the program including final selection and exercise responsibility for partner relationships, program expansion to new countries and promotional strategies. Outsourced staff supervised by AusAID will provide specialised and administrative support. A full outsourcing model was considered but not pursued on cost and efficiency grounds.*

▪ Maintaining a sectoral focus is important but as a small donor on the continent in a pan-Africa program this would limit opportunities to expand the program geographically in line with government policies.

  o *The Scheme will have a flexible sectoral focus although where possible preference will be given to sectors that contribute directly to the achievement of MDGs in Africa and to cross-cutting issues such as gender and disability.*

▪ It is difficult to manage effectively a large number of projects across numerous countries without streamlined management processes.

  o *This Implementation Plan incorporates streamlined processes using two distinct Funding Windows, simplified templates for applications, reporting and monitoring and evaluation and revised eligibility criteria including multi-year funding and adherence to a higher minimum activity size.*

▪ Efficient mechanisms for working with DFAT Missions in Africa must be maintained and enhanced to ensure complementary implementation of the DAP and an expanded Community Grants Scheme.

  o *The Implementation Plan emphasises complementarities with the DAP and DFAT staff will have access to outsourced staffing resources in areas such as drawing up agreements, appraising activity proposals and to specialist advice more generally.*

▪ Effective partnerships are needed to manage a larger number of activities with the current limited use of Management Partnerships a starting point and model for the future. New partnerships need to be developed (by AusAID) proactively.

  o *The expansion of Management Partnerships is incorporated in the Implementation Plan as a fundamental operating principle.*

▪ The nature of strategic partnerships must be clear to each partner based on agreed objectives and approaches – for example in relation to monitoring and evaluation.

  o *The Implementation Plan includes templates for partnership agreements that help to address these issues.*

▪ Larger and multi-year activities must be developed on efficiency and sustainability grounds as the Scheme expands.

    o *The minimum size of proposals is being raised (with DAP able to cover smaller projects) and some partners will be eligible for multi-year projects.*

▪ Practical objectives and outcomes are needed both at program and activity level and these must be clearly understood by those responsible for monitoring and reporting.

    o *Program level objectives as reflected in this Implementation Plan are realistic and practical and templates for activity proposals and reporting will help ensure that these requirements are met at activity level.*

▪ Heavily targeted small-scale community development is not simple, and carries high transactions costs and significant risks that are challenging to manage without disproportionate (and expensive) levels of technical and advisory input.

    o *The AACGS has a realistic goal and objective that avoid overly ambitious targeting with a flexible sector focus while seeking where practicable to target organisations specialising in gender, environment and disability issues.*

▪ Capacity building takes time, needs sufficient resources, is complex, and such programs even where effective incur the risk of leaving partner organisations dependent on donor support.

    o *A significant capacity building focus is not planned for the AACGS apart from some limited assistance on reporting and possibly proposal preparation to implementing agencies.*

▪ The evolution of a small activities scheme into a developmentally-complex community development / demand-for-better-governance program is not straightforward and commands a long timeframe.

    o *The AACGS as a pan-African scheme has a less ambitious objective and will not move in this direction.*

▪ Similarly, creating lasting political and social change through community development initiatives that become involved in the citizen-state relationships takes time. Creating lasting political and social change will take decades rather than years.

    o *Such considerations have influenced the Scheme's goal and objective.*

3 Scheme Description

3.1 Goal and objective

Unlike some other AusAID Community Development Schemes operating in one country and often with a geographic focus within that country, a pan-Africa program can at best seek to aim for the effective management of an expansive small grants scheme focused on community-level projects throughout Africa.

At goal level, MDG-related development ambitions, consistent with the new Africa Strategy need to be specified but clearly even a very large number of small community development projects spread throughout the continent will barely scratch the surface at that level.

Some other programs may view community level projects as a means to economically affect service delivery in hard-to-reach environments. As highlighted in a recent unpublished review of the PNG Community Development Scheme *"…this raises many questions about national service delivery systems and policy, and what sustainable levels of service delivery might look like. It requires an analysis of market failures and the affordability and sustainability of public sector and civil society service-delivery mechanisms."* Other AusAID community development schemes have adopted tight targeting (eg PNG: democratic governance; Indonesia-ANTARA: support for decentralisation targeted to meet provincial and district government priorities; Philippines-PACAP: regional targeting.)

These types of issues can't realistically feature in the goal and objective of a pan-African Community Grants Scheme. Activities can't hope to be sufficiently targeted to ensure good outcomes of this kind in the complex, multi-factored, environments of the poor and marginalised communities in African countries. A more realistic objective is needed although at activity level, some projects may in a small way be able to address some of these more complex issues, especially when the Scheme will work in conjunction with and complement other more substantial AusAID initiatives being funded through other emerging programs.

Given these considerations, the Australia-Africa Community Grants Scheme will have the following goal and objective from 2010-2011.

Scheme Goal:

▪ *To contribute to the achievement of MDGs in Africa at the community level.*

Scheme Objective:

▪ *Organisations in a broad range of African countries have access to funding for effective community level development activities.*

3.2   Expected outcome

Evidence covering the following outcome (defined as representing 'achievement of the objective') will be gathered by the M&E Framework in *Annex 5*.

▪ *The reach of the Scheme is increased across Africa as organisations implement AACGS-funded activities that support effective community level development.*

3.3   Budget and timing

The Scheme will expand from its current annual expenditure level of $3 million to $5 million annually with a three-year commitment of $15 million commencing July 2010. A two-year extension is envisaged, subject to the outcome of a Mid-Term Review (MTR).

3.4   Geographic focus

Australia's development assistance is building on the existing program in southern and eastern Africa while introducing the potential for continent-wide elements. Given that the Africa program will be significantly scaled up, the Scheme will be used to enable support for partnerships and fund appropriate activities anywhere on the continent. It will provide a mechanism for providing assistance to countries not otherwise covered by the aid program in Africa. The Australian Scholarships for Africa Program (ASAP) has adopted a similar approach. This will support Australia's foreign policy objectives. Efficient management mechanisms will be required to facilitate such an expansion, which will be incremental. These are described in *Section 4* below.

3.5   Sectoral focus

Given the Australian Government's stated commitment to expand development cooperation in Africa, and the wide range of proposals that will likely need to be considered for funding, it will not be possible for the Scheme to focus exclusively on any particular sectors. Ensuring the Scheme has a flexible focus will provide AusAID with the ability to support communities' own priorities and needs. Given the challenges involved in extending the Scheme to a range of new countries, a flexible and very broad sectoral focus will help. However, where possible, some preference will be given to sectors that contribute most directly to the achievement of MDGs in Africa consistent with the overall goal.

DFAT staff managing AACGS projects at Posts with no AusAID presence would prefer AACGS and DAP 'eligibility criteria' to remain identical or similar as far as possible. The very broad sectoral reach that will continue to apply to the Scheme will help in this regard although some of the other proposed refinements such as a focus on certain cross-cutting issues and on raising and enforcing minimum size requirements may not. This needs to be balanced against the Management Partner approach that will ultimately help both AusAID and DFAT staff in managing the selection and monitoring of AACGS activities.

3.6   Partnership arrangements

Current arrangements

Most activities are currently funded by having local NGOs apply direct to each Post. If approved and subject to a Funding Agreement, the applicant organisation is provided with funds and proceeds to implement its project for a maximum period of 12 months. It submits a six-monthly progress report and a completion report. Monitoring by AusAID/DFAT is based on these reports and/or a monitoring visit.

Occasionally AusAID has engaged an intermediary organisation, or such an organisation has applied for support on behalf of one or more NGOs seeking funding to implement specific activities. Current examples are found in Zimbabwe (using PACT International, a US NGO); in Kenya (using GAA, a German NGO) and in Zambia using a UN agency (UNFPA).

Partnership approaches from 2010-2011

Partnership arrangements will be of fundamental importance in implementing an expanding AACGS program but it is important to define and agree on the types of partnerships that the Scheme should seek to develop proactively.

Annex 3 details the two types of partnerships that will be supported and how each will feature in the future implementation of the AACGS. In summary these are:

Implementation partnerships

These are partnerships with local Civil Society Organisations (mainly registered NGOs) that receive direct support.[1] Such arrangements will continue to be funded based on streamlined Guidelines *(Annex 6).* These partnerships will be progressively introduced in a wider range of African countries. By specifying in the new Guidelines a higher minimum size for individual activities the number of these types of 'partnerships' may be limited but is still likely to expand in a much larger program.

Management partnerships

These are partnerships with agencies that fund and manage community level activities implemented by Civil Society Organisations (CSOs). The purpose of such partnerships is to use the skills, experience and/or unique position of various types of agencies to help manage and monitor the implementation by CSOs of activities that meet AACGS guidelines. Ideally such partnerships should be able to manage and monitor multiple CSO activities.

Such arrangements may be particularly helpful in facilitating the identification and/or implementation of activities in countries or sectors where Australia has not operated in the past and/or would find it difficult to verify the bona fides of CSOs and/or to monitor activity progress. Given these advantages, the AACGS will actively seek to expand these types of partnerships. The M&E Framework has appropriate output targets.

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[1] Non registered NGOs may become Implementation partners under the Targeted window, but it is anticipated that the numbers will be modest.

Future options will include, apart from seeking to replicate current arrangements with PACT and GAA in other countries:

- identifying similar agencies especially in other 'difficult' countries

- working with national or sub-regional NGOs specialising in cross-cutting issues and willing to manage and monitor one or more CSO projects covering gender (eg women's advocacy networks); needs of people with disabilities (national Disabled People's Organisations); national level environmental advocacy groups

- identifying Australian organisations with national CSO counterparts – this could include mining companies and sporting organisations (the latter have been funded in the past); and

- potentially arrangements with specialised UN agencies and Australian NGOs offering unique skills but carefully avoiding all types of core support given that these organisations already receive AusAID core-type funding.

These types of arrangements are discussed in *Annex 3* and illustrated in *'Case Studies'* in *Annex 4*. The Case Studies also describe how individual projects supported by management partners will be assessed and administered. These may vary from block grants (the current approach in Zimbabwe) to assessment of a package of activities by an AusAID/DFAT Selection Panel (the current approach in Kenya).

3.7   Key operating priorities

Small scale community partnership programs such as ARSAS (and DAP) are seen by the Australian Government as one of the primary mechanisms for promoting Australia as a development partner in Africa. A multifaceted mechanism which can deliver on foreign policy objectives through funding small scale projects as well as providing a mechanism for supporting a limited number of longer term and more in-depth partnerships is required. As discussed in *Section 3.1*, as a pan-African Scheme, the AACGS can't realistically emulate the tightly targeted approaches adopted elsewhere. While some targeting based on detailed guidelines is proposed, the Scheme must be sufficiently flexible to enable the funding of unexpected high priority requests that meet its overall goal.

The new Scheme must through its operating priorities be able to demonstrate how it differs from other Africa program delivery mechanisms and how it will be well placed to provide essential forms of community level assistance that other mechanisms are unable to provide while complementing the work of these programs as far as practicable. Potential complementarities are described in detail in *Section 4.3.1* and *Annex 2*.

Consistent with these requirements the Scheme will adopt the following key operating priorities from 2010-2011:

(i)   All activities funded will be consistent with the goal of the Scheme incorporating an overarching principle that the Scheme will fund civil society related activities at the community level.[2]

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2 The term Civil Society Organisation (CSO) rather than NGO is used in the Implementation Plan. It will potentially enable the development of partnerships with a wider range of organisations. (The same terminology

(ii)   Geographic coverage will be expanded given a priority need to identify and fund suitable AACGS activities in 'new' countries.

(iii)   Australia's visibility will be promoted using various tools and mechanisms (described in *Section 4.5.4* and in *Annex 13).*

(iv)   All development sectors are eligible for funding but some preference will be given to activities in sectors that contribute to the achievements of MDGs in Africa.

(v)   The Scheme will proactively explore opportunities for complementing programs funded by other AusAID-funded programs in Africa including DAP.

(vi)   While maintaining flexibility, a proportion of activities supported by the Scheme will be located in urban and peri-urban areas in each country to facilitate access and monitoring.

(vii)   Over time the number of *Implementation Partnerships* based on unsolicited requests will be reduced by funding larger projects; complementing the activities of other AusAID programs; and by proactively developing a larger number of significant *Management Partnerships.*

(viii)   Multi-year funding: two years for Implementation Partners and three years for Management Partners will be allowed. The latter may be extended for a further two years.

(ix)   The replication of good practice, that utilises Australian experience or expertise, will be encouraged proactively.

(x)   Activities funded will need to show strong community engagement in the identification of needs and ownership of proposed solutions.

(xi)   Cross-cutting issues such as gender equality, disability inclusiveness and environmental sustainability will be targeted proactively by seeking Management Partnerships with national and regional organisations specialising in these issues and by requiring cross-cutting issues to be addressed in project proposal applications and project reporting.

(xii)   The Scheme will continue to work efficiently with DFAT Missions in Africa which play a crucial role in managing aspects of the selection process where AusAID has no physical presence.

3.8   Funding limits

There has to be a new lower funding limit to ensure that administration of the Scheme is cost effective. As far as possible the lower limit will be $30,000, the new upper limit for DAP projects. (The current ARSAS lower funding limit is $10,000). All proposals for funding within the DAP limits, will be submitted and recommended to the DAP program for funding rather than to AACGS. This will help mitigate against proponents simply over costing their proposal to ensure it meets the funding criteria. Value for money will be taken into account when assessing project proposals.

The indicative upper funding limit will be $75,000 (currently $50,000).

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was used in the recent Africa Scholarships design.) To quote from the World Bank Website: *"CSOs include NGOs, trade unions, faith-based organizations, indigenous peoples movements, foundations and many other. …There are many examples of active partnerships* [with the Bank] *in the areas of forest conservation, AIDS vaccines, rural poverty, micro-credit, and internet development."*

These funding limits assume annual funding and may be increased where multi-year funding is approved (see below).

3.9   Delivery mechanisms

The expanded Scheme will incorporate two distinct AACGS Funding Windows from 2010-2011. The Operating Priorities detailed above will apply across both Funding Windows as will the Scheme goal and objective.

(i)   ***Targeted Window*** covering 80% of funds available for activity funding. Key features are:

▪ Publicly available AACGS General Guidelines and Templates will cover this Window and apart from the enhancements and adjustments described in this Implementation Plan will be similar to current Guidelines. This inter alia facilitates ongoing processing and selection by DFAT DAP/AACGS Selection Committees at Posts where there is no AusAID presence.

▪ DFAT Posts (Port Louis, Abuja, Cairo) will receive an indicative increased allocation to cover all of their accredited countries. (*Section 4.1.6*). Allocations will be managed by DFAT staff.

▪ Nairobi, Harare, Accra and Pretoria will similarly have access to increased funding levels. Addis Ababa is likely to receive funds once an office is established (*Section 4.1.6*). Allocations will be managed by AusAID staff.

▪ Implementation partner agencies applying for support must, as at present, be registered NGOs.

▪ A broad sectoral focus will apply as at present but with some preference given to sectors that contribute most directly to the achievement of MDGs in Africa.

▪ Application and selection processes will be aligned as at present with the DAP as far as practicable to facilitate the work of DFAT staff at Posts with no AusAID presence. Opportunities for AACGS to build on Implementation Partnerships initially developed through the DAP (eg funding a multi-year project extension of a DAP project at a scale beyond the capacity of the DAP) will be actively explored in this context.

▪ A minimum activity size of $30,000 per year will apply. Multi-year conditional funding may be made available to 'trusted' Implementation Partners where this would be expected to improve activity outcomes and sustainability.[3] Trusted partners are those that have been involved with the Scheme for a number of years, have a proven track record and/or have been assessed as performing effectively in all areas.

▪ Initially, there will be mainly direct funding of Implementation Partner projects but over time a greater use of (multi-year) Management Partnership arrangements will evolve.

(ii)   ***Flexible Window*** covering 20% of funds available for activity funding. Key features are:

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[3] Smaller less experienced CSOs seeking AACGS funding for very small activities could partner with larger more experienced CSOs in joint applications and this could be encouraged where the Scheme may wish to foster the involvement of particular types of CSOs eg those specialising in cross-cutting issues such as gender, disability or the environment.

- Available for non standard activities that may not qualify for funding under the published General Guidelines although the Operating Priorities detailed above will apply and activities will be expected to meet the Scheme's goal and objective.

- Allocated funds will be held and managed by the lead AusAID program management Post (currently Pretoria) for use as required but will not be restricted for use in countries accredited to Pretoria and may be accessed for activities in other countries as high priority initiatives are identified. There will be no application rounds or separate selection guidelines although based on experience after the first year some additional operational principles may defined.

- During the course of the year if funds are not required for 'flexible' activities they will be moved to the Targeted Window. Similarly, if there is unexpected demand for more 'flexible' activities in any one year, funds not already committed for targeted activities may be transferred to the Flexible Window. The 80/20 split is important for planning purposes but will be flexibly administered by Pretoria Post.

- While the Targeted Window will only fund activities implemented by civil society organisations that are registered NGOs, the Flexible Window may also fund activities:

  o of strategic priority, or of potential high Australian visibility;

  o implemented by a broader range of organisations;

  o implemented by a private sector or other non-CSO entity discharging its community level development obligations;

  o requested and/or implemented by a government or semi-governmental agency but still clearly community level/civil society related.

- Funding other suitable activities that may emerge – an important feature of the Flexible Window is that it will enable responses to new and unforeseen opportunities and based on new models of intervention not captured by the current Guidelines.

The current ARSAS guidelines are very specific about what can and cannot be funded, with exceptions made for funding a range of priority projects approved by the appropriate delegate. The aim of the Flexible Window under the new program is to formalise a process for funding non-standard activities as required. All activities funded are subject to the approval of the relevant delegate

4 Implementation arrangements

4.1 Management and governance arrangements

4.1.1 Roles of Africa Posts – current position

AusAID and DFAT resources dedicated to the management of the Scheme are currently limited.

For AusAID, an O-based Program Officer in Pretoria manages the Scheme across the current range of African countries on a full-time basis with inputs by the Counsellor and First Secretaries. In Nairobi two O-based Program Officers each dedicate around 15% of their time to the Scheme.

At other African Posts with no AusAID presence, DFAT O-based and A-based staff manage the short-listing and selection process in conjunction with their DAP management responsibilities. At these Posts a joint DAP/AACGS Selection Committee that meets once or twice yearly processes both DAP and AACGS activity proposals. HoMs play an active role.

Where the program is managed by AusAID staff, DFAT is represented on Selection Committees.

For monitoring, Posts have relied mainly on Progress and Completion Reports submitted by funding recipients. Current Scheme Guidelines specify that AusAID or DFAT staff will undertake project visits at least once in the lifetime of each activity. In practice, this is an unrealistic objective given current resource constraints and the location of projects often in remote locations. As few as 10% of projects have been visited and monitored, mainly by AusAID staff. More attention is necessarily given to establishing the bona fides of new applicants either through visits or by inviting short-listed applicants to visit the relevant Mission.

DFAT is not resourced to monitor AACGS implementation although in special cases funds have been specifically allocated by AusAID for such monitoring.

Until recently each AACGS activity was entered separately in AidWorks and the administration required to manage the processing of payments had become unsustainable. New arrangements were agreed with AusAID Canberra on a temporary basis which when extended will streamline the recording and processing of individual activities.

4.1.2 Future resourcing

Fundamental program enhancements described in *Section 3*, notably the increased use of Management Partnerships and the funding of larger multi-year projects will yield some management efficiencies. However, there are ongoing resource constraints in relation to routine administration. More fundamentally, AusAID staff capacity to monitor implementation and outcomes, refine strategies, proactively develop new Management Partnerships and help enhance Australian identity and profile is currently very limited. As the Scheme expands in size, it will need to cover a much wider range of countries, must link with other Africa program initiatives currently being developed and improve its targeting while at the same time offering a mechanism to respond flexibly to priority initiatives that can't be funded elsewhere. There is a clear need to give more attention to

monitoring and evaluation. This has significant additional workload implications for AusAID staff (and also for some DFAT staff).

While staffing of the Africa program is increasing, additional resources dedicated to the management of AACGS at Africa Posts are not expected in the medium term. Additional staffing planned and/or being recruited for Accra, Nairobi, Addis Ababa and Harare, will be able to devote only a small portion of their time to the expanded program.

Additional dedicated resources are required to assess activity proposals, to help AusAID staff develop new Management Partnerships and for monitoring and evaluation. Operational support will be needed to free up current AusAID resources to undertake more strategic AACGS work.

The following AACGS dedicated officers will be needed to undertake a range of tasks based on the considerations described above and detailed in *Section 4.1.4* below:

Based in AusAID (Current resources):

- *AACGS Focal Point (significant part of role) – O-based staff*
- *A-based First or Second Secretary (part time oversight role)*
- *Other O-based staff – some involvement through ARSAS Committees.*

Based outside of AusAID (New resources):

- *Monitoring and Evaluation Manager (local – full time)*
- *Community Development Manager (local – full time)*
- *Program Officer – with activity design/assessment and finance skills (local – full time)*
- *M&E Specialist (international/local – part time). Accessed through the Partnership Facility Program Support Group as required (see 4.1.3).*

Provided a significant range of current and as well as some new AACGS tasks are outsourced, AusAID expects to handle new tasks associated with an expanded AACGS without additional in-house resources. The challenges inherent in extending the Scheme effectively to all or most African countries will remain but with additional resources as shown above, it is anticipated these challenges can be met. The adequacy of staffing resources will need to be monitored and reviewed periodically.

DFAT staff including HoMs will continue to play an important role in managing particular AACGS tasks in countries that have no AusAID presence. As the Scheme seeks to expand its geographic reach, DFAT will play a key role especially at HoM level in helping to identify potential partners and activities in 'new' countries. DFAT will have access to the proposed outsourced staffing resources in areas such as drawing up agreements and appraising activity proposals and in having access to specialist advice more generally.

Position descriptions for each of the new full-time positions are in *Annex 11*. The division of responsibilities between in-house staff and outsourced staff is detailed in *Section 4.1.4* below.

4.1.3   Outsourcing through the Partnership Facility

A new Australian Partnerships Facility is expected to provide targeted capacity building assistance of around $15 million annually across a range of areas in Africa from 2010-2011. To maximise effectiveness, the Facility will work closely with other sectoral areas in the wider Africa program. A *Program Support Group (PSG)* will be established as part of this Facility to provide technical and sectoral expertise to assist the development of quality activities under the Facility. The PSG will be a resource that will also be available to support other parts of the Africa Program, including AACGS.

The tender documents covering the selection of a Managing Contractor for the Facility provide that the Facility may be required to recruit and support long term personnel for the AACGS. They note that:

> *'AusAID expects that a group of up to three personnel will be engaged for a period of up to three years on a full or part-time basis with a combination of community development, monitoring and evaluation, and program management skills. AusAID will participate in their recruitment and will be responsible for the production of detailed duty statements/position descriptions. The Facility may be required to provide suitable office accommodation and basic administrative support for them.'*

This Implementation Plan is based on these arrangements. The AACGS will not be managed as a component of the AAPF but as a matter of administrative convenience the AAPF Managing Contractor will recruit staff to fill the three full-time outsourced AACGS positions and manage and provide administrative support. More detail is in *Annex 12* which provides clauses for inclusion in the AAPF Scope of Services.

The AAPF MC will not have AACGS responsibilities beyond the provision of administrative and logistics support to the three designated AACGS staff. These staff will operate under a distinct AACGS Implementation Plan including criteria and guidelines. Outsourced AACGS Staff will be tasked by AusAID.

Other specialist staff attached to the PSG will at AusAID's discretion be available for specific AACGS tasks as specified in the current draft AAPF design.

Consideration may be given to shifting prime responsibility for program management from Pretoria to Nairobi where NGO expertise will be located, thereby taking advantage of existing resources and maximising opportunities for potential linkages and leveraging of the APAC program.

4.1.4   Roles and responsibilities

The division of responsibilities between AusAID staff in Africa and between outsourced staff is summarised in *Table 1*. Position Descriptions/Scopes of Service for the proposed outsourced positions are in *Annex 11* and these describe the roles of outsourced staff in greater detail.

Table 1: Roles and responsibilities

AusAID staff	Outsourced staff
▪ Develop and review strategic directions including targeting and linkages with other AusAID-funded Africa programs	▪ Provide sectoral technical advice and inputs to AusAID as it develops and reviews strategic directions ▪ Maintain linkages with other AusAID Africa programs based on AusAID directions and guidance
▪ Identify and develop new management partnerships	▪ Involvement in the development of new management partnerships as directed by AusAID including the assessment of management partnership capacity and track record
▪ Identify new activities especially in new countries (also a role for DFAT especially at HoM level)	▪ Facilitate the identification of new activities as directed by AusAID
▪ Manage final selection processes using Selection Panels (with DFAT involvement – in line with current practice or DFAT management at Posts with no AusAID presence) ▪ This includes the appraisal/assessment of short listed proposals ▪ Sign letters of offer and final Agreements	▪ Assess all proposals received by AusAID for eligibility (based on the AACGS General Guidelines) and submit shortlists for approval ▪ Provide support to Selection Panels which could over time include greater involvement in the assessment of short listed proposals with recommendations to Selection Panels ▪ Prepare letters of offer for AusAID (and DFAT signature at non-AusAID Posts) and final Agreements for AusAID signature
▪ Overall management of streamlined financial arrangements including AidWorks (based on new recently approved simplified arrangements)	▪ Make payments to approved applicants where AusAID/DFAT systems are unable to handle this effectively *(Optional)* ▪ Manage Scheme financial records (using spread sheets) to enable AusAID to manage simplified AidWorks inputs.
▪ Develop, review and implement promotional strategies designed to strengthen Australian visibility of AACGS activities while maintaining transparent and open administration ▪ A Pretoria-based Communications Officer will have inputs into the promotional strategies and into reviewing practical promotional approaches that maximise transparent and open administration	▪ Ensure Australian identity requirements are met by recipient agencies and/or partner management agencies at activity levels ▪ Monitor and report on Australian identity requirements at both Scheme and activity levels consistent with the AACGS M&E Framework ▪ Provide input and support into the review and implementation of promotional strategies.
▪ Selectively monitor activity implementation especially at Management Partnership level	▪ Monitor and evaluate all activities based on Scheme level M&E Framework and activity level specifications o with guidance and high-level technical support from a TAG M&E Specialist as required
▪ Review and endorse QAI and other mandated reports ▪ Review and endorse Annual Report on the Scheme	▪ Follow up all outstanding activity level reports, ensure quality requirements are met and provide some capacity building assistance on reporting and possibly proposal preparation to implementing

	agencies
	▪ Produce Scheme-level reports based on activity-level reporting by implementing partners
	▪ Produce QAI and similar mandatory AusAID reports
	▪ Draft an Annual Report on the Scheme
▪ Monitor contracted staff performance and manage the contracts with outsourced staff with recruitment and administrative support provided by the Partnership Facility Managing Contractor	▪ Undertake contractual responsibilities as specified in Position Statements with tasking by AusAID staff and administrative support by the Partnership Facility Office.

4.1.5   Management costs

Certain expenses covering the management of the Scheme must be charged against the annual budget allocation of $5 million and will necessarily reduce the amounts available for activity funding.

Fundamentally, the salaries and allowances of AusAID (and DFAT) staff involved in the administration and management of the program are not charged in this way. All other costs are offset against program allocations. *Table 2* provides estimates of the latter over a three year period.

These costings are based on:

▪ the indicative staff numbers and staffing categories described in *Section 4.1.2*

▪ travel by outsourced and AusAID staff primarily for monitoring and evaluation purposes

▪ one-off Office set up costs for outsourced staff located in the PF office likely to be located in Pretoria

▪ running costs for the outsourced staff in the PF Office (including internet, phone, local transport, office consumables)

▪ a Mid-term Review in year 2

▪ fees and allowance payable to a part-time M&E specialist engaged through an Africa TAG

▪ an allowance attributable to the AACGS cohort in the PF Office covering services provided by the PF managing contractor (including an indicative profit margin allowance)

Table 2: Indicative Management Costs

Cost Category	$'000			
	2010-11	**2011-12**	**2012-13**	**Total**
Full-time outsourced staff – salaries & allowances	250	269	289	**808**
Full-time outsourced staff – running costs	70	75	81	**226**
Full-time outsourced staff – set up costs	20	0	0	**20**
Full-time outsourced staff – PF MC fees	100	108	116	**324**
Africa TAG M&E Specialist fees	50	54	58	**162**
In-Africa travel costs (outsourced staff/M&E Specialist)	140	150	161	**451**
Total outsourcing costs	**630**	**656**	**705**	**1,991**
Mid-term Review	0	82	0	**82**
AusAID staff travel costs	150	161	173	**484**
Total administration costs	**780**	**899**	**878**	**2,557**

Average annual costs are $852,000 or 17 % of the program funds available each year.

Cost assumptions are detailed in *Annex 15*.

4.1.6 Indicative funding allocations to Posts

Allocations to Posts have varied from year to year. AusAID Pretoria determines annual allocations and these have been adjusted towards the end of each financial year with reallocations approved as some Posts have been unable to fully utilise their initial allocations.

Posts will receive higher future allocations as the size of the program expands from 2010-2011. These increases are moderated by the increased costs of administration and the creation of a Flexible Funding Window that will be managed by AusAID Pretoria although on a case-by-case basis other Posts may be allocated supplementary funds from this Window to meet specific activity funding requirements.

Table 3 shows indicative allocations for each Post. These are based on 2009-2010 allocations with some adjustments that reflect what was actually committed annually over the last two years. The average annual administration costs have been offset against both Windows on a pro rata basis.

Table 3: Annual AACGS allocations to Posts from 2010-2011

POSTS	$'000	
	Targeted Window	**Flexible Window**
Pretoria	868	830
Harare	775	-
Nairobi	675	-
Accra	250	-
Total AusAID Posts	**2,568**	**830**
Port Louis	250	-
Abudja	250	-
Cairo	250	-
Total DFAT Posts[4]	**750**	**-**
TOTAL	**3,318**	**830**

Countries of accreditation for each Post are shown in *Annex 6A 'AACGS General Guidelines'*.

Allocations will be reviewed annually.

No allowance is made at this stage for Posts that have not previously participated in the ARSAS. This covers Posts not located in Africa that are accredited to African countries. As additional partnerships are developed consideration will be given to how at least some of these countries may be accommodated in future years. Funding may be provided by adjusting the indicative allocations shown above including as necessary funding from the Flexible Window.

4.1.7   Governance and review

The expanded three-year Scheme will commence operations in July 2010 with a two-year extension subject to the outcome of a Mid-Term Review (MTR). The MTR will need to start in the second half of calendar year 2012 for completion by December 2012 to allow adequate time for either winding the Scheme down or for its continuation with possible changes in direction.

The Mid-Term Review will examine the effectiveness of implementation, propose any changes in delivery approaches and help determine whether the Scheme should be extended. It will also inform a broader African Strategy review to take place in early 2013.

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4 These are Posts that have no AusAID representation.

The AACGS does not require a dedicated Technical Advisory Group (TAG) or other formalised governance arrangements such as an overarching Reference Group or Management Committee. Monitoring and evaluation oversight, and other specialist technical support, will be provided by the PSG managed by the AAPF Managing Contractor.

AusAID staff in Pretoria[5] will provide policy, strategic direction and implementation oversight including roles such as key partner selection; ongoing review of funding criteria and thematic areas and priorities; ensuring cross cutting themes are integrated throughout; and managing monitoring and evaluation and review arrangements.

4.2   Implementation cycle

4.2.1   Application

Applications will, as at present, be received throughout the year. The Guidelines make it clear however that the timing of screening/selection rounds will vary between Posts and is at the discretion of AusAID (and DFAT at some Posts).

The Scheme itself or particular rounds will not be advertised in mass media such as newspapers. Such advertisements in most African countries would result in a flood of applications that could not be effectively processed even with additional staffing resources.

However, the program must comply with Commonwealth Guidelines and be seen to be administered in an open, transparent and equitable manner. How this may be achieved will vary from country to country. It is anticipated that details of the scheme and its guidelines will be available on Australian Government websites.

Currently, guidelines and application forms for the Small Activities Scheme are made available in hard copy or electronically on request. This approach will continue but the new Scheme guidelines, application forms and templates will also be available on Websites maintained by African Posts and they will be translated into relevant national languages. However applications must be submitted in English. The Communications Strategy that will be developed for the Africa program will explore other measures designed to maximise transparency and open administration.

As the program seeks to expand to new countries and identifies new Management Partners, working with different types of organisations in areas such as gender equality, the environmental sustainability and disability inclusiveness, new and less formal means of promoting the Scheme and its objectives will emerge. Alternate means of promoting the scheme will be actively explored by both Posts (AusAID and DFAT) and by outsourced staff. Management Partners will themselves be able to assist in this process as highlighted in some of the Case Studies in *Annex 4.*

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[5] While the location may be the subject of future consideration by AusAID management, the intention of this implementation plan is to ensure a single AusAID Post has overall management responsibility of the scheme.

4.2.2 Assessment and selection

Currently, ARSAS Committees consisting of AusAID, DFAT and O-based staff depending on the Post, meet between 1 and 3 times during the course of a financial year. ARSAS Managers at AusAID Posts undertake the initial culling of proposals and preparation of a short-list for the selection meetings. At non-AusAID Posts this work is undertaken by DFAT staff responsible for DAP management.

Pretoria is the only Post to hold three selection rounds annually, usually in October, February and April. The third meeting is a 'mopping up' process where any remaining funds including from other Posts are committed prior to the close of AusAID's financial system in June.

Accra, Port Louis and Nairobi usually have two rounds (the latter had only one round in 2009-2010) whereas Cairo and Abuja are able to manage the assessment and selection process with one round.

Ideally proposals should be assessed within a particular month once or at most twice per year given the 'selection' demands of other programs such as scholarships and resource constraints at all Posts. However, standardisation for AACGS across all Post is not feasible given that some Posts manage the Scheme as part of their DAP arrangements.

As a general principle as far as possible, the frequency of assessment meetings should be reduced over time, especially in Pretoria that currently has three meetings. Increased use of Management Partnerships and a reduction in the number of Implementation Partnerships over time, as well as the approval of larger multi-year projects together with some 'reserve' projects coupled with out-of session deliberations, where necessary, should help to achieve this objective.

As per Table 1, outsourced AACGS staff will play a major role in the short listing stage assessing proposals for eligibility against the selection criteria detailed in the General Guidelines (*Annex 6A*) together with other key issues. The short listing process will determine whether applications meet essential eligibility criteria. All eligible proposals will be submitted for assessment. An Assessment Template that describes relevant issues for use by AusAID and DFAT staff is in *Annex 7*. Assessments are presented to newly constituted AACGS Committees for discussion.[6] After discussing the merits of each proposal the Committee will select proposals recommended for funding based on funding allocations but including where available some 'reserve' proposals to cover the possible availability of additional funds and/or a situation where a recommended proposal is not approved or fails to proceed for some other reason. Selection Minutes for all Posts are signed off by the Counsellor or First Secretary, AusAID, Pretoria as are the FMA 9 approvals and the individual Funding Agreements.

Appraisals are completed by AACGS Managers but outsourced staff in reviewing all proposals will provide some commentary on short listed proposals that will facilitate this process. Outsourced staff could ultimately be tasked to draft the complete appraisals using the *Annex 7* template.

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[6] In most cases these Committees will have the same membership as the current ARSAS Committees. Secretariat support will be provided by the outsourced ARSAS staff.

4.2.3 Implementation

Project funding will be provided as a single grant for the total approved value for all single year proposals. For multi-year proposals funding will be in instalments consistent with the funding approval. In all instances, payment of grants will be subject to a prior signature of a Funding Agreement between the AusAID Pretoria and the applicant (Implementation or Management Partner) setting out the terms and conditions of the grant.

As per the Funding Agreements, organisations will be required to forward Six Monthly Progress Reports and a Completion Report to the AusAID Office within 60 days of project completion. Pro forma are in *Annex 6 E & F*. If the reports are not received in time, reminder letters will be forwarded to the organisations. For multi-year proposals, subsequent instalments will not be paid until all outstanding reports have been received.

The current Small Activities Scheme has had no defaults in 20 years of operations. Current good practice approaches will be maintained including fast (phone) follow up if acquittals are late; threat of no future funding if acquittals are not submitted; checking past donor references; effective short-listing and assessment procedures combined with more intensive monitoring.

Any funds not expended at the completion of a project are repayable to AusAID or the relevant Australian diplomatic mission as applicable and interest earned on project funds is to be used solely for the project or repaid.

An overriding principle is that the disbursement, acquittal and funds monitoring processes are to be applied ensure maximum accountability. Projects funded will be monitored (*Section 4.4*).

4.3 Coordination arrangements

4.3.1 Other AusAID programs in Africa – differences & complementarities

The expanded AACGS has a unique role in the range of Africa program delivery mechanisms. It provides targeted assistance that other mechanisms are not set up to deliver while aiming to complement the work of these programs as far as practicable.

Annex 2 summarises these differences and highlights various options for complementary activities. Examples include:

- An expanded AACGS may complement AAPF activities and programs funded by various AusAID Sector Initiatives by supporting partnerships with NGOs working in primary health care (eg projects that train Home Based Care workers), water and sanitation (eg well protection projects) and agriculture (eg urban agriculture training for destitute families).

- The AACGS may complement DAP activities by enabling NGOs to access larger grants, possibly funded on a multi-year basis. For example, an NGO which successfully managed a $30,000 DAP grant, has a strong track record and is considered to have the capacity to expand their activities and could be encouraged to apply for AACGS funding for a larger multi-year activity.

- ASAP will fund training courses for Civil Society organisations. This could lead to follow-up projects where such training is applied in projects funded by the AACGS.

■ Australian volunteers play a valuable role by building people-to-people links and sharing Australia's cultural values with African countries. AVIs may be indirectly supported in their work with Implementation Partners and/or the AAPF could proactively negotiate with Australian Volunteers International the placement and funding of an AVI where this would help improve the implementation/sustainability and Australian profile of a high priority AACGS-funded activity.

4.3.2   Scope for donor coordination

Section 3.6 defines Management Partnerships that have in the past and will continue in future incorporate elements of donor coordination, primarily with foreign donor NGOs and some international donor agencies. The scope for coordinating activities with those of other government donors across the African continent will be quite limited. Such donors can't be expected to 'manage' aspects of the Scheme on AusAID's behalf and are unlikely to qualify as Management Partners.

It may however be possible to coordinate AACGS activities with other bilateral government donors in certain 'difficult' countries and this will be actively explored in countries such as Sudan. In some countries other government donors could help by suggesting trusted CSOs and/or projects for possible AACGS funding. Opportunities to co-fund appropriate activities will also be explored. At broader level donor forums, the operations of Community Grant Schemes may be discussed, exchanging information about good practice approaches and lessons learned. Given that Australia will remain a small donor on the continent, any lead role in sponsoring donor forums for this purpose is not envisaged. This will not of course preclude Australian participation in meetings where Australia's role as a partner in African development may be promoted by bringing to the attention of governments and donors examples of effective development models supported by the AACGS.

4.4   Monitoring, evaluation and reporting

4.4.1   Overview

A Monitoring and Evaluation Framework that describes how information will be collected against Scheme objectives/outcomes and key outputs, is in *Annex 5*. Included are indicative data sources and collection methods, including identification of who will be responsible for collecting and reporting on performance. Some key risks to success and how to manage them are included for each objective and output.

Impact will not be measured at goal level but the M&E Framework is structured to collect evidence representing the achievement of the objective and thereby demonstrating some contribution towards the goal.

Individual activities will have objectives that may be linked to the objective at Scheme level. This will vary for each activity but guidance is provided in the Reporting Templates in *Annex 6* designed to streamline M&E reporting at activity level. They will simplify and standardise current activity level M&E approaches and ensure more consistent reporting of activity outcomes.

To improve an understanding of the distinction between an activity goal (not considered essential at activity level), purpose (a term no longer used by AusAID) and activity outcomes and outputs, the templates for M&E reporting at activity level include

definitions of the terminology used and provide practical examples to illustrate the approaches that should be used.

The outsourced M&E Manager will play a major role particularly in activity level monitoring and reporting and will be able to provide some assistance to Implementation Partners to ensure reports focus on outcomes. Technical assistance with monitoring and evaluation, and support with M&E planning, and project evaluation will be provided by an M&E specialist employed under the Africa Program Technical Advisory Group. Final Reports will be expected to report against outcome/output indicators but also to include at least one or two *'Most Significant Change Stories'*.

Summaries of activity level M&E Reports will feed into Scheme-level QAI and other AusAID Reports.

4.4.2 Outcome-level information

Section 3.1 provides a realistic and measurable objective at Scheme level. The objective has an outcome together with suitable indicators to gauge performance and to monitor progress. Specific outcome measures of progress for each of the Scheme's initial three years of operation are included in the M&E Framework.

The key mechanisms for generating and collecting outcome-level information to be used by the Scheme are the Activity Completion Reports. Additionally, the M&E Framework provides for the in-depth post-completion monitoring/evaluation of a representative sample of activities each year. The outsourced M&E Manager with assistance provided by the TAG M&E Specialist will be responsible for these reviews. They will be conducted 6-12 months following the completion of an activity. The target will be to evaluate 5% of all projects in this way. This target will be reviewed periodically.

4.4.3 Output-level information

Activity output information will be collected through activity progress and completion reports. Progress towards the achievement of output targets which are the direct deliverables of each activity will reveal progress towards underlying objectives and will help to determine the case for future funding of particular CSOs especially where multi-year funding is involved. Each activity proposal will need to include appropriate output indicators.

The M&E Framework also includes a number of output indicators with targets at Scheme level. The expanded Scheme incorporates an ambitious set of operating principles and stating some of these as outputs with targets will facilitate annual reporting at Scheme level. The target levels set are realistic and achievable but will need to be reviewed periodically. These targets should not be viewed as an 'imposition' but rather to clarify what a realistic level of success in implementing a Scheme of this kind should look like.

Monitoring, recording and reporting Scheme outputs will not be onerous and the necessary data will be collected by the outsourced M&E Manager and reflected in annual reporting on the Scheme.

4.4.4 Monitoring Australian visibility

A key operating principle and specified output is the maintenance and promotion of Australia visibility. For reasons mentioned in *Section 4.2.1* above, the Scheme cannot

realistically be generally advertised in the mass media and less formal means of promoting the Scheme will be explored to ensure compliance with *Commonwealth Grant Guidelines*. Scheme Guidelines and applications forms will be available on African Post websites.

The key indicator of success will be positive references to activities funded by the Scheme. Activity reports will be a key information source but it will also be necessary to gather information from a wider range of sources. Instances of positive feedback directly referencing AACGS activities may take the form of Personal Comment (verbal, email, personal correspondence, etc) or Published Comment (print and electronic media). While the Scheme will not generally work directly with government, there may be instances of Official Comment (meeting minutes, official correspondence, proceedings of official fora, etc). Additionally, it will be important to promote the work done by the Scheme to partner governments. They may receive copies of reports or an annual letter and invitations to activity launches or closing ceremonies.

Data collection for such generic indicators will be somewhat opportunistic. The M&E Framework provides for brief periodic surveys to collect reference material supplementing information contained in activity reports. To improve the reliability of results such surveys may be quarterly or at least six-monthly. Survey participants will be staff at AusAID and DFAT Posts. It will be important to ensure that HoMs are able to participate. Management Partners may also be considered. They will also be expected to provide data in their six-monthly and completion reports.

4.4.5   Reporting

Implementation partners

Implementing partner organisations are required to provide a Six-monthly Progress Report on project implementation, identifying progress against outputs and outcomes achieved.

A Final Report, including an acquittal of the grant is provided to AusAID on project completion.

Management partners

Management partners will produce similar reports. Where these organisations are responsible for the monitoring of multiple CSO activities they will submit these reports on behalf of individual CSOs (including evidence that each CSO has made a substantial contribution to the reporting), with appropriate summary reports where individual projects have common objectives. Summary reporting requirements will be specified in Partnership Agreements.

Reporting templates are in *Annex 6.*

AusAID

AusAID will be responsible for an *Annual AACGS Report*. A template is in *Annex 8.* The report will be drafted by outsourced staff.

AusAID will also produce *Quality at Implementation Reports* at least annually. Format and content requirements are specified in AusAID Guideline '*Completing a Quality at Implementation Report.* Material from these reports will feed into the corporate *'Annual*

Program Performance Report for Africa'. Outsourced staff will assist in the preparation of these reports.

4.5   Sustainability

The Scheme will strive to ensure the sustainability of all of the activities that it will fund. The Scheme as a program cannot be sustainable in itself.

Given the scale and time frame for these activities they are particularly vulnerable to weak sustainability outcomes. Funding of recurrent costs, capital equipment and construction will only be considered where it is demonstrated that inclusion of these items is critical to the sustainability of a funding proposal. Vehicles will not be funded.

Measures to promote sustainability include support in relation to activity preparation based on guidelines and templates; improved monitoring; multi-year funding; and a focus on activities that complement other AusAID-funded Africa programs.

4.6   Overarching policy issues

Cross-cutting issues such as gender equality, disability inclusiveness and environmental sustainability will be addressed at activity level as reflected in the General Guidelines in *Annex 6A*. Additionally, CSOs specialising in these issues at country or regional level will be proactively targeted with a view to engaging them as Management Partners. Preference will be given to activities that will directly address inequality by meeting the needs of those most vulnerable in the community (be they women, men, youth, people who are elderly, the unemployed, or people with a disability).

4.6.1   Gender Equality

This Scheme has incorporated the principle of gender equality. Promotion of women's activities will continue to be a specified sectoral focus area.

The Scheme will also seek to identify organisations at country and regional level that are addressing the needs of vulnerable and marginalised groups, especially women and children, with a view to engaging such organisations as Management Partners. This will include women's advocacy networks and organisations involved in supporting projects implementing aspects of *Security Council Resolution 1325* dealing inter alia with the special needs of women and children in post conflict situations.

It will be a requirement to address the promotion of gender equality in all activity proposals. Activity Completion Reports will be expected to address gender analysis and impact. Outsourced AACGS staff will be expected to have sound gender analysis skills and arrangements may be made (through the AAPF) to provide additional gender training.

4.6.2   Disability considerations

A focus on inclusive development for people with disability is essential in terms of progress against MDGs.[7] People with disability are often amongst the poorest and most

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[7]   The 2009 UN General Assembly Resolution A/C.3/64/L.5/Rev.1 (http://daccess-dds-ny.un.org/doc/UNDOC/LTD/N09/597/90/PDF/N0959790.pdf?OpenElement) calls on Governments and UN bodies to step up efforts to include people with disability in their efforts to achieve the MDGs.

vulnerable in developing countries. The strong link between disability and poverty mean that the MDGs can not be achieved unless people with disability, their families and their communities have the same access to services and opportunities and are enabled to participate and contribute and share in the benefits of development like others. Implicit in every MDG is the challenge to ensure that the benefits of development reach the poorest and most socially excluded including people with disability.

Disability issues are not currently addressed in the ARSAS Guidelines although significant activities with a specific disability focus have been funded. The new AACGS Guidelines in *Annex 6* are consistent with Australia's disability inclusive development strategy, *Development for All.*[8] As for gender, the Scheme will seek to identify active Disabled People's Organisations at country level with a view to engaging such organisations in selected African countries as Management Partners to help manage the implementation of disability initiatives (and otherwise requiring Management Partners to ensure opportunities for their participation), consistent with principles in the UN Convention on the Rights of Persons with Disabilities.

Australia is committed to building its leadership in this area and to raise the profile of disability-inclusive development as a core development issue among donor (and government) partners. As Management Partnerships are developed with other donors disability issues will be highlighted in the relevant Partnership Agreements.

4.6.3   Anti-corruption

The Scheme will support good practice and model anti corruption. The AACGS Guidelines include provisions designed to minimise the scope for corrupt practices. Outsourced (and AusAID and DFAT) staff will in their assessment and monitoring roles seek to minimise the scope for and to detect potential and actual fraudulent practices.

4.6.4   Environmental Sustainability

All activity proposals must comply with the provisions of AusAID's *Environmental Management Guide for Australia's Aid Program.* This covers the assessment and management of all actual or potential environmental impacts, both direct and indirect, to avoid or mitigate negative impacts and promote positive impacts and compliance with all relevant environmental laws and regulations of each partner country.

This is specified in AACGS Guidelines and applicants for funding will be required to address specific environmental issues.

The Scheme will proactively seek to identify national level environmental advocacy and other environmental groups in selected African countries to establish their suitability and interest in participating in the Scheme as Management Partners.

4.6.5   Child protection

AusAID's expectations, including new child protection compliance standards for contractors and non-government organisations, are outlined in the *March 2008 Child Protection Policy.* (*www.ausaid.gov.au/publications/pdf/child_protection.pdf*).The policy provides a framework for managing and reducing the risks of child abuse by persons

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8   http://www.ausaid.gov.au/ keyaid/pdf/ausaid_disability_strategy_summary_LP.doc

involved in delivering aid program activities, and specifies the minimum standards with which all AusAID contracted staff must comply. These policies apply to all staff engaged by the AACGS. AusAID's expectations regarding NGOs are covered in standard agreement pro forma that will apply to all AACGS activities.

4.7   Critical risks and risk management strategies

Risks to the achievement of the Scheme objective and how they can be managed are detailed in the *Risk Management Matrix* in *Annex 14.* These risks are in the areas of conflict or political instability in African countries; lack of suitable Management Partners; potential partners such as donors disinclined to be involved; relatively small size of the program and inadequate branding limiting visibility; and the focus on community level/civil society activities limiting opportunities to bring the Scheme to the attention of government decision makers.

Other risks are in the areas of working in unfamiliar countries with no DFAT representation; poor reporting and outcomes measurement; inability to attract suitable local specialist staff; poor performance of contracted staff; an expanded Scheme generating more work than anticipated for AusAID and/or DFAT staff; other AusAID-funded programs failing to see the mutual benefit in undertaking complementary activities; Scheme mechanisms too slow and cumbersome to meet partner needs and expectations.

Annex 1: Other AusAID-funded programs – Overview

Direct Aid Program (DAP)

DAP is a small grants scheme designed to assist organisations working at community level in fields such as poverty alleviation, education, sanitation, health, human rights, rural development and conservation. DAP is managed by DFAT missions. Projects funded range in value from $500 to $10,000 and are of no more than 12 months duration. The DAP funding limit in Africa recently increased to $30,000. The DAP and the ARSAS program are complementary. As they are currently implemented, the focus of DAP is on smaller activities that have a direct, practical and immediate impact. ARSAS provides opportunities for organisations to access higher levels of funding and has a more development-oriented approach. Both maintain a focus on public diplomacy goals.

Australia-Africa Partnership Facility (AAPF)

The AAPF has been designed as a demand-driven, flexible mechanism to action requests for technical assistance through bilateral and multilateral channels. The Facility will respond to the growing whole-of-government interest in Africa and share Australia's expertise in areas of comparative advantage. The Facility will provide targeted capacity building assistance across a range of areas but with an underlying focus on the three major sectoral themes: governance for mining and natural resources; public policy (especially trade policy and negotiation, economic governance and public sector reform); and agriculture. Requests outside these areas will also be considered including peace building and conflict prevention; private sector development; maternal and child health; and water and sanitation. Other sectoral themes may be considered.

To maximise effectiveness, the Facility will work closely with other sectoral areas in the wider Africa program to ensure consistency/complementarity with sector priorities; and to avoid duplication. The AAPF will work through a flexible suite of potential forms of aid including the placement of specialists; short-term professional development programs; joint research programs; partnerships; and grant funding. A tender process to select a Managing Contractor commenced in December 2009.

Australian Partnerships with African Communities (APAC)

The APAC program is a $60 million five-year partnership between AusAID and six Australian NGOs. It focuses on development initiatives that aim to address HIV and AIDS, water and sanitation, food security and health gaps in seven countries (Kenya, Malawi, Mozambique, South Africa, Uganda, Zambia and Zimbabwe). The program has been extended by 12 months to December 2010 to enable the NGOs to consolidate achievements to date, as well as provide an opportunity for the experiences of the current program to inform the design of a follow-up program.

AusAID NGO Cooperation Program (ANCP)

The ANCP is a funding program for Australian NGOs that have been accredited with AusAID. AusAID partners with Australian professional development NGOs, which have met rigorous accreditation standards, to implement their own development and poverty alleviation programs overseas. To become accredited, agencies are required to undergo a rigorous assessment of their organisational structure, systems and philosophies. There are two levels of accreditation for NGOs: Base and Full. To be eligible for funding, NGOs must submit an Annual Development Plan each year and all proposed projects must adhere to ANCP Guidelines. Many Australian NGOs participating in the program

undertake various types of projects in Africa. There are informal linkages between the APAC and ANCP programs. For example, based on lessons learned, participants in the APAC program have replicated elements of their APAC projects within their ANCP projects in other African countries.

Australian Volunteers in Africa

Australian volunteers contribute to poverty reduction and sustainable development in Africa through support for their host organisation's goals, Australian Government development priorities in Africa and African Governments' progress towards the MDGs. Two volunteer programs, Australian Volunteers International (AVI) and Australian Youth Ambassadors for Development (AYAD), are currently active in Africa. 50 new volunteers will be placed in selected African countries during 2009-10, comprising 35 AVIs and 15 AYADs (the first time AYADs will be placed in Africa). Volunteer assignments are typically between 6 months and 3 years in duration.

Africa Food Security Initiative

Under a new food security initiative Australia will contribute to food security in Africa by supporting agricultural research, trade and agricultural market development in African countries. The initiative will work through the framework of the African Union's Comprehensive Africa Agricultural Development Program (CADAP) and will provide opportunities to partner with other donors in support of African institutions. It is envisaged that Australia will collaborate with France in supporting agricultural research efforts in West Africa. The work within the CADAP framework is to be complemented by a bilateral project approach from ACIAR.

Africa – Water and Sanitation Program – Regional Framework

Australia's $300 million Water and Sanitation Initiative (WSI) will be implemented from 2009-2010 to June 2011. The Africa Water and Sanitation Program (AWSP) will be the largest regional/country program supported by the WSI and will be a key part of Australia's expanded support to Africa. It will focus on Sub-Saharan Africa. Developing programs in new countries will not be possible given the short duration of the WSI.

Maternal, Newborn and Child Health Initiative

A 2009 Scoping Mission identified options for further support to improve maternal and child health. The new program is to build on the success of past investments but will also seek to broaden assistance through new and strengthened partnerships in East and Horn of Africa. It proposes a multi-pronged approach focused on key thematic areas and using existing channels where possible. This involves firstly working through regional organisations with programs in multiple countries. Secondly engagement in a limited number of bilateral negotiations with a view to contributing to sector basket funds in Ethiopia and Rwanda coupled with direct support in a number of countries in the first year of the program. Thirdly, linking the provision of funds for reducing maternal and newborn mortality through both regional and bilateral arrangements with technical assistance.

Australian Scholarships for Africa Program (ASAP)

This substantial new program (to cost around $400 million) has been designed and is to commence on 1 July 2010. It will cover a five year period ending 2014-2015. Awards to Africa will be expanded to 1000 awards annually by 2012-2013 – a ten-fold increase on current numbers. Current award numbers (traditional scholarships and fellowships) are being scaled up to allow this target to be met. The program will increase Australia's

profile in Africa by showcasing expertise in key sectors such as agriculture and mining that are aligned with the priority needs of partner countries. It will help to promote Africa-Australia linkages in other areas of Australian expertise at government, commercial and civil society levels. The program will provide Long-Term Awards, Short Course Awards (delivered in Australia and Africa) and Professional Development Awards (work attachments in Australia). CSOs will have targeted access to all award types.

Annex 2:   Other AusAID-funded Africa programs – Differences and potential complementarities

The table below summarises for each current or intended AusAID-funded African program described in *Annex 1*, how it differs from the AACGS and how the Scheme may fund complementary activities.

Key features of current and future AusAID-funded programs in Africa	AACGS characteristics highlighting differences and potential complementarities
DAP (DFAT managed) ▪ Highly flexible ▪ $30,000 limit and some very small activities ▪ No multi-year funding ▪ Limited targeting ▪ Wide geographic reach	▪ Scope to complement DAP activities eg funding a trusted DAP partner at a higher level and on a multi-year basis ▪ Flexible Window ▪ More targeting with wide sector coverage ▪ Larger activities ▪ Multi year funding ▪ Pan-Africa coverage
AAPF ▪ TA/Capacity building focus ▪ Demand driven ▪ Highly flexible ▪ Mainly government ▪ Limited sectoral focus	▪ Complementary activities an operating priority ▪ Capacity building not specifically provided but built into many activities ▪ Both demand and supply driven ▪ Flexibility through a specific Window & otherwise targeted ▪ Funding of CSOs ▪ Wide sectoral coverage
APAC ▪ Limited number of Australian NGOs ▪ Limited number of sectors ▪ Large projects ▪ Limited geographic reach	▪ Could in some circumstance consider complementary funding – potential synergies with this program should be explored in its next phase ▪ Potentially a very wide range of partners ▪ International affiliates of APAC partners may be targeted as AACGS Management Partners ▪ Wide sector coverage & Flexible Window ▪ Both small and large activities ▪ Pan-Africa coverage
ANCP incl. AVI ▪ Australian NGO sector & country priorities ▪ Not Africa-specific	▪ In some circumstances an Australian NGO could be considered as a Management Partner (eg if it uniquely offers access to CSOs in a 'difficult' country) ▪ Australian volunteers play a valuable role by building people-to-people links and sharing Australia's cultural values with African countries. AVIs may be indirectly supported in their work with Implementation Partners (past practice) ▪ In future consideration could be given to negotiating proactively with AVI the placement <u>and funding</u> of an AVI where this would help improve the implementation/sustainability and Australian profile of a high priority AACGS-funded activity.

Key features of current and future AusAID-funded programs in Africa	AACGS characteristics highlighting differences and potential complementarities
Africa Scholarships Program ▪ Mainly government but with allocations for private sector and CSOs ▪ Sector specific ▪ Pan-Africa coverage ▪ Various types of scholarships including short courses that adhere to Australian-based quality standards	▪ Complementary activities an operating priority ▪ Training courses for Civil Society organisations could lead to follow-up projects where such training is applied in AACGS projects. ▪ Funding of CSOs ▪ Pan-Africa coverage ▪ Wide sectoral coverage
Sector Initiatives (Food Security; Water & Sanitation; Maternal & Child Health) ▪ Mainly government ▪ Sector specific ▪ Limited geographic reach ▪ Focus on co-funding including SWAPs & larger activities ▪ Donor coordination	▪ Complementary activities an operating priority ▪ Funding of CSOs ▪ Wide sectoral coverage ▪ Pan-Africa coverage ▪ Smaller activities and more limited co-funding mainly through Management Partnerships ▪ No donor coordination as such although other NGO/UN donors may be used as Management Partners with other forms of coordination in some countries

Annex 3:   AACGS partnerships

Types of partnerships	Their role in an expanded AACGS
Implementation Partnerships: Partnerships with local CSO beneficiaries	▪ Many AACGS activities will continue to be one-off with specific developmental rather than longer term partnership objectives. By specifying a higher minimum size of $30,000 for individual activities (currently $10,000 but in practice as low as $6,700) the number of these types of partnerships may be limited but is still likely to expand in a larger program. ▪ Even multi-year activities implemented by individual local CSOs may primarily be justified by sustainability objectives rather than by a desire to engage in a long term partnership arrangement with the beneficiary agency. The norm will continue to be 12 months but where the activity being funded would benefit from a multi-year commitment to enhance sustainability a 2-year 'conditional' grant may be considered (this limit may be raised over time). ▪ Multi-year grants will not however be implemented merely to provide an implementing CSO with a guaranteed funding base – it will be driven by the nature of the activities being supported. ▪ Selection will be based on processes currently applying to the ARSAS with adjusted and streamlined Guidelines (*Annex 6*) and with each activity as at present covered by a ***Funding Agreement*** ▪ While some of these partnerships may be developed proactively (especially in 'new' countries) many will continue to evolve in response to unsolicited proposals (including from Implementation Partners funded previously – some have been funded annually for 20 years eg EDUTAK in South Africa) with requests assessed as at present through periodic selection rounds. ▪ All if not most of the activities being funded by Posts where there is no AusAID presence fall into this category (with activities being selected in much the same way as DAP activities) and realistically this approach will continue. However as more Management Partnerships are developed this may gradually change – and help to streamline selection processes.

Management Partnerships:
 	
Partnerships with various types of agencies active in funding community level development activities in African countries
	▪ The purpose of such partnerships is to use the skills, experience and/or unique position of various types of agencies to help manage and monitor the implementation by Civil Society Organisations (CSOs) of activities that meet AACGS guidelines. Ideally such partnerships should be able to manage and monitor multiple CSO activities.
	
	▪ Such arrangements may be particularly helpful in facilitating the identification and/or implementation of activities in countries or sectors where Australia has not operated in the past and/or would find it difficult to verify the bona fides of CSOs and/or to monitor activity progress.
	
	▪ Current examples of such partnerships are found in Zimbabwe (using PACT International, a US NGO); in Kenya (using GAA, a German NGO) and in Zambia using a UN agency (UNFPA).
	
	▪ Future options will include:
	  o replicating current arrangements with PACT and GAA in other countries where these NGOs currently operate
	  o identifying similar agencies especially in other 'difficult' countries'
	  o working with national or sub-regional NGOs specialising in cross-cutting issues and willing to manage and monitor one or

	more CSO projects
	◊ <u>gender equality</u> (eg women's advocacy networks) or
	◊ meeting the needs of people with disability (national Disabled People's Organisations)
	◊ national level <u>environmental</u> advocacy groups.
	o identifying Australian organisations with national CSO counterparts – this could include mining companies and sporting organisations (the latter have been funded in the past).
	▪ Future arrangements with UN agencies and Australian NGOs are not excluded but care needs to be taken to avoid core program support since the former receive substantial core budget and other support through AusAID's multilateral and bilateral programs and the latter also have access to the ANCP and APAC.
	▪ A fundamental requirement for these types of partnerships will be that the AACGS will not be funding the core programs of the agencies but rather that they would be managing and monitoring on AusAID's behalf, in a cost effective manner, specific CSO activities that match their own priorities and programs.
	▪ These types of intermediaries may be appointed without a tender process (subject to approval by the relevant delegate) with each partner offering unique skills and contacts. These arrangements are expected to reduce workloads and administration overall in an expanded program although the partnerships themselves will need to be managed and monitored.
	▪ For each partnership there will be a ***Partnership Agreement*** that will describe how AusAID would work with the particular agency including the funding of individual CSOs. A ***Funding Agreement*** would sit underneath each Partnership Agreement. The scope of these Agreements will vary (as do the current agreements with PACT and GAA, with PACT but not GAA engaged in implementing CSO selection). Agreements will be 'conditional' multi-year (up to three with an option to extend).
	▪ 'Criteria' to apply to the selection of Management Partners will include issues such as: 　o institutional capacity and track record 　o focus on particular sectoral and cross-sectoral issues 　o networks and access to CSOs in new and 'difficult' countries 　o willingness and capacity to promote Australian identity 　o partnerships that offer particularly effective development models 　o connection with other AusAID-funded programs 　o cost effectiveness.
	▪ Examples of such partnerships are found in Case Studies in *Annex 4* which also highlight the mutual benefits.

Annex 4:   Management Partnership case studies

As noted in *Annex 3*, these types of partnerships will be particularly helpful in facilitating the identification and/or implementation of activities in countries or sectors where Australia has not operated in the past and/or would find it difficult to verify the bona fides of CSOs and/or to monitor activity progress.

Given these advantages, the AACGS will actively seek to expand these types of partnerships and the case studies below are all based on such a proactive approach. This does not preclude suitable organisations approaching AusAID either informally or by submitting activity applications for AACGS selection rounds and being considered as Management Partners.

Case Study 1:

> *AusAID is keen to fund AACGS activities in a country that has not received ARSAS or DAP support in the past. There may be language and access problems and the country has rarely been visited by Australian officials. Direct monitoring of activities by AusAID/DFAT would be difficult.* [9]

- AusAID Post investigates the types of activities funded by international (UN and NGO) donors in this country.

- Contact is made with significant donors to ascertain their interest in assuming a Management Partnership role.

- A well-known international NGO active in a particular sector is willing and able to sponsor several community groups keen to undertake small scale projects in the sector and geographic area where it is currently operating. **It is prepared to help these organisations prepare activity proposals to AACGS Guidelines and submit these proposals as a package to AusAID for consideration during an AACGS funding round.** It is also prepared to assume responsibility for all monitoring and reporting and ensure that Australian identity requirements are met. The funding proposal provides for management costs. The NGO has access to a greater pool of funds to work with community groups.

- AusAID confirms the track record and institutional capacity of the international NGO.

- The ARSAS Committee approves the funding package.

- AusAID negotiates a *Partnership Agreement* with the NGO as well as a *Funding Agreement* for the approved project package. The former describes broad partnership arrangements that would apply to any future repeat funding. The Funding Agreement covers the specifics of the project package that has been approved.

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[9] Such approaches could also be adopted in countries where CSOs have been funded by AusAID for many years but where it would be administratively effective to use experienced Management Partners to sponsor and manage a group of activities in areas where they currently operate. (An approach already adopted successfully in Kenya.)

Case Study 2:

AusAID wishes to engage with an experienced national or regional peak body Disabled Peoples Organisation able to foster and support local CSOs working with disabled people but having limited project management experience. 10

- AusAID Post investigates the availability of suitable organisations through Internet searches (AusAID's June 2009 *"Guidance Note Disability-Inclusive Development"* provides potential source material). AusAID's Disability Inclusive Development Team is consulted. 11

- A national Peak Body with project management experience is identified and confirms its strong interest in assuming a Management Partnership role.

- However, in assessing the track record and institutional capacity of the organisation it is found that overall capacity is weak and would need to be strengthened before a management arrangement could be contemplated.

- Arrangements are made for the DPO to approach the Partnership Facility for capacity building support.

- The Facility assesses the request, confirms the need for an organisational development expert. An existing volunteer provider has access to volunteers with necessary skills. The Facility approves funding, volunteers are selected and mobilised. At the conclusion of the assignments the DPO's capacity is reassessed and positively appraised.

- The ARSAS Committee approves a funding package covering several distinct projects to be implemented by local CSOs working with disabled people with management support provided by the Peak Body DPO. **Initially these projects may need to be referred to AusAID as a package as part of a funding round (See case Study 1). Subject to good performance, repeat funding may be based on the approaches illustrated in Case Study 3.**

- AusAID negotiates a *Partnership Agreement* with the NGO as well as a *Funding Agreement* for the approved project package. The former describes broad partnership arrangements that would apply to any future repeat funding. The Funding Agreement covers the specifics of the project package that has been approved. The NGO has benefited from capacity building and has access to a pool of funds to continue and expand its developmental work.

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10 Similar arrangements could apply to national women's advocacy networks or national level environmental advocacy groups.

11 For example, the Team has details of National Disabled People's Organisations covering Kenya; Malawi; Mozambique; South Africa; Swaziland; Tanzania; Uganda; Zambia; Zimbabwe; Namibia; Angola; Botswana; and Lesotho.

Case Study 3:

> *AusAID is approached by civil society organisations seeking support in a country suffering political and economic turmoil. The type of support sought covers funding of CSOs actively engaged in mobilisation of citizen participation in decision making, promotion of the rule of law, respect for human rights and rights to basic needs. Australia is keen to assist as are other donors.*

- Donor governments agree that staff of these CSOs would be exposed to considerable security risks if funded directly by foreign governments.

- Australia has limited networks and access to CSOs in the country. AusAID would find it difficult to assess the bona fides and capacity of these CSOs.

- An experienced and highly respected international NGO has been working with these CSOs for a number of years and has funded some of their projects. It has excellent networks, a sound track record and is also supported by other major bilateral and multilateral donors.

- The International NGO is approached by AusAID and is willing administer a block grant provided through the AACGS and consistent with the overall goal and objective of the Scheme as well as its reporting requirements. The NGO's management costs are covered and the NGO is able to access a greater pool of funds to expand support to the types of organisations that it has supported for some time.

- The International (Management Partner) NGO submits a funding proposal incorporating an indicative list of partner CSOs to receive support and proposing a list of activity objectives. **AusAID approves a block grant funded under the Flexible Window for one year with an option, subject to performance, to extend the grant for a further year**.

- Individual CSOs are not specified. **The Management Partner NGO will manage an appropriate selection, funding and acquittal process at CSO level. Details will be reported to AusAID six-monthly and in a Completion Report**

- AusAID negotiates a *Partnership Agreement* with the NGO as well as a *Funding Agreement* for the first year's block grant.

Annex 5:   Monitoring and Evaluation Framework

Scheme goal	
To contribute to the achievement of MDGs in Africa at the community level	Impact will not be measured at goal level but evidence collected representing the achievement of the objective will help to demonstrate some contribution towards the goal.

Objective – Desired effects	Tangible outcomes	Indicators of success	Collection	Information source	Responsibility for collecting data	Risks to achieving outcomes	How to manage the risks
Objective *Organisations in a broad range of African countries have access to funding for effective community level development activities.*	**Outcome** *The reach of the Scheme is increased across Africa as organisations implement AACGS-funded activities that support effective community level development*	▪ Number of additional countries receiving AACGS funded activities each year ▪ Proportion of activities in sectors that contribute to the achievement of MDGs in Africa ▪ Proportion of activities that meet their stated developmental objectives ▪ CSOs are satisfied with the assistance received	Compiled annually	▪ AACGS database ▪ Activity Completion Reports ▪ In-depth outcome / impact monitoring reports covering representative sample of activities	M&E Manager	Conflict or political instability that makes it not feasible to provide assistance	Based on analysis of political context focus on new countries where assistance is feasible and regularly up date this analysis

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Key Scheme outputs	Indicators of success	Performance targets	Collection	Information source	Responsibility for collecting data	Risks to achieving targeted outputs	How to manage the risks
Key Output 1 *Scheme expands to new countries*	Number of new countries having access to the Scheme	▪ At least 4 new countries achieve access to the Scheme in year 1 with 5 new countries in each of years 2 and 3	Compiled annually	AACGS database	M&E Manager	▪ Conflict or political instability that makes it not feasible to provide assistance to some countries ▪ Resource constraints re visits to new countries	▪ Expand Management Partnerships especially where these help to provide effective access to 'difficult' countries ▪ Expanded AusAID presence at Posts and relationship-building with HOMs who play a critical role in the expansion process
Key Output 2: *Additional AACGS Management Partnerships developed with a broad range of organisations operating in Africa*	Number of additional Management Partnerships arranged each year	3 new management partnerships developed annually of which at least 1: o specialises in the needs of women and children and/or women's advocacy and/or o is an active Disabled People's Organisation and/or o is an environmental advocacy or similar	Compiled annually	AACGS database	M&E Manager	▪ Program expansion is hampered by inability to identify suitable Management Partners ▪ Key potential partners (eg other donors) disinclined to become involved	In negotiations with partners demonstrate mutual benefits and ensure administrative and other burdens are minimised

Key Scheme outputs	Indicators of success	Performance targets	Collection	Information source	Responsibility for collecting data	Risks to achieving targeted outputs	How to manage the risks
		organisation					
Key Output 3: *Complementarities developed with other elements of Australia's development assistance programs in Africa*	No of AACGS activities directly complementing initiatives funded by other AusAID-funded programs in Africa (including DAP)	Annually 10% of new AACGS activities directly complement other AusAID-funded programs	Compiled annually	AACGS database	M&E Manager	Other programs fail to appreciate the importance and potential mutual benefits of complementary activities	▪ Ensure Managing Contractors of other AusAID programs appreciate importance of fostering complementary activities ▪ Effective coordination arrangements between each of the programs in place
Key Output 4 *Urban and peri-urban activities funded to meet needs and facilitate effective AACGS interventions*	Number and geographic spread of activities funded	▪ Year 1 at least one project in an urban or peri-urban area in 50% of the countries that currently have access to the ARSAS ▪ Year 2 at least one project in an urban or peri-urban area in 70% of countries receiving AACGS support ▪ Year 3 at least one	Compiled annually	AACGS database	M&E Manager	Lack of quality activity proposals received that meet the requirements	Proactively seek out projects in these areas using appropriate Management Partners to facilitate this requirement

Key Scheme outputs	Indicators of success	Performance targets	Collection	Information source	Responsibility for collecting data	Risks to achieving targeted outputs	How to manage the risks
		project in an urban or peri-urban area in 85% of countries receiving AACGS support					
Key Output 5 *Gender equality and disability inclusiveness are addressed in all Scheme areas*	▪ % of projects which address the specific needs of women ▪ % of project which address the needs of people with disabilities processes	Good practice application of AusAID gender and disability principles and policies in all aspects of Scheme implementation	Compiled annually	AACGS database - disaggregated data in relation to sex and disability In-depth outcome / impact monitoring reports covering representative sample of activities	M&E Manager	Lack of quality activity proposals received that meet the requirements	▪ Ensure information on AusAID policies is distributed to potential partners. ▪ Support potential partners to develop proposals which address gender equality and/or disability inclusiveness. ▪ Expand Management Partnerships that focus on equity issues ▪ Ensure selection and monitoring arrangements address equity issues effectively

Key Scheme outputs	Indicators of success	Performance targets	Collection	Information source	Responsibility for collecting data	Risks to achieving targeted outputs	How to manage the risks
Key Output 6 *Australian visibility is maintained and promoted*	▪ Quality signage where appropriate ▪ Beneficiaries understanding of source of funding ▪ Published or other positive references to activities funded	Performance targets, if any, to be developed through the Africa Communications Strategy	Compiled annually	▪ AACGS database ▪ Activity Completion Reports ▪ In-depth outcome / impact monitoring reports covering representative sample of activities ▪ Additional sources as determined by the Africa Communications Strategy	M&E Manager	▪ Relatively small size of assistance per country in comparison to other donors and inadequate Australian branding limit visibility ▪ Focus on community level development activities limits opportunities to bring the Scheme to the attention of government decision makers	▪ Maximise opportunities to promote the Scheme and its achievements at all levels with 'good stories' through case studies ▪ Assess activities in terms of their suitability for leveraging PR ▪ Actively promote the Scheme and activities being funded to relevant partner governments eg annual reports/letters; invitations to functions
Key Output 7: *Activities are actively monitored with selective post activity monitoring/ evaluation studies*	▪ Proportion of activities covered by at least one monitoring visit ▪ Proportion of	▪ Year 1, 40% of ongoing activities covered by at least 1 monitoring visit by AusAID/DFAT or outsourced staff or by Management Partners	Compiled annually	▪ AACGS database ▪ Activity Completion Reports ▪ In-depth outcome / impact monitoring reports	M&E Manager	▪ Resource constraints ▪ Inadequate number of Management Partnerships	▪ Smaller number of larger projects including multi-year funding ▪ Focus on the rapid development of

Key Scheme outputs	Indicators of success	Performance targets	Collection	Information source	Responsibility for collecting data	Risks to achieving targeted outputs	How to manage the risks
	activities covered by in-depth post activity monitoring / evaluation reviews	▪ Year 2, 50% of ongoing activities covered by at least 1 monitoring visit by AusAID/DFAT or outsourced staff or by Management Partners ▪ Year 3, 60% of ongoing activities covered by at least 1 monitoring visit by AusAID/DFAT or outsourced staff or by Management Partners ▪ Additionally, annually, 5% of completed activities covered by in-depth post activity monitoring / evaluation reviews		covering representative sample of activities			Management Partnerships

Activity level monitoring

Participating organisations will be required to provide six-monthly monitoring reports as well as completion reports to AusAID that answer basic questions:

- Were outputs delivered on time?

- Were the intended outcomes achieved?

- Were the funds fully acquitted?

- What lessons were learned?

- Was the activity well managed?

- What contributed to all of the above either working or not working as intended?

Monitoring and evaluation that addresses these issues will be carried out or commissioned by the recipient CSO itself. The cost of activity M&E should be included in the original project proposal. Each proposal will detail how M&E will be conducted. A simple activity M&E framework will be required that reflects the diverse cultural context and environment of each activity.

The Scheme does not have a significant capacity building focus but outsourced staff will be able to provide some limited advisory assistance on a case-by-case basis with proposal preparation including the development of simple activity M&E Frameworks.

Quantitative assessment will have an important place especially in the matter of money, timeliness and physical quality but there needs to be some emphasis on creating a consensus as to what represents qualitative improvements. 'Stories' that involve dissemination of information about 'what happened' and cause there to be critical reflection and analysis of the experience will be important. These help to demystify professional M&E and allow beneficiaries – usually the most vulnerable – to have a voice in periodic reflection on achievements and learning to date. Such information will be expected in Project Completion Reports that will be required within 60 days of project completion (currently 30 days).

Performance indicators to be included in activity proposals must provide an adequate indication of project progress; and provide an assessment of project outcomes (quantifying and measuring both positive and negative developmental outcomes). Indicators should try to address and contribute to the Scheme outcome indicators.

Progress monitoring by AusAID to safeguard its interests is additional to activity monitoring by the recipient organisation. Management Partners may assume responsibility for the monitoring and reporting obligations of one or more Implementation Partners.

The templates in *Annex 6* will facilitate activity level monitoring.

AusAID using its outsourced M&E Manager supported by the PSG M&E Specialist will be responsible for the in-depth monitoring/evaluation of a representative sample of completed activities.

Annex 6:   AACGS Guidelines and Templates for applicants

A. AACGS General Guidelines

Introduction

The Australia-Africa Community Grants Scheme (AACGS) is a flexible grants program administered directly by the Australian Agency for International Development (AusAID) office in Pretoria.

Funding under AACGS is available for selected activities in all African countries. Details of current Australian Diplomatic Mission accreditations and the location of AusAID Offices are attached to these Guidelines.

Where AusAID Offices are shown, applications should be addressed to AusAID c/o the Diplomatic Mission. In other countries, applications should be addressed the Australian Diplomatic Mission.

Applications from countries accredited to Lisbon (Cape Verde, Guinea Bissau) and Paris Algeria, Mauritania, Morocco) should initially be addressed to the AusAID Office in Pretoria.

AACGS is intended to support community-based activities being implemented by non-government organisations that promote sustainable economic and social development. The key objective of the AACGS is to provide organisations in a broad range of African countries with access to funding for effective community level development activities.

1. Criteria

The competition for funding under AACGS is high, and consideration will only be given to project proposals that meet the following **specified criteria**:

(i)   Proposals must come from reputable non-government or community-based organisations which meet the registration requirements of the country in which they operate and which undertake development work on a not-for-profit basis

(j)   Target communities must be involved in the design, management and implementation of the activities;

(ii)   Organisations must be able to demonstrate they have the capacity to effectively implement the proposed project and that they have a strategy for ensuring sustainable outcomes; and

(iii)   Proposals must have a clear poverty reduction focus and incorporate gender equality, disability inclusiveness and environmental awareness, as appropriate.

The **sectoral focus** of the Scheme includes (but is not restricted to):

(i)   Community health initiatives, including HIV/AIDS, water and sanitation;

(ii)   Education and training;

(iii)   Economic and social initiatives;

(iv)   Environmental awareness and natural resource conservation;

(v)   Agriculture and food security;

(vi)   Promotion of women's rights and equal access to goods and services; and

(vii) Promotion of skills development and employment for youth

(d) Preference will be given to sectors that contribute most directly to the achievement of MDGs in Africa. The 8 MDGs are:

    (i) Eradicate extreme poverty and hunger

    (ii) Achieve universal primary education

    (iii) Promote gender equality and empower women

    (iv) Reduce child mortality

    (v) Improve maternal health

    (vi) Combat HIV/AIDS, malaria, and other diseases

    (vii) Ensure environmental sustainability

    (viii) Develop a global partnership for development.

Preference will also be given to activities that will directly address inequality by meeting the needs of those most vulnerable in the community (be they women, men, youth, people who are elderly, the unemployed, or people with disability).

The AACGS is keen to work with organisations that are addressing the needs of vulnerable and marginalised groups, especially women and children. This includes women's advocacy networks and organisations involved in supporting projects that deal inter alia with the special needs of women and children in post conflict situations.

Consistent with Australia's disability inclusive development strategy, *Development for All*, the Scheme also seeks to work with Disabled People's Organisations to help manage disability initiatives.
(http://www.ausaid.gov.au/keyaid/pdf/ausaid_disability_strategy_summary_LP.doc)

The Scheme will proactively seek to identify national level environmental advocacy and other environmental groups in selected African countries to establish their suitability and interest in participating in the Scheme.

(e) The **value of projects** supported under the Scheme will normally be in the range of AUD 30,000 – AUD 75,000. Projects costed at less than $30,000 may be eligible for funding under the Direct Action Program (DAP) administered by each of the Diplomatic Missions listed in Attachment 1. The DAP program has its own Guidelines.

(f) Funds may be paid in local currency, Australian dollars or US dollars depending on the Australian Government payment policy for the country where the project is to be implemented.

(g) The maximum duration of any individual activity will usually be one year from the time of first payment. Multi-year funding may be considered in special cases and where organisations have received support in the past.

(h) In normal circumstances AACGS funding **will not be available** for the following:

(i)   items of a recurrent cost nature such as office rental, salaries (including allowances), transportation costs or vehicle running expenses, office supplies, maintenance, spare parts and electricity bills;

(ii)   bursaries for formal studies in-country or in Australia;

(iii)   international travel for attendance at conferences or seminars;

(iv)   purchase of vehicles;

(v)   purchase of capital equipment, unless the equipment is an integral part of a broader development project, or component of the AACGS activity being funded by AusAID;

(vi)   construction of buildings;

(vii)   proposals from profit making organisations;

(viii) evangelical and missionary activities.

2. Activity Selection

(a) Assessment and selection of projects under AACGS is at the discretion of AusAID. Funding requests are accepted throughout the year but selection and screening of applications only take place periodically during the year and it is advisable to check with the AusAID or relevant Australian Diplomatic Mission representative responsible for your country for more specific information regarding the timing of project selection rounds.

(b) All applications for funding should follow the **Proposal Guidelines** and use the **Proposal Template** [12] attached to these Guidelines and be submitted to the relevant AusAID office or Australian Diplomatic Mission as follows:

Contact Details:

> ***South Africa and accredited countries***
>
> (and currently: ***Cape Verde, Guinea Bissau, Algeria, Mauritania, Morocco***)
>
> Selection Committee
> Australia Africa Community Grants Scheme
> AusAID
> Australian High Commission
> Private Bag X150
> 0001 Pretoria
> Republic of South Africa
> Tel: (+ 27 12) 423 6173
> Fax: (+ 27 12) 342 4201
> E-mail: anne.creux@dfat.gov.au

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[12] The Proposal Guidelines are Part B of this Annex and the Proposal Templates are in parts C and D.

Kenya and accredited countries

Selection Committee
Australia Africa Community Grants Scheme
AusAID
Australian High Commission
Riverside Road
Nairobi, Kenya
Tel: (+ 254) 20 4445034/39 (ext 118)
Fax: (+ 254) 20 4444617/8
Email: patricia.kayser@dfat.gov.au

Zimbabwe and accredited countries

[DETAILS PENDING]

Mauritius and accredited countries

Selection Committee
Australia-Africa Community Grants Scheme
Australian High Commission
P.O. Box 541
Port Louis, Mauritius
Tel: (+230) 202 0167
Fax: (+230) 208 8878
Email: yasmina.hosanoo@dfat.gov.au

Ghana and accredited countries

Selection Committee
Australia-Africa Community Grants Scheme
AusAID
Australian High Commission
Private Mail Bag 60
KIA-Accra,
Ghana
Tel: (+233-21)xxxxx
Fax: (+233-21) xxxx
Email: xxxxxxxx

Nigeria (and accredited countries)

Selection Committee
Australia Africa Community Grants Scheme
Australian High Commission
PMB 5152
Wuse PO, Wuse
Abuja, Nigeria
Tel: (+234) 4 413 5226
Fax: (+234) 9 413 52278
Email: latonia.dabiri@dfat.gov.au

Egypt and accredited countries

Selection Committee
Australia Africa Community Grants Scheme
Australian Embassy
World Trade Centre, 11th Floor
Corniche EL Nil
Boulac (11111)
Cairo, Egypt
Tel: +202 2575 0444
Fax: +202 2575 1638
Email: cairo.austremb@dfat.gov.au

(c)   Prior to a final decision being made, AusAID or the relevant Australian Diplomatic Mission may visit activities short-listed for support under AACGS and check the bona fides of organisations.

3. Implementation & Monitoring

(a) **Finances**

(i)   Payment of grants will be subject to a signature of a Funding Agreement between AusAID (or the relevant Australian Diplomatic Mission) and the implementing organisation, setting out the terms and conditions of the grant.

(ii)   Any funds not expended at the completion of a project must be promptly repaid to AusAID or the relevant Australian Diplomatic Mission as applicable.

(iii) Any interest earned on project funds is to be used solely for the project or repaid to AusAID (or the relevant Australian Diplomatic Mission).

(iv)   All banking transactions between AusAID (or the relevant Australian Diplomatic Mission) and grant recipients will be made through Electronic Funds Transfer (EFT) and it is recommended that recipients use this method when making payments from grant funds to suppliers and service providers, if possible, in order to reduce the possibility of cheque fraud.

(v)   Applicants registered as VAT or GST exempt should prepare their budgets on that basis and indicate clearly that they have done so.

(b) **Reporting Requirements**

(i)   Implementing organisations will be required to provide six-monthly narrative and financial reports to AusAID or the relevant Australian Diplomatic Mission on project implementation, identifying both positive and negative outcomes.

(ii)   A final report, including an acquittal of the grant is to be provided to AusAID or the relevant Australian Diplomatic Mission within 60 days of project completion.

(iii)   The format for the six monthly and completion reports is attached to these Guidelines. [13]

(iv)   AusAID or the relevant Australian Diplomatic Mission will monitor the progress of all activities and it is anticipated that AusAID or the relevant Australian Diplomatic Mission will undertake project visits at least once in the life of the activity.

4. Compliance with Laws and Policies

(a) Organisations receiving Australian Government funding must comply with all relevant and applicable laws, regulations and policies in both Australia and the partner country, including those relating to:

   (i.)   Organisations and individuals associated with terrorism

   (ii.)   The provision of services and the procurement of goods and services

   (iii.)   The exploitation of children

   (iv.)   Use of funds for bipartisan political activity.

(b) The Funding Agreement that organisations are required to sign in order to receive funding will include clauses relating to the above.

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[13] Reporting templates are in parts E and F of this Annex.

Australian diplomatic mission accreditations and location of AusAID Offices

Abuja	**Accra** **(AusAID office)**	**Cairo**	**Harare** **(AusAID office)**
Nigeria Benin Cameroon Central African Republic Chad Congo Equatorial Guinea Gabon The Gambia Niger Sao Tome and Principe	Ghana Burkina Faso Cote d'Ivoire Guinea Liberia Mali Senegal Sierra Leone Togo	Egypt Libya Sudan Tunisia	Zimbabwe Angola Congo (DR) Malawi Mozambique Zambia

Nairobi **(AusAID office)**	**Port Louis**	**Pretoria** **(AusAID office)**	**Lisbon**
Kenya Burundi Djibouti Eritrea Ethiopia Rwanda Somalia Tanzania Uganda South Sudan	Mauritius Comoros Madagascar Seychelles	South Africa Botswana Lesotho Namibia Swaziland	Cape Verde Guinea Bissau

Paris
Algeria Mauritania Morocco

B. AACGS Proposal Guidelines

These guidelines are intended to assist Civil Society Organisations prepare their applications for project funding under the Australia-Africa Community Grants Scheme.

Applications or project proposals will be in two parts:

1. **Project Proposal Summary** that should not exceed 2 pages. **A pro forma is attached**.

2. **Project Proposal** that should not exceed 10 pages (it may be less) excluding attachments. **A Table of Contents is attached.**

   It will be important to address all of the issues shown in the Table of Contents. If information is not available or considered not relevant this should be explained.

   There will be 2 essential attachments to the Project Proposal:

   Attachment A: Implementation Schedule

   Attachment B: Budget Schedule

An organisation may wish to provide additional material (eg brochures or reports) but such material should be clearly marked as **Supplementary Attachments**. It is not a requirement to include additional material.

These guidelines help to explain what information is needed for the **Project Proposal** under each heading. Key terms are explained with examples where necessary.

1.   INTRODUCTION

1.1   **Project Origins:** Provide background information on the project. This should include information on any past or current donor support.

1.2   **Preparation:** Outline the approach taken to design and develop activities included in this project. Specify the roles of the beneficiary community and local institutions in the preparation of these activities. Indicate if there has been any local government involvement.

2.   RATIONALE

2.1   **Community Setting:** Specify the intended beneficiaries of the project and identify other groups or communities not specifically targeted by the project, which may be affected (both positively and negatively) by the project.

Provide evidence of support for the project by the beneficiary community and other local groups that may be affected. Indicate whether any local government approvals or permits have been given. This should be apparent through their

involvement in the identification and design of the project. Any issues that may affect project design and implementation which remain unsolved with the community or with local government should also be detailed including how it is planned to resolve any outstanding issues.

2.2   **Development Problem:** Describe the development problem being addressed by the project.

2.3   **Constraints:** Identify and analyse constraints to implementing the proposed project activities and indicate how it is planned to deal with each of these constraints during project implementation.

2.4   **Lessons Learned from Similar Activities:** Outline any lessons learnt from similar activities undertaken in the past and how these have been taken into account in developing this proposed project.

2.5   **Assumptions and risks:** Summarise any key planning assumptions and project risks and explain how these may affect the overall viability of the project and how they will be managed during project implementation.

Assumptions are positive statements about the conditions that need to be met if the project is to stay on track. Risks are negative statements about what might go wrong. The purpose of both is the same: to assess and address external impacts on the project.

2.6   **Situation Expected at the end of the Project:** Describe what will change by the end of the project and what improvements are expected.

3.   PROJECT DESCRIPTION

3.1   **Objectives:** Concisely define the developmental objectives of the project. This is a clear statement of intended purpose(s) or aim(s) of the project that can plausibly be achieved in the timeframe of the project.

It is important to express objectives as an intended effect of a project <u>not as an action or the completion of an action.</u> For example, if a project is to train subsistence farmers in better crop production and storage techniques the objective should not be 'to train farmers' or 'farmers trained' but rather 'reduced levels of malnutrition in participating villages within 2 cropping seasons'.

*This can also be approached by viewing the objectives as **outcomes**. Outcomes are the achievement of the objectives (reduced levels of malnutrition). The terms 'objectives' and 'outcomes' are very closely related in that the objective is the effect that is desired and the outcome is the effect that actually occurs.*

In defining the objectives it is important to be realistic. There is no point defining an objective which is so ambitious that there is little hope of the project ever being able to demonstrate achieving it.

It is also important to define objectives that are measurable. It is important to choose effects that it is possible to collect information about in a timely and accurate enough manner.

Objectives must be attributable. It is no use defining an objective (ie an effect) that cannot clearly be shown to be a consequence of the project. In the above example, it would be unwise to extend the objective to 'reduced child mortality in participating villages ...' because there are many factors beyond nutrition which can affect child mortality (eg disease, access to medical care, armed conflict etc).

*Finally, in setting the objectives it is important to aim for modest success not spectacular failure. It is easy to inflate the claims of what a project may achieve and to make it sound as impressive as possible when seeking funding. It is far better to define objectives in terms of the **most immediate** desired effects of delivering the project outputs.*

3.2 **Location and Duration:** Describe the physical location of the project and state the duration of the project.

3.3 **Project Components:** Describe the components proposed for the project.

A project component consists of a sub-set of inputs, work program tasks and outputs that form a natural whole and may be considered a separate part of the overall project.

It may not be useful for less complex projects to disaggregate the work to be undertaken into separate components.

3.4 **Expected Outputs:** Describe, both qualitatively and quantitatively, the expected outputs for the project. Discuss how these will accomplish the project objectives.

Outputs are the tangible products, capital goods and services delivered by a project to the immediate beneficiaries by undertaking a series of tasks as part of the planned work of the project. Outputs are what the project will produce. They are not 'ends' in themselves, rather they are 'means' to help produce the outcomes that the project is seeking to achieve. In the example above the outputs are the trained farmers. A number of inputs will be needed to achieve this output ie to train the farmers.

3.5 **Major Inputs:** Set out the major inputs needed to achieve the outputs identified above and indicate how the community will participate in each input. An Implementation Schedule should be developed as an annex to the proposal showing project inputs by month. This is **Attachment A** to the Project Proposal.

Inputs are the resources required to undertake the work program and produce the outputs. For example, personnel, equipment and materials.

3.6 **Budget:** All project inputs should be detailed in the budget, which shows items by cost category. The budget should reflect the phasing/components of the project. The main Project Proposal has a summary with details provided in **Attachment B.** For each expenditure item, show the proportion expected to be funded by the AusAID grant and the proportion from other sources.

4.   PROJECT MANAGEMENT

4.1   **Organisational Structure:** Describe the organisational structure for the project and detail the lines of responsibility for staff members. Describe any training requirements for project staff and how it is planned to arrange this training.

4.2   **Local Participation:** Indicate how the beneficiaries will be involved in project management.

4.3   **Monitoring and evaluation:** Describe arrangements to monitor firstly the quality and efficiency of the delivery of outputs and secondly to evaluate the achievement of the outcomes expected as a direct result of the project.

It will be important to demonstrate how the project has achieved its objective(s). Describe how such information will be collected in a timely and accurate manner and by whom.

Both quantitative and qualitative indicators will be needed to capture information on output delivery and on project outcomes. Indicators provide the specific qualitative and quantitative evidence collected to inform the assessment of project results.

Output indicators simply demonstrate that an output (or input or task) has been delivered. Outcome indicators have the more difficult tasks of demonstrating whether or not the desired effects described by the program objectives have been achieved. These could equally be termed objective-level indicators because outcomes are just another way to say ‘actual achievements in relation to objectives’.

In relation to the example given above, an example of an output indicator would be ‘numbers of farmers trained’. Outcome indicators in the example above would need to address levels of nutrition in the specified villages.

By adopting the approaches explained in 3.1 above it will be easier to develop realistic outcome indicators.

Good M&E for civil society programs will deliberately seek information from different people and different sources. Reporting on outcomes can’t be equated with simple indicators. These are important but more is needed. Deliberate steps must be taken to ensure that those with less power are able to engage in monitoring and evaluation assessment processes.

Ideally, apart from collecting data against outcome indicators the monitoring and evaluation arrangements should allow for the collection of ‘Stories’ from beneficiaries that involve dissemination of information about ‘what happened’ as a result of the project. What were the most significant changes that took place and how were the lives of the beneficiaries changed as a result of the project? Beneficiaries should have a voice in reflecting on the achievements (or otherwise) and learning resulting from the project.

Explain how such arrangements may be accommodated in the project monitoring and evaluation arrangements.

Explain how information on cross-cutting issues such as gender, the environment and disability will be collected.

Monitoring and evaluation costs should be included in the project budget as necessary.

5.   OTHER ISSUES

Address the following issues, including any constraints and how these will be addressed:

5.1   **Technical:** The appropriateness and cost-effectiveness of any technical arrangements proposed.

5.2   **Social and Cultural:** Assess the social and cultural constraints to successful implementation and hand-over of project activities to the local community.

5.3   **Gender:** Assess the project benefits to women and men. Explain what measures will be taken to ensure gender equality throughout project implementation.

5.4   **Disability:** Assess how persons with a disability may be affected by the project and describe steps that will be taken to ensure that people with a disability have full access to potential project benefits, including in project planning, implementation and monitoring and evaluation.

5.5   **Environmental:** The environmental implications of the project must be discussed with details of how any adverse impacts on the environment will be addressed.

5.6   **Sustainability:** An assessment of ongoing financial costs required for the continuation of project benefits beyond AusAID's involvement should be made. Explain measures proposed to ensure project sustainability. If the project is to be handed over to the local community, an indication of the source of funds for these costs is required.

6.   AUSTRALIAN IDENTITY

6.1   Proposals must indicate how Australian support for the project will be demonstrated, including any opportunities for publicity such project launches, opening ceremonies, presentations etc.

Information regarding AusAID's Australian identity requirements in its projects can be found at AusAID's website (www.ausaid.gov.au). Key features include:

- Appropriate recognition of Australian Government support is not optional.

- Project signage needs to suit local conditions and reflect the partnerships through which the project is delivered. It should include the AusAID logo; project name and a statement of acknowledgement such as :

    o   *"An Australian Government, AusAID initiative"* (where the project is fully funded by AusAID)

    o   *"Supported by the Australian Government, AusAID"* (where the project is partly funded by AusAID)

7.   OTHER INFORMATION REQUIRED

7.1   When submitting a proposal to AusAID, background information regarding the organisation's bona fides must be provided, particularly:

- o   proof that the NGO is legally registered in the country in which it operates;
- o   information as to the funding history of the organisation, eg what projects have been funded by which donors; and
- o   the provision of contact details for three professional referees for the organisation.

7.2   If the NGO plans to purchase goods and services from third parties with a value of more than USD 1,000, or the equivalent in local currency, AusAID requires references and proof of the bona fides of these organisations to demonstrate that they comply with AusAID policy. If the service providers are to be selected once the project has commenced, this information should be provided to AusAID at the relevant time.

8.   AUSTRALIAN LAW DEALING WITH LISTED TERRORIST ORGANISATIONS

8.1   The Australian government has enacted legislation consistent with a number of international counter-terrorism treaties designed to combat terrorism, including by starving individuals and organisations associated with terrorism of funds and resources.

There are two separate legislative mechanisms directly prohibiting activities in relation to individuals and organisations associated with terrorism. They are:

- • Part 5.3 of the Criminal Code Act 1995; and
- • Part 4 of the Charter of United Nations Act 1945

8.2.   Access to Listing of Terrorist Organisations

In order to comply with the Australian law, organisations and/or individuals receiving AACGS grant funding should initially access Australian government terrorist organization listings at the following Internet addresses (and then periodically access updates):

www.dfat.gov.au/icat/freezing_terrorist_assets.html

www.nationalsecurity.gov.au

C. AACGS Project Proposal Summary – Template

(Should not exceed 2 pages. Attached will be a Project Proposal not to exceed 10 pages for which a Table of Contents is provided)

Australia-Africa Community Grants Scheme

PROJECT PROPOSAL SUMMARY

Activity title:

…………………………………………………………………………………………………..

Country/Region/Location:

………………………………………………………………………………………….………

ORGANISATIONAL DETAILS:

Name of organisation:

.....……………………………………………………………………………………………..…

Postal Address:

……………………………………………………………………………………….……………

……………………………………………………………………………………………….……

…………………………………………………………………………………………………....

Physical Address:

…………………………………………………………………………………………….…....

……………………………………………………………………………………………….……

Telephone No: …………………….……Fax No:……………………………………….....

Email Address:

…………………………………………………………………………………………….………

Principal contact person:

………………………………………………………………………………………………….....

GRANT DETAILS

Grant amount requested from AusAID:

…………………………………………………………………………………………….....….

Project start date:

……………………………………………………………………………………………….……

Project completion date:

………………………………………………………………………………………………....…..

Expected number of beneficiaries: Direct:………………...   Indirect:.......................................

BRIEF PROJECT OUTLINE

Rationale:

………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
…………………………………………………………………………………..…………………………
……………………………………………………………………………………………….

Objectives:

………………………………………………………………………………………………………
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………………………………………………………………………………………………………
…………………………………………………………………………………..……………………………

Main inputs:

………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
……………………………………………………………………………………………………...

Main outputs:

………………………………………………………………………………………………………
………………………………………………………………………………………………………
………………………………………………………………………………………………………
……………………………………………………………………………………………………...

AUSTRALIAN IDENTITY

How will Australian support for the project be demonstrated, including any opportunities for publicity such as project launches, opening ceremonies, presentations etc

……
……
……
……
……...…
……………………………………………………………………………………………………….

Has AusAID previously funded your organisation under ARSAS or under AACGS?
YES / NO
If so:
When:
                        ………….
Has a report been submitted to AusAID?
YES / NO
Date report submitted or when due: …………

D. AACGS Project Proposal – Table of contents

(Should not exceed 10 pages and will be attached to the Project Proposal Summary
for which a Template is provided)

1.   INTRODUCTION

1.1   Project Origins

1.2   Preparation

2.   RATIONALE

2.1   Community Setting

2.2   Development Problem

2.3   Constraints

2.4   Lessons Learned from Similar Activities

2.5   Assumptions and risks

2.6   Situation Expected at the end of the Project

3.   PROJECT DESCRIPTION

3.1   Objectives

3.2   Location and Duration: Project Components

3.3   Expected Outputs

3.4   Major Inputs (More detail in Attachment A: Implementation Schedule)

3.5   Budget (More detail in Attachment B: Budget Schedule)

4.   PROJECT MANAGEMENT

4.1   Organisational Structure

4.2   Local Participation

4.3   Monitoring and evaluation

5.   OTHER ISSUES

5.1   Technical

5.2   Social and Cultural

5.3   Gender

5.4   Disability

5.5   Environmental

5.6   Sustainability

6.   AUSTRALIAN IDENTITY

7.   OTHER INFORMATION REQUIRED

7.1   Background information regarding the organisation's bona fides

7.2   Purchase of goods and services from third parties

E. AACGS Progress Report – Template

Should not exceed 3 pages excluding attachments.

1.0 GENERAL PROJECT INFORMATION

Project Name	
Name Of Implementing Organisation	
Amount AACGS Funds Approved	
Date Project Commenced	
Reporting Period	
Date of Expected Project Completion	
Name Of Contact Person	
Contact Details (Include Phone, Fax and Email Address)	

2.0 PROJECT ACHIEVEMENTS TO DATE

2.1 Project outcomes. To what extent have any of the project outcomes as described in the original project proposal, been achieved to date? Please discuss progress by referring to the indicators in the original project proposal.

Outcomes	Indicators	Achievements
1		
2		
3		

2.2 Significant Project Outputs. Show progress against Project Outputs as stated in the original project proposal. Please describe the actual output fully or partially achieved to date. Please disaggregate by gender if possible.

Planned Project Output	Actual Outputs Achieved	Comment
1.		
2.		
3.		

2.3 Significant issues. Please list any significant issues (positive or negative) that the project encountered and that have impacted on progress.

Significant Issues	Effect on Project	Action Taken
1.		
2.		
3.		

2.4 Australian Identity. Please outline measures taken to date to promote Australian identity. Was there any recognition of the contribution of Australian funding of this project? Please describe. (Attach any press clippings relating to the project and/or provide details of other media coverage (eg time, date, station, program, if featured on radio or television)

2.5 Please provide any other comments on project progress.

3.0 FINANCIAL ACQUITTAL

3.1 Report against budget. Please attach a detailed acquittal of project components completed to date which reports on expenditure against the original approved budget.

4.0 DECLARATION

The following declaration must be made by an appropriately authorised officer of the Community-based Organisation.

I declare:

(i)   This report is complete and accurate.

(ii)   The acquittal attached is a correct record of income and expenditure for this project at the end of the current reporting period.

(iii)   Interest earned on AusAID funds has been calculated accurately and applied to the project.

(iv)   The expenditure detailed in the acquittal has been extracted from the CSO's financial accounting records.

(v)   A detailed record of income and expenditure at an individual item level is available.

(vi)   The funds allocated to the project were used in accordance with the AACGS Agreement and the Project Proposal.

Full Name:

Signature:

F. AACGS Completion Report – Template

Should not exceed 5 pages excluding attachments.

1.0 GENERAL PROJECT INFORMATION

Project Name	
Name Of Implementing Organisation	
Amount AACGS Funds Approved	
Date Project Commenced	
Date Project Completed	
Name Of Contact Person	
Contact Details (Include Phone, Fax and Email Address)	

2.0 PROJECT ACHIEVEMENTS AND ANALYSIS

2.1 Project outcomes. To what extent have the project outcomes as described in the original project proposal, been achieved? Please discuss by referring to the indicators in the original project proposal.

Outcomes	Indicators	Achievements
1		
2		
3		

2.2 Other project outcomes. Discuss other positive changes. This should include any 'Stories' collected from project beneficiaries about how the project affected them. If necessary summarise the stories here with more detail in an attachment.

2.3 Significant Project Outputs. List the Project Outputs as stated in the original project proposal. Please describe the actual outputs achieved. Please disaggregate by gender this information about the target population and intended beneficiaries if possible.

Planned Project Output	Actual Outputs Achieved	Comment
4.		
5.		
6.		

2.4 <u>Significant issues.</u> Please list any significant issues (positive or negative) that the project encountered and that impacted on meeting its objectives.

Significant Issues	Effect on Project	Action Taken
1.		
2.		
3.		

2.5 <u>Lessons Learned</u>. Are there any lessons for the future can be learned from the project? This may include technical or social lessons, and lessons relating to cross-cutting issues such as environment and/or gender.

2.6 <u>Australian Identity.</u> Please outline measures taken to promote Australian identity. Was there any recognition of the contribution of Australian funding of this project? Please describe. (Attach any press clippings relating to the project and/or provide details of other media coverage (eg time, date, station, program, if featured on radio or television)

3.0 PROJECT CROSS-CUTTING ISSUES

3.1 <u>Environment.</u> How did the project affect the environment?

3.2 <u>Gender.</u> How has the project impacted (positively and negatively) on women and men? Was there equal participation or benefit achieved from and in the project? What was the outcome for women?

3.3 Disability. How did the project address the needs of people with a disability? Was access equitable? What were the constraints, what actions were taken and what are the lessons from the interventions?

3.4 Sustainability. Please comment on how the project is sustaining itself now that the Australian funds have been expended? Please identify any recurrent costs (ongoing costs) required to sustain the project and detail where these funds are coming from.

4.0 FINANCIAL ACQUITTAL

5.1 Report against budget. Please attach a detailed acquittal of the project which reports on project expenditure against the original approved budget.

5.2 Project assets. Please list any equipment purchased and detail how they will be used now the project has finished.

5.0 DECLARATION

The following declaration must be made by an appropriately authorised officer of the Community-based Organisation.

I declare:

(i)   This report is complete and accurate.

(ii)   The acquittal attached is a correct record of income and expenditure for this project.

(iii)   Interest earned on AusAID funds has been calculated accurately and applied to the project or refunded to AusAID;

(iv)   The expenditure detailed in the acquittal has been extracted from the CSO's financial accounting records.

(v)   A detailed record of income and expenditure at an individual item level is available.

(vi)   The funds allocated to the project were used in accordance with the AACGS Agreement and the Project Proposal.

Full Name:

Signature:

Annex 7: AACGS Panel – Proposal Assessment – Template

This template is used to assess proposals previously assessed for eligibility. Ineligible proposals are not submitted to the AACGS Selection Panels.

The template highlights the most fundamental issues that will help determine whether a proposal may be funded and will allow an assessment of the relative strengths of competing proposals.

The template does not incorporate a formal system of scores or weightings. The assessment descriptions are designed to help panel members focus on key matters to be addressed in assessing the quality and merit of each proposal against a range of criteria, all of which are important and will have some influence. This template will be reviewed at least annually

A. Fundamental issues

Issue	How to assess	Assessment markers (1-3)	Comments
1. **Overall quality of the Proposal submission**	**3**: well written and meets all Guideline requirements **2**: some gaps in coverage and presentation **1**: fundamental issues addressed allowing proposal to be considered but weaknesses in key areas		
2. **Reputation/strength of applicant**	**3**: has received support in the past and performed well **2**: new applicant but application details indicate organisational strengths **1:** new applicant or supported in the past but some performance weaknesses		

B. Other key issues

Issue	How to assess	Assessment indicators (1-3)	Comments
1. **Sectoral focus**	**3:** covers a sector contributing most directly to achievement of MDGs **2 & 1:** other sectors		
2. **Monitoring & evaluation**	**3:** high quality M&E arrangements with clear understanding of concepts and appropriate indicators **2:** acceptable arrangements overall **1:** weaknesses in M&E arrangements and strategies		
3. **Gender issues**	**3:** shows a sound understanding of gender equality issues and incorporates measures to address gender during implementation **2:** gender issues are addressed but no evidence of effective approaches **1:** weaknesses in gender approaches		
4. **Environmental issues**	**3:** shows a sound understanding of environmental issues and incorporates effective measures to address during implementation and/or project has potential positive environmental outcomes **2:** environmental issues are addressed but no evidence of effective approaches and/or project environmentally neutral **1:** weaknesses in environmental approaches and/or potential negative environmental impact		
5. **Disability issues**	**3:** project designed to address needs of a group of people with a disability and/or while not a targeted		

Issue	How to assess	Assessment indicators (1-3)	Comments
	disability initiative, effective approaches to addressing needs of potential disabled participants **2:** disability issues are addressed but no evidence of effective approaches **1:** disability issues not adequately addressed		
6. **Risks & risk management**	**3:** projects risks addressed and assessed as low and/or risks higher but effective risk management strategies **2:** project risks addressed and assessed as medium with reasonable risk management strategies **1:** project risks addressed and assessed as high and/or inadequate risk management strategies		
7. **Sustainability**	**3:** sustainability issues addressed and project assessed as clearly sustainable **2:** sustainability issues addressed but assessment raises doubts about sustainability of project **1:** sustainability issues not adequately/convincingly addressed in project proposal		
8. **Australian identity**	**3:** Australian identity issues addressed thoroughly and convincingly in the proposal and assessed as having strong potential to yield good results **2:** identity issues given reasonable coverage in the proposal but unclear whether expected results will emerge **1:** coverage weak overall		
9. **Location**	**3:** location in an area of great need and/or in an urban/peri-urban area facilitating monitoring and/or project will extend the Scheme to a new country		

Issue	How to assess	Assessment indicators (1-3)	Comments
	2: appropriate location but no special positive features **1:** some concern about location – monitoring difficulties; target groups		

Other issues arise from time to time that may influence the decision making process and the choices between closely ranked proposals. These include project proposals that address important current and emerging priority issues. Examples are projects dealing with:

▪ natural disasters

▪ disease outbreaks

▪ outbreaks of xenophobic violence

Annex 8: AACGS AusAID Annual Report – Table of contents

1. SUMMARY

1.1 Number and value of projects approved

1.2 Geographic coverage (Number and value of projects by country)

1.3 Sector coverage (Analysis of sectors covered including those addressing MDGs)

2. ADMINISTRATION

2.1 Selection process (summarise the process and comment on its effectiveness)

2.2 Management partnerships (progress and details of new management partnerships)

2.3 Monitoring and evaluation (summarise activities during the year with statistics on number of projects covered by monitoring visits and number of evaluations conducted)

2.4 Australian identity (administration of the policy by partners and by AusAID)

2.5 Risk management

3. RESULTS (including information extracted from completion reports & evaluations)

3.1 Facility output targets

3.2 Key achievements at activity level

3.3 Progress against Scheme objectives (includes Australian identity/profile)

3.4 Gender

3.5 Disability

3.6 Environment

3.7 Lessons learned

ATTACHMENTS

A Projects funded during the year classified by country (value and summary paragraph)

B Statistical Report

    B.1 No. of applications received

    B.2 No. of ineligible proposals

    B.3 No. of eligible proposals assessed by AACGS panels

    B.4 No. of proposals approved

    B.5 No. of proposals rejected

    B.6 No. of applications with decisions pending

    B.7 Value of proposals approved

    B.8 Analysis of grant sizes

Annex 9: AACGS Partnership Agreements

A: Implementation partnerships

Reproduced in this Annex are the main provisions of the current Implementation Partnership pro forma.

At the start of each Financial Year AusAID Pretoria adapts a standard Funding Agreement available on AusAID's Intranet for use as a template for ARSAS agreements by all Africa Posts. The pro forma is cleared by AusAID's Procurement and Agreement Services Section for use as a template for ARSAS. Some Posts do not have access to AusAID's Intranet and by clearing a standard template for use throughout Africa it avoids having to clear large numbers of agreements with AusAID Canberra.

When signed, the standard Funding Agreements do not currently incorporate project - specific clauses. Instead, the complete Project Proposal is included as an Agreement Schedule. Also attached to the standard Funding Agreement is a full copy of the document: ***Engaging Not-for-Profit Organisations: Statement of International Development Practice Principles.***

Additionally, new Commonwealth Grants Guidelines were issued in mid 2009 and AusAID Canberra is currently developing guidance on how to ensure that the key principles of the new guidelines will be incorporated into AusAID's standard funding agreement pro forma. The new Commonwealth Guidelines specify internet reporting on all individual grants. AusAID Canberra is currently seeking an exemption from this requirement.

Current practices are efficient and will continue. AusAID Pretoria will arrange the clearance of a pro forma to apply to all AACGS agreements over a 12 month period. This will help ensure a consistent approach, adoption of periodic enhancements on a global basis and avoid having to clear individual agreements.

The template below is not complete and omits standard preambles and clauses common to all AusAID agreements. The clauses included pick up some of the key issues covered in the Guidelines and templates shown in *Annex 6* above.

FUNDING AGREEMENT DEED

DEED Conditions

1.   INTERPRETATION

1.1   Definitions

In this Deed, including the recitals unless the context otherwise requires:

"Activity" means the activity described in the Activity Proposal for which the Funds are provided.

"Activity Proposal" means the specific tasks and budget associated with the Activity included as Schedule 1 to this Agreement.

"Agreement" means this Deed including all Parts and any schedules and annexes.

"Agreement Material" means all material created or required to be developed or created as part of, or for the purpose of undertaking the Activity, including documents, equipment, information data, sounds and images stored by any means.

"Business Day" means a day on which AusAID is open for business.

"Commonwealth" means Commonwealth of Australia or AusAID, as appropriate.

"Deed" means this Agreement comprising these Deed Conditions, schedules and any annexes.

"Fraudulent Activity", "Fraud" or "Fraudulent" means dishonestly obtaining a benefit by deception or other means.

"Funds" means the amount of money as specified in clause titled 'Funds and Payment' of this Agreement that has been approved by AusAID and paid to the Organisation subject to the conditions outlined in this Agreement for the Activity.

"Independently Audited" means financial records audited by a certified financial professional that is in no way linked or associated with the Activity or the Parties to this Agreement.

"Partner Government" means the Government of the Partner Country.

"Partner Country" means the country or countries in which the Activity is to be undertaken in whole or in part.

"Party" means AusAID or the Organisation.

"Personnel" means including Personnel, whether employed by the Organisation or engaged by the Organisation on a sub-contract basis or agents or volunteers of the Organisation, engaged in the provision of the Activity.

"Prior Material" means all material developed by the Organisation or a third party independently from the Activity whether before or after commencement of the Activity.

"Relevant List" means the lists of terrorist organisations made under Division 102 of the Criminal Code Act 1995 (Cth) and the Charter of the United Nations Act 1945 (Cth) posted at:
http://www.nationalsecurity.gov.au/agd/www/nationalsecurity.nsf/AllDocs/95FB05 7CA3DECF30CA256FAB001F7FBD?OpenDocument   and http://www.dfat.gov.au/icat/UNSC_financial_sanctions.html#3

"Similar List" means any similar list to the World Bank List maintained by any other donor of development funding.

"World Bank List" means a list of organisations maintained by the World Bank in its "Listing of Ineligible Firms" or "Listings of Firms, Letters of Reprimand" posted at:
http://web.worldbank.org/external/default/main?theSitePK=84266&contentMDK=6 4069844&menuPK=116730&pagePK=64148989&piPK=64148984

2   TERM OF THE AGREEMENT

2.1   The term of this Agreement commences upon execution by both parties being the date indicated at the front of this Agreement and continues until all obligations have been fulfilled under this Agreement, unless terminated earlier in accordance with this Agreement.

2.2   The Organisation must commence the Activity on signature of this Agreement and must complete the Activity by *[insert Activity Completion Date].*

4.   GENERAL CONDITIONS

4.1   The Organisation must carry out the Activity in accordance with the Activity Proposal and the terms and conditions of this Deed.

4.2   The Organisation must advise AusAID immediately of any difficulties or delays in implementation of the Activity.

4.3   The Organisation shall acknowledge in writing to AusAID receipt of the Funds immediately on its receipt.

4.4   The Funds and any interest earned or exchange rate gains must be used diligently and for the sole purpose of the Activity outlined in Schedule 1 of this Agreement. Any interest earned or exchange rate gains made on the Funds must only be expended on the Activity.

4.5   The Organisation acknowledges that Funds provided by AusAID to the Organisation for this Activity does not entitle the Organisation to any other or further funding.

4.6   The Organisation shall acknowledge AusAID funding assistance provided under this Deed where appropriate and advise AusAID of matters relating to any publicity and media relations, prior to any publication or media release.

4.7   The Organisation must not represent itself and must ensure that its Personnel participating in the Activity do not represent themselves as being employees, partners or agents of the Commonwealth of Australia.

4.8   The Organisation will use its best endeavours to ensure that in its performance of the Activity all Personnel and their dependents, while in the recipient country, respect the laws and regulations in force in the recipient country.

4.9   The Organisation is responsible for the security of all of its Personnel and for taking-out and maintaining all appropriate insurances.

4.10   The Organisation must not assign its interest in this Agreement without first obtaining the consent in writing of AusAID.

4.11   No delay, neglect or forbearance by either Party in enforcing against the other any term or condition of this Agreement shall be deemed to be a waiver or in any way prejudice any right of that Party.

4.12   This Agreement is governed by, and is to be construed in accordance with, the law of the Australian Capital Territory and the Parties submit to the exclusive jurisdiction of the courts of the Australian Capital Territory and any court hearing appeals from those courts.

6.   PROCUREMENT OF GOODS

6.1   The Organisation must not use the Funds to acquire any asset, apart from those detailed in the Activity Proposal without obtaining AusAID's prior written

approval. Subject to the requirements of this clause, the Organisation shall own the assets acquired with the Funds unless specified otherwise in the Activity Proposal.

6.2 If the Funds are being used to procure goods, the Organisation must ensure in its procurement of the goods that:

(a) the goods to be procured are of a satisfactory quality;

(b) the goods shall be delivered in good order and condition and in accordance with the Activity timetable;

(c) the price paid for goods procured represents value for money;

(d) there is open and effective competition in the purchasing process to the extent practicable; and

(e) a professional approach is reflected in the purchasing process including ethical behaviour and fair dealing.

6.3 If the Funds are being used to procure goods, the Organisation must maintain a Register of Activity Assets. The Register shall record non-consumable items funded under this Agreement or supplied by AusAID to the Activity which have a value of AUD 1,000 (or equivalent) or more. In addition non-consumable items of a portable and attractive nature with a value of less than AUD 1,000 (or equivalent) shall also be recorded. The Register shall show date of receipt of the asset at the Activity site, the cost, the purchase/payment document date and reference number, a description and identification number, and the location of the asset. Disposal or write-off of AusAID funded or provided assets shall be as agreed in writing by AusAID. The Register and other relevant documents such as import papers and manufacturers' warranties relating to the assets shall be available for audit as required by AusAID. The Register shall be reconciled with Activity assets at least every twelve months and the results of that reconciliation included in the Annual Reports required in clause titled 'Reports' in this agreement.

7. MONITORING AND EVALUATION

7.1 The Organisation must, if required by AusAID, permit AusAID to monitor and/or evaluate the Activity and/or use of the Funds. AusAID shall give the Organisation at least two (2) weeks notice of its intentions prior to commencing such a review. In that event, the Organisation must cooperate fully with any request for assistance pursuant to any such study.

10. COMPLIANCE WITH LAWS, GUIDELINES AND POLICIES

10.1 The Organisation and its Personnel must have regard to and comply with, relevant and applicable laws, guidelines, regulations and policies, including those in Australia and in the Partner Country. A list, as amended from time to time, of Australian laws and guidelines that may apply to the delivery of developmental aid to foreign countries can be found on the AusAID website: http://www.ausaid.gov.au/business/contracting.cfm. This list is not exhaustive and is provided for information only. The provision of this list does not relieve the Organisation from complying with the obligations contained in this clause headed 'Compliance with Laws, Guidelines and Policies'.

10.2   The Organisation must have regard to and comply with the Statement of International Development Practice Principles located at Schedule 2 to this Agreement.

10.3   The Organisation must comply with:

(a)   AusAID's Child protection policy.
(http://www.ausaid.gov.au/publications/pubs.cfm?Type=PubPolicyDocuments) and particularly the child protection compliance standards at Attachment 1 to the policy. AusAID may audit the Organisation's compliance with AusAID's Child protection policy and child protection compliance standards. The Organisation must participate cooperatively in any reviews conducted by AusAID;

(b)   The strategy 'Development for All: Towards a Disability-Inclusive Australian Aid Program 2009-2014' (http://www.ausaid.gov.au/publications/pdf/FINAL%20AusAID_Disability%2 0for%20All.pdf), and in particular the strategy's six guiding principles.

10.4   The Organisation must use its best endeavours to ensure:

(a)   that individuals or organisations involved in implementing the Activity are in no way linked, directly or indirectly, to organisations and individuals associated with terrorism; and

(b)   that Funds provided under this Agreement are not used in any way to provide direct or indirect support or resources to organisations and individuals associated with terrorism.

10.5   The Organisation must have regard to the Australian Government guidance "Safeguarding your organisation against terrorism financing: a guidance for non-profit organisations," available at http://www.nationalsecurity.gov.au/npo.

10.6   If, during the course of this Agreement, the Organisation discovers any link whatsoever with any organisation or individual listed on a Relevant List it must inform AusAID immediately.

10.7   If, during the course of this Agreement, the Organisation is listed on a World Bank List or Similar List it must inform AusAID immediately.

10.8   The Organisation agrees that:

(a)   The Organisation and its employees, agents, representatives or its subcontractors must not engage in any Fraudulent Activity. The Organisation is responsible for preventing and detecting Fraud.

(b)   The Organisation must report in writing within five (5) working days to AusAID any detected, suspected, or attempted Fraudulent Activity involving the Activity. AusAID may direct the Organisation to investigate the alleged Fraud and the Organisation must undertake an investigation at the Organisation's cost and in accordance with any directions or standards required by AusAID.

(c) Following the conclusion of any investigation which identifies acts of a Fraudulent nature, the Organisation shall:

    (i) make every effort to recover any AusAID Funds, the subject of Fraudulent Activity;

    (ii) refer the matter to the relevant police or other authorities responsible for prosecution of Fraudulent Activity; and

    (iii) be liable for the repayment of any Funds amounts misappropriated by the Organisation, its agents, representatives or subcontractors.

(d) The obligations of the Organisation under paragraphs (b) and (c) above shall survive the expiration of this Agreement.

(e) The Organisation warrants that the Organisation shall not make or cause to be made, nor shall the Organisation receive or seek to receive, any offer, gift or payment, consideration or benefit of any kind, which would or could be construed as an illegal or corrupt practice, either directly or indirectly to any party, as an inducement or reward in relation to the execution of this Agreement. In addition, the Organisation shall not bribe public officials and shall ensure that its delivery organisations comply with this provision. Any breach of this clause shall be grounds for immediate termination of this Agreement by notice from AusAID.

12. ACCOUNTS AND RECORDS

12.1 The bank account used by the Organisation must be in the name of the Organisation and must not be a personal bank account.

12.2 The Organisation must maintain a sound administrative and financial system capable of verifying all statements of acquittal. In addition, the Organisation must:

(a) keep proper and detailed accounts, records and assets registers along with adequate Activity management records providing clear audit trails in relation to expenditure under this Agreement;

(b) afford adequate facilities for audit and inspection of the financial records referred to in this Agreement by AusAID and its authorised representatives at all reasonable times and allow copies and extracts to be taken;

(c) the accounts and records must be held by the Organisation for the term of this Agreement and for a period of seven (7) years from the date of expiry or termination of this Agreement;

(d) if requested by AusAID, provide an acquittal, certified by the senior financial officer or the head of the Organisation, of Funds spent to date against the budget in the Activity Proposal; and

(e) if reasonably requested by AusAID, provide an Independently Audited statement of Activity expenditure by an auditor nominated by AusAID at no cost to AusAID.

14. REPORTS

14.1 The Organisation must provide a six monthly progress report as set out in Attachment 2. A progress report is not required for activities of less than 6 months duration.

14.2 Within thirty (30) days of completion of the Activity the Organisation shall submit a final report which provides a brief outline of the Activity and in more detail covers key outcomes compared with objectives, development impact, sustainability and lessons learned. *[Note: Will be 60 days from 2010-2011]*

14.3 Attached to this report will be a statement acquitting all Funds ('final Funds acquittal'). The statement must acquit the Funds against the budget referred to in the Activity Proposal and must be signed by the senior financial officer or the head of the Organisation, indicating that the Funds have been spent in accordance with the terms of this Agreement. Any unspent Funds or interest must be repaid to AusAID with the final report and final Funds acquittal. The Funds acquittal must include details of any interest earned on the Funds. The final Funds acquittal acquitting all Funds shall be subject to the internal and external auditing procedures laid down in the rules and regulations applicable to the Organisation and must also be Independently Audited and certified. The cost of an external audit required by this clause may be payable from the Funds.

15. FUNDS AND PAYMENT

15.1 Funds of [Insert currency and value], shall be payable as acquittable Funds by AusAID within thirty (30) days of the date of this Agreement.

SCHEDULE 1 – ACTIVITY PROPOSAL
TO FUNDING AGREEMENT DEED NUMBER

(Insert Activity Proposal)

………………………………………………………………………………………………………

[A Statement of International Development Practice Principles has been developed in consultation with the Australian Council for International Development (ACFID). It is founded on the good development practice and experience of accredited Australian Non-Government Organisations (NGOs) and other international development agencies over the last three decades.

The Statement takes account of the Accra Action Agenda on Aid Effectiveness, and in particular, encourages a participatory approach to development. 'Not for profit' organisations are strongly encouraged to work in partnership with others thereby reducing the burden on communities and governments with whom they work. The Statement seeks to articulate the minimum standards and commitment that AusAID expects from all 'not- for-profit' organisations that it funds. It will form an annex to funding agreements with not-for-profit organisations that are not accredited with AusAID.

The Principles are not aimed at accredited Australian NGOs which have already undergone a rigorous accreditation process.]

………………………………………………………………………………………………

SCHEDULE 2 – Engaging Not-for-Profit Organisations: Statement of International Development Practice Principles

June 2009

A Basic Standard for Engagement with Not-For-Profit Organisations

This Statement of International Development Practice Principles (The Principles) promotes the active commitment of all non-accredited, not -for -profit organisations funded by AusAID to the fundamentals of good development practice, and to conducting their activities with integrity, transparency and accountability.

The Principles are founded on a premise of 'do no harm' and drawn from good practice principles in the international development not-for-profit sector and international development community more broadly. In line with Aid Effectiveness principles, when planning interventions, not-for-profit organisations are encouraged to consider: what other agencies are doing in the chosen area of focus; where their organisation can add value; and how they can join with others to increase the impact and sustainability of their activities.

Where relevant, AusAID encourages eligible Australian organisations to work towards becoming Australian Council for International Development (ACFID) Code of Conduct signatories.

International Development Principles

Lessons drawn from best practice NGO and civil society programs recognise the importance of working in partnerships, building creative and trusting relationships with people of developing countries and supporting basic program standards which:

- give priority to the needs and interests of the people they serve and involve beneficiary groups to the maximum extent possible in the design, implementation and evaluation;

- promote an approach that includes all people in a community and ensures the most vulnerable, including people with disability, women and children, are able to access, and benefit equally, from, international development assistance;

- encourage self help and self-reliance among beneficiaries;

- avoid creating dependency through the facilitation of active participation and contributions (as appropriate) by the most vulnerable;

- respect and foster all universally agreed international human rights, including social, economic, cultural, civil and political rights;

- are culturally appropriate and accessible;

- seek to enhance gender equality;

- recognise and put in place processes to mitigate against the vulnerability of not for profit organisations to potential exploitation by organised crime and terrorist organisations;

- have appropriate mechanisms in place to actively prevent, and protect children from harm and abuse;

- integrate environmental considerations and mitigate against adverse environmental impacts; and

- promote collaborative approaches to development challenges including through working in partnerships and avoiding duplication of effort.

All non-accredited, not for profit organisations receiving funding from AusAID commit to apply these principles of good development practice, and adhere to the organisational integrity and accountability standards set out on the following page.

Organisational Integrity and Accountability for Development

AusAID funds and resources are designated for the purposes of international aid and development (including development awareness). They can not be used to promote a particular religious adherence, missionary activity or evangelism, or to support partisan political objectives, or an individual candidate or organisation affiliated to a particular political movement. AusAID reserves the right to undertake an independent audit of an organisation's accounts, records and assets related to a funded activity, at all reasonable times.

In all of its activities and particularly in its communications to the public, AusAID expects not-for-profit organisations it works with to accord due respect to the dignity, values, history, religion, and culture of the people it supports and serves, consistent with principles of basic human rights.

Not-for-profit organisations working with AusAID should:

- not be a willing party to wrongdoing, corruption, bribery, or other financial impropriety in any way in any of its activities;

- take prompt and firm corrective action whenever and wherever wrongdoing is found among its Governing Body, paid staff, contractors, volunteers and partner organisations;

- have internal control procedures which minimise the risk of misuse of funds and processes and systems that ensure funds are used effectively to maximise development results;

- establish reporting mechanisms that facilitate accountability to members, donors and the public;

- have adequate procedures for the review and monitoring of income and expenditure and for assessing and reporting on the effectiveness of their aid;

- have a policy to enable staff confidentially to bring to the attention of the Governing Body evidence of misconduct on the part of anyone associated with the Organisation, including misconduct related to the harm and abuse of children;

- be aware of terrorism-related issues and use their best endeavours to ensure that funds do not provide direct or indirect support or resources to organisations and individuals associated with terrorism and/or organised crime; and

▪ ensure that individuals or organisations involved in implementing activities on behalf of the Organisation are in no way linked, directly or indirectly, to organisations and individuals associated with terrorism and/or organised crime.

AusAID Funding Agreement Requirements

Each AusAID funding agreement also comes with obligations for both AusAID and the Organisation being funded. These are spelt out in detail in the funding agreement. The Principles will not affect or diminish the obligations or liabilities of the Organisation under the funding agreement as outlined in the funding agreement conditions.

Broadly speaking, any Organisation funded by the Australian Government, through AusAID, is required to comply with relevant and applicable laws, regulations and policies, including those in Australia and in the country/ countries in which they are operating. In particular, the Organisation needs to observe the contractual requirements regarding Child Protection and Counter Terrorism.

Additional Information and Related Links

Further information on AusAID's Child Protection Policy, Counter Terrorism and other applicable laws and policies can be found on AusAID's website at:

http://www.ausaid.gov.au/business/pdf/Lists_of_Laws_and_Guidelines_for_Contractors.pdf
http://www.ausaid.gov.au/publications/pdf/child_protection.pdf

Further information on terrorist organisations listed under Division 102 of the Criminal Code Act 1995 (Cth) and the DFAT Consolidated List of persons and entities subject to UN sanctions regimes maintained in accordance with the Charter of the United Nations Act 1945 (Cth) can be found at:

http://www.dfat.gov.au/icat/UNSC_financial_sanctions.html#3
http://www.nationalsecurity.gov.au/agd/www/nationalsecurity.nsf/AllDocs/95FB057CA3D ECF30CA256FAB001F7FBD?OpenDocument

Further information on AusAID Accreditation and the ACFID Code of Conduct can also be found at:

http://www.ausaid.gov.au/ngos/accreditation.cfm
http://www.acfid.asn.au/code-of-conduct

Further information on Aid Effectiveness can be found at:

http://www.oecd.org/department/0,3355,en_2649_3236398_1_1_1_1_1,00.html

....

B: Management partnerships

There are currently no standard Partnership Agreements. Contractual arrangements in the past have varied, ranging from the use of standard United Nations Co-financing Agreement to the use of the type of Agreement shown in Part A of this Annex where the Management Partner Agency submitted a Project Proposal on behalf of a group of CSOs and this was attached to the standard Agreement pro forma.

The nature of future Management Partnership arrangements will vary. As discussed in *Section 3.6,* a wide range of potential organisations may be considered. It would therefore be premature to develop a standard pro forma template and expect all potential management partner organisations to accept such a standard agreement.

Management Partnership Agreements will not deal with project funding as such but focus on generic management issues. Funding and project specifics will be detailed in one or more Funding Agreements that will be very similar to the agreement pro forma shown in Part A of this Annex. Each Funding Agreement will refer to the management partnership Agreement under which it will operate.

The Partnership Agreement will usually be valid for 2 to 3 years (ie to June 2013) and does not need to be repeated as projects may be approved on an annual basis. In line with the approach in part A of this Annex, the funding proposal submitted by the Management Partner agency will be included in its entirety as a Funding Agreement Schedule.

While it would be premature to consider a standard Agreement, some pro forma certain clauses will be common to all Agreements. A pro forma with key general clauses is shown below.

MANAGEMENT PARTNERSHIP AGREEMENT OUTLINE

This Agreement expresses the understandings of the Government of Australia as represented by and the Australian Agency for International Development (AusAID) of the Department of Foreign Affairs and Trade and ….. *[Insert details of Partnership Agency]……* in relation to the provision of funding support to Civil Society Organisations known as the *'Australia-Africa Community Grants Scheme' (AACGS).*

1. AACGS objectives:

Australia's aid program to Africa has a long history of supporting community-level initiatives in areas of common interest to Australia and Africa. This funding has enabled the delivery of practical support at community level and has highlighted Australia's role as a development partner in Africa. The funding has also focused on promoting Africa – Australia linkages where possible by supporting the work of Australian NGOs and local African NGOs with Australian connections, as well as supporting the work of Australian Volunteers placed with local African NGOs.

The new *Australia-Africa Community Grants Scheme* is an important component of Australia's aid program to Africa. The Scheme will contribute to the achievement of Millennium Development Goals at the community level. It will provide African civil society organisations in a broader range of countries in Africa with access to funding opportunities that help support effective community level development, especially in sectors that contribute to the achievement of MDGs in Africa.

2. Administration:

Civil society organisations wishing to apply for project funding send their applications direct to the relevant Australian Diplomatic Mission in African countries.

Applications are assessed by the Australian Government on a competitive basis. Successful applicants are notified and subject to the execution of a Project Agreement between the beneficiary organisation and the Australian Agency for International Development, the approved funds are remitted to the organisation. The beneficiary organisation or Implementation Partner has reporting obligations and is required to acquit all of the funds provided.

AusAID seeks to appoint intermediary organisations or Management Partners. The purpose of such partnerships is to use the skills, experience or unique position of various types of agencies to help manage and monitor the implementation by Civil Society Organisations (CSOs) of activities that meet AACGS guidelines. Ideally such partnerships should be able to manage and monitor multiple CSO activities.

For each Management Partnership there will be a <u>Management Partnership Agreement</u> that will describe how AusAID would work with the particular agency in relation to the funding of individual CSOs. <u>Funding Agreements</u> will supplement the Management Partnership Agreements.

Funding Agreements may cover one or more assessed projects to be implemented by specified CSOs. Projects may be for 12 months or multi-year.

Execution of a Management Partnership Agreement does not guarantee any particular level of funding. This is covered by the Funding Agreements the first of which may be executed at the same time as the Management Partnership Agreement.

3. Duration:

This Agreement will take effect from the date of its signature and all undertakings given herein will cease *xxx* years after the date of commencement or on such other date as may subsequently be arranged between AusAID and …. *[Insert name of partner]*

4. Responsibilities:

<u>The Government of Australia through AusAID will:</u>

▪ Provide funds for agreed activities in line with approved activity budgets

▪ ………………*[Further details will depend on the type of management partnership covered by this Agreement. They will range from the management and monitoring to a single project in a particular country where the project was approved following a competitive selection round, to an arrangement where the agency receives a block grant and allocates this to CSOs in a particular country subject to particular guidelines. The PACT arrangements in Zimbabwe provide an example. Refer to the case studies in Annex 4.]*

<u>The ………………….. *[Name of management partner agency]* will:</u>

▪ …………..………………

[Content will depend on the type of management partnership covered by this Agreement. They will range from the management and monitoring to a single activity in a particular country where the activity was approved following a competitive selection round to an arrangement where the agency receives a block grant and allocate this to CSOs in a particular country subject to particular guidelines. The PACT arrangements in Zimbabwe provide an example. Refer to the case studies in Annex 4.

There will be no reference here to funding amounts or specific projects. Generic tasks and roles will be specified. Funding and project details will be in the Funding Agreement(s) that will use the template in part A of this Annex.

The focus here will be management and administration but other issues that could be covered include reporting, monitoring and evaluation, cross-sectoral issues such as gender, disability and the environment, Australian identity, financial acquittals, procurement of goods, project assessment and selection (where a partner agency is given this task)]

5. Evaluation and review:

The parties to this Agreement are committed to supporting the effective monitoring and evaluation of all project outcomes to help ensure that the objective of the Scheme will be met.

6. Formal communication:

For the purposes of formal communication between the parties on matters arising out of this Agreement, the Australian Diplomatic Mission, *[here insert name of accredited Mission]* will act on behalf of the Australian Agency for International Development. *[Used where there is no AusAID presence]*

7. Amendments:

Amendments to this Agreement may be made at any time by an Exchange of Letters between the parties.

Annex 10: MOU clauses

AusAID will not generally need to establish MoUs (or equivalents such as an Exchange of Letters) with Partner Governments covering the operation of this Scheme.

AusAID currently has MoUs with a number of countries in Africa. There may be references to Non-Government Organisations but there are currently no MOUs or equivalent agreements that specifically cover the Africa Regional Small Activities Scheme. As the new AACGS expands to a larger range of African countries situations may arise where direct access to CSOs operating in these countries may require some kind of formal agreement at government-to-government level. For example, there may be a government focal point set up to monitor and control relations between CSOs and foreign donors.

While the program will not generally fund government agencies, as noted in *Section 3.9*, under the Flexible Window, consideration may be given to funding activities requested and/or implemented by a government or semi-governmental agency where still clearly 'community level/civil society related. Such a project would require a standard Agreement with the Implementing Agency but there may also be a need for some higher-level government-to-government MOU-type agreement.

The program will generally seek to avoid MOUs with governments covering the operations of the AACGS. However, should they be required in some countries, this Annex provides some standard clauses that could be included in any such documentation.

A. General clauses:

This Memorandum of Understanding expresses the understandings of the Government of Australia and the Government of   *[name of partner country]* hereinafter referred to as 'the parties' in relation to the provision of funding support to Civil Society Organisations known as the *'Australia-Africa Community Grants Scheme' (AACGS).*

This Memorandum of Understanding is concluded pursuant to and is subject to the provisions of the Agreement between the Government of Australia and the Government of *[name of partner country]* on a Program of Development Cooperation, signed on   hereinafter referred to as the Agreement. Unless otherwise provided in this Memorandum, the Agreement applies to this Community Partnerships program.   *[Note: This clause is used where a broader Agreement covering other development cooperation activities exists or may be negotiated at around the same time as the AACGS MOU.]*

B. Program objectives:

Australia's aid program to Africa has a long history of supporting community-level initiatives in areas of common interest to Australia and Africa. This funding has enabled the delivery of practical support at community level and has highlighted Australia's role as a development partner in Africa. The funding has also focused on promoting Africa – Australia linkages where possible by supporting the work of Australian NGOs and local African NGOs with Australian connections, as well as supporting the work of Australian Volunteers placed with local African NGOs.

The new *Australia-Africa Community Grants Scheme* is an important component of Australia's aid program to Africa. The Scheme will provide African civil society organisations in a broader range of countries in Africa with access to funding opportunities that help support effective community level development, especially in sectors that contribute to the achievement of MDGs in Africa.

C. Coordinating Authorities:

The Coordinating Authorities for this program will be:

For the government of   : The   [*name of focal point or other relevant agency*]

For the Government of Australia: The Australian Agency for International Development (AusAID) of the Department of Foreign Affairs and Trade.

[The term 'Coordinating Authority' may not necessarily be used to describe the counterpart agency in all cases. This will depend on the nature of the particular government's involvement]

D Administration:

Civil society organisations in xxxxx *[insert name of country]* wishing to apply for project funding will send their applications direct to the Australian Diplomatic Mission in xxxxx

[insert name of Mission or the Australian High Commission in Pretoria for those countries where the accredited Mission (eg Lisbon and Paris) will not be processing AACGS applications. Given past experience, an MOU will not be required for any of the countries currently hosting an Australian Mission.]

Applications are assessed by the Australian Government on a competitive basis. Successful applicants are notified and subject to the execution of a Project Agreement between the beneficiary organisation and the Australian Agency for International Development, the approved funds are remitted to the organisation direct. The beneficiary organisation has reporting obligations and is required to acquit all of the funds provided.

[A further clause may be needed to cover any unavoidable government 'vetting' arrangements]

AusAID may appoint intermediary organisations to manage and monitor the funds provided to one or more Civil Society organisation.

[Additional material may be added – taken from the Implementation Plan – to describe particular aspects of the Scheme (for example issues concerning equity – gender and disability) and to refer to other AusAID development assistance mechanisms that may apply in the same country and where complementary activities may be funded. The approach will vary from country to country and depend for example on the nature of the Coordinating Authority and the extent to which it may seek to 'clear' the involvement of particular organisations.]

E. Duration:

This Memorandum will take effect from the date of its signature and the program covered by the Scheme will be deemed to have commenced from that date. The Government of Australia's contribution to the program and all undertakings given herein will cease *xxx* years after the date of commencement of the program or on such other date as may subsequently be arranged between the Coordinating Authorities of the two Governments.

F. Evaluation and review:

The Implementing Organisations on both the Australian and *[name of partner country]* sides are committed to supporting the monitoring and evaluation of project outcomes to help ensure that the objective of the Scheme will be met.

[While African government involvement in monitoring and evaluation of CSO projects should be avoided if possible, this clause could be useful in facilitating monitoring and evaluation activities by personnel commissioned by AusAID]

G. Formal communication:

For the purposes of formal communication between the respective Coordinating Authorities on matters arising out of this Memorandum, the Australian Diplomatic Mission, *[name of accredited Mission]* will act on behalf of the Australian Agency for International Development.

H. Amendments:

Amendments to this Memorandum may be made at any time by an Exchange of Letters between the Coordinating Authorities.

Annex 11:   Outsourced staff – Position descriptions

A. Community Development Manager

Duration: Three years

Location: Pretoria, South Africa *[assumes PF Head Office will be in Pretoria]*

Reporting to: AusAID, Australian High Commission, Pretoria

The Community Development Manager will be a development specialist with significant experience of the NGO sector in developing counties, especially Africa. The CD Manager will provide sectoral and specialist advice and inputs to AusAID as it develops strategic directions for the expanded Scheme and will be involved in the development of new Management Partnerships. Such advice will also be available to DFAT staff at non-AusAID Posts. The CD Manager will be significantly involved in the assessment of proposals received by AusAID and provide support to selection panels.

Specifically, the CD Manager will be required to undertake the following roles and responsibilities:

Responsibilities: Provide strategic technical analysis and advice to AusAID concerning improvements required to increase community engagement outcomes.

Take a leading role in the assessment for eligibility of applications for project support from implementation partners and produce a short list for AusAID of eligible proposals for approval by AusAID. Following approval of short lists participate in the appraisal process of short listed proposals under the direction of AusAID AACGS Managers. Provide Secretarial and advisory support to AusAID Selection Panels.

Manage the preparation of all Letters of Offer (for AusAID and DFAT Posts) for signature by AusAID and DFAT staff at Posts. Manage the preparation of all final Agreements for AusAID signature. Manage the overall database of approved projects.

Take a leading role as directed by AusAID staff in the development of new Management Partnerships. This includes identifying potential partners and assessing their background and experience against the desired objective for each partnership.

Help ensure Australian identity requirements are met by recipient agencies and/or partner management agencies at activity levels and provide input and support into the review and implementation of promotional strategies.

Help ensure Scheme requirements and priorities in relation to gender equity; disability and the environment are addressed by

implementing CSOs and provide advice on these issues as required.

Manage and supervise follow up work in relation to all outstanding project progress and completion reports level reports and participate in assessing all such reports to ensure quality requirements are met.

Contribute to Scheme-level reports based on activity-level reporting by implementing partners, including the Annual AACGS Report and as directed by AusAID the QAI and other mandatory AusAID reports.

Provide some capacity building assistance to implementing CSOs on proposal preparation and reporting based on published guidelines.

Maintain linkages with other AusAID Africa programs based on AusAID directions and guidance.

Travel extensively within Africa for consultations with implementing and management partner CSOs and to monitor ongoing projects.

Inform AusAID Pretoria promptly of significant implementation problems notified by implementing CSOs or picked up by reviewing progress reports. Suggest remedial action as appropriate.

Other duties from time-to-time, as may be reasonably required by AusAID Pretoria.

Core competencies	Demonstrated experience and understanding of contemporary approaches of community engagement with at least 5 years experience in community-based development.

Core competencies

Demonstrated experience and understanding of contemporary approaches of community engagement with at least 5 years experience in community-based development.

Tertiary qualifications in a relevant area.

Sound understanding of social, economic and cultural issues affecting aid delivery and some knowledge of Australia's aid program in Africa.

Demonstrated understanding of the performance management cycle of planning, implementation, monitoring and reporting, with experience in designing, reviewing and evaluating community development programs.

Demonstrated understanding of community development processes and experience in managing or facilitating community development programs in developing countries.

Significant knowledge of and familiarity with the operations of civil society organisations in Africa.

Liaison, negotiation, and representation experience preferably in the NGO sector.

An understanding of gender inequalities, child protection, disability, and fraud and corruption issues and how to mainstream these into development activities.

Demonstrated understanding of disability-inclusive development strategies.

Demonstrated ability and commitment to undertake regular field visits and interact effectively with different stakeholders.

Adaptability, sound judgement and ability to prioritise workload effectively.

Effective interpersonal and teamwork abilities, including an ability to build and maintain strong relationships with stakeholders and demonstrated capacity to work sensitively in a cross-cultural setting in Africa.

Ability to utilise various information technology systems.

Fluency in written and spoken English and excellent presentation and communication skills and in the writing of high quality advice and reports.

Competency in one or more of the following languages highly desirable: French, Portuguese, Arabic.

B. Monitoring and Evaluation Manager

Duration: Three years

Location: Pretoria, South Africa *[assumes PF Head Office will be in Pretoria]*

Reporting to: AusAID, Australian High Commission, Pretoria

The M&E Manager will provide advice to all relevant staff regarding the implementation of the Scheme's Monitoring and Evaluation Framework including implementation monitoring and the conduct of a representative sample of in-depth post completion monitoring evaluations. The M&E Manager will be responsible for implementing the application of this Framework at Scheme level and for ensuring effective implementation at project level by partner agencies. The M&E Manager will participate in the assessment of project proposals, and take a lead role in the preparation of Scheme-level reports.

Specifically, the M&E Specialist will be required to undertake the following roles and responsibilities:

Responsibilities: Provide strategic advice to AusAID concerning all monitoring and evaluation issues especially how these may be reviewed and improved over time.

Participate in the assessment for eligibility of applications for project support from implementation partners. Participate in the appraisal process of short listed proposals under the direction of AusAID AACGS Managers, focussing on monitoring and evaluation aspects. Provide Secretarial and advisory support to AusAID Selection Panels if required.

Monitor and report on Australian identity objectives at both Scheme and activity levels consistent with the AACGS M&E Framework.

Revise or update the M&E Framework and its application as necessary (and as agreed with AusAID) to improve its effectiveness or efficiency.

Participate in helping to ensure Scheme requirements and priorities in relation to gender equity; disability and the environment are addressed by implementing CSOs in all of their monitoring and evaluation activities.

Monitor and evaluate all activities based on the Scheme level M&E Framework and activity level specifications with guidance and technical support from a TAG M&E Specialist as required.

Participate in assessing all progress and completion reports to ensure quality requirements in relation to activity-level monitoring and evaluation are met.

Conduct implementation monitoring and a representative sample of in-depth post completion monitoring evaluations.

Take a leading role in contributing to Scheme-level reports based on activity-level reporting by implementing partners, including the Annual AACGS Report and as directed by AusAID the QAI and other mandatory AusAID reports.

Provide some capacity building assistance to implementing CSOs on developing effective monitoring and evaluation approaches in project proposals and on reporting based on published guidelines.

Maintain linkages with other AusAID Africa programs based on AusAID directions and guidance.

Travel extensively to monitor ongoing projects and to evaluate completed projects.

Inform AusAID Pretoria promptly of significant problems notified by implementing CSOs in relation to progress reporting or picked up by reviewing progress reports. Suggest remedial action as

appropriate.

Ensure the appropriate recording of information collected under the M&E Framework.

Other duties from time-to-time, as may be reasonably required by AusAID Pretoria.

Core competencies	Tertiary qualifications in an appropriate discipline with significant experience in the design, development and implementation of M&E systems in the context of development-oriented projects situated in developing nations.

Demonstrated significant experience and understanding of contemporary approaches to monitoring and evaluation and the requirements to collect, analyse and report on activities, outcomes and impact.

Sound understanding of social, economic and cultural issues affecting aid delivery and some knowledge of Australia's aid program in Africa.

Demonstrated understanding of the performance management cycle of planning, implementation, monitoring and reporting, with experience in designing, reviewing and evaluating development programs.

Demonstrated understanding of community development processes.

Knowledge of and familiarity with the operations of civil society organisations in Africa.

An understanding of gender inequalities, child protection, disability, and fraud and corruption issues and how to incorporate these into M&E activities.

Demonstrated understanding of disability-inclusive development strategies.

Demonstrated ability and commitment to undertake regular field visits and interact effectively with different stakeholders.

Adaptability, sound judgement and ability to prioritise workload effectively.

Effective interpersonal and teamwork abilities, including an ability to build and maintain strong relationships with stakeholders and demonstrated capacity to work sensitively in a cross-cultural setting in Africa.

Ability to utilise various information technology systems.

Fluency in written and spoken English and excellent presentation and communication skills and in the writing of high quality advice and reports.

Competency in one or more of the following languages highly desirable: French, Portuguese, Arabic.

C. Program Officer

Duration:	Three years
Location:	Pretoria, South Africa *[assumes PF Head Office will be in Pretoria]*
Reporting to:	AusAID, Australian High Commission, Pretoria and to the Community Development Manager on day-to-day responsibilities

The Program Officer will provide financial and administrative support to the Scheme and assist both the Monitoring and Evaluation Manager and the Community Development Manager carry out their key tasks. The Program Officer will also be responsible for maintaining the Scheme's database and records as well as payments and budgeting.

Specifically, the Program Officer will be required to undertake the following roles and responsibilities:

Responsibilities:	Record all project proposals and their status at each stage of the assessment and implementation cycle.
	Participate in aspects of the short listing and assessment process as required.
	Produce standard Letters of Offer and draft Agreements for review by the Community Development Officer.
	Undertake follow up work in relation to all outstanding project progress and completion reports level reports and participate in assessing all such reports to ensure quality requirements are met.
	Monitor financial acquittals by Implementing and Management partners.
	Manage the Scheme's data base and financial records using spread sheets to enable AusAID to manage simplified AidWorks inputs.
	Make payments to approved institutions as directed by AusAID where AusAID/DFAT systems are unable to handle this effectively.
	Assist in the preparation of reports and other documentation as

required including financial reports, data, records and specific financial information on all aspects of the of the Scheme's operations.

Liaise with Partnership Facility administrative staff in relation to administrative support provided by the Facility to the AACGS.

As directed by AusAID manage auditing arrangements for the Scheme in situations where fraud has occurred or is suspected using external contracted auditors.

Other duties from time-to-time, as may be reasonably required by AusAID Pretoria.

Core competencies	Professional qualifications and/or certification relating to financial management and reporting or similar fields.
	Experience in commercial and/or project financial management and control.
	An understanding of social, economic and cultural issues affecting aid delivery and some knowledge of Australia's aid program in Africa.
	An understanding of the performance management cycle of planning, implementation, monitoring and reporting.
	Demonstrated analytical skills and sensitivity to gender and equity.
	Knowledge of the operations of civil society organisations in Africa.
	Adaptability, sound judgement and ability to prioritize workload effectively.
	Effective interpersonal and teamwork abilities and demonstrated capacity to work sensitively in a cross-cultural setting in Africa.
	Effective computing skills in word processing, spreadsheet, internet and financial packages.
	Fluency in written and spoken English and presentation and communication skills.

Annex 12:   Scope of Services – Inclusions for AAPF MC Scope of Services

The Australia-Africa Partnerships Facility will be used to recruit and support the long-term outsourced personnel described in this Implementation Plan.

The following arrangements are envisaged:

- A group of three personnel will be recruited by the AAPF Managing Contractor for a period of three years on a full -time basis with a combination of community development, monitoring and evaluation, and program management skills. These will be local positions and the recruitment process will be undertaken in Africa.

- AusAID will participate in their recruitment and will be responsible for the production of detailed duty statements/position descriptions. These will cover a Monitoring and Evaluation Manager; a Community Development Manager and a Program Officer.

- The Facility will provide suitable office accommodation and basic administrative support for the three personnel.

- AusAID will be responsible for the tasking of the individuals.

- Salaries and allowances, set up and annual running costs including travel expenses will be met by the Australia-Africa Grants Scheme but arrangements may be made for payments to be managed through Partnership Facility administrative and financial systems. Costs will be reimbursed to the Partnership Facility Managing Contractor.

- Other forms of administrative support will be negotiated after the individuals have been recruited and the location of Partnership Facility Offices has been finalised.

- The Partnership Facility Managing Contractor will adapt the standard employment contracts used for other staff recruited to meet the requirements of the three AACGS staff positions. The duty statements/position *descriptions produced by AusAID will* be attached to the contracts.'

A clause along the following lines is expected to be included in the AACGS MC Scope of Services under *'Long Term Personnel'* to facilitate the above and given that other AusAID-funded programs may use the AACGS in a similar way:

> *"People Management Services may include:*
>
> (a)   *Where personnel are required for other AusAID-funded African programs, being responsible for all arrangements and duty-of-care for the individual advisers/deployees. This will include:*
>
>   (i)   *Recruitment (in consultation with AusAID if requested by AusAID), including advertising interviews, referee and police checks and documenting outcomes;*

(ii)   *Drafting and negotiating employment contracts for the individuals;*

(iii)   *Undertaking an induction program that has been tailored to the needs of the individual's placement which includes a through briefing on security arrangements;*

(iv)   *Assisting with the mobilisation and demobilisation of Short Term Personnel and Long Term Personnel;*

(v)   *Monitoring individuals' security and welfare, and ensuring the availability of psychological Ancillary throughout placement;*

(vi)   *Debriefings at the completion of placements; and*

(b)   *Ad hoc people management services as required."*

Annex 13:   Communication – principles and approaches

Public Diplomacy

It is important that AusAID maintain its profile and branding in relation to the Africa program, especially due to the expansion of the program across the continent and outsourcing arrangements. AusAID will require that its funding is fully acknowledged and that all projects funded by the AACGS remain clearly and unambiguously an initiative of the Australian Government. This applies equally to projects managed by Implementation Partners and those covered through various types of management partnership arrangements.

As AusAID undertakes a process of reengagement and expanded engagement with the African continent, particularly in regions of Africa not traditionally focused on such as West Africa and the Maghreb, effective public diplomacy will be crucial to the initial awareness-raising of the role of AusAID and funding opportunities available. At the same time it is important for AusAID to maintain an open dialogue with current partners in Africa that have participated actively in the ARSAS often over a long period.

An effective public diplomacy campaign involves not only shaping the message(s) that AusAID and the Australian Government wish to present in Africa, but also analysing and understanding the ways that the message is interpreted by diverse audiences, while incorporating tools for information exchange. This process will be always be managed by AusAID. Outsourced staff will have a role but only as specifically directed by AusAID. This is reflected in the Position Descriptions in *Annex 11*.

Communication Strategy

A Communications Strategy will be developed for the aid program in Africa by end-2010. Implementation will be supported by a Communications Officer based in Pretoria in conjunction with Canberra. Activities funded under AACGS are expected to form an integral part of the communications strategy, and will contribute to the promotion of Australia's goodwill to and visibility in Africa The approaches and principles outlined in this Annex will be refined as this Strategy is developed. The nature and range of management partnerships developed will impact on this as will the progress made in extending the Scheme to new countries.

As discussed in *Section 4.2.1,* the Scheme itself or particular rounds will not be advertised in mass media such as newspapers. However, the program must comply with Commonwealth Grant Guidelines and be seen to be administered in an open, transparent and equitable manner. How this may be achieved will vary from country to country. As the program seeks to expand to new countries and as it seeks to identify new Management Partners and work with different types of organisations in areas such as gender, the environment and disability, new and less formal means of promoting the Scheme and its objectives will emerge and will be actively explored by both Posts (AusAID and DFAT) and by outsourced staff. Management Partners will themselves be able to assist in this process.

Currently, guidelines and application forms for the Small Activities Scheme are made available in hard copy or electronically on request. This approach will continue but the new Scheme guidelines, application forms and templates will also be available on Websites maintained by African Posts and they will be translated into relevant national languages.

The Africa Communications Strategy will explore other measures designed to maximise transparency and open administration.

Implementation and management partners will have to comply with AusAID's guidelines on branding and use of the AusAID logo. This is emphasised in the Scheme Guidelines. (*Annex 6 Part B*). The Guidelines state that proposals must indicate how Australian support for the project will be demonstrated, including any opportunities for publicity such as project launches, opening ceremonies, presentations etc.

As AusAID develops agreements with Management Partners, communication protocols will be made clear as will the Australian identity issues that are to apply. This will be of critical importance where partners are engaged for the first time.

A range of communication channels and tools will be required to deliver the key messages to the appropriate audiences engaged with the AACGS.

Audiences

- Management partners which can include other donors; regional and country-level NGOs active in areas such as gender, the environment and disability; international NGOs and UN organisations
- Implementation Partner CSOs in all countries and operating in a wide range of sectors
- African partner governments
- Whole of Government agencies
- Australian public
- African public

Some Key Messages

- The aid program in Africa has a long history of supporting community-level initiatives in areas of common interest to Africa and Australia.
- An expanded Community Grants Scheme will build on these successes.
- Australia is an active partner in African development.
- Projects funded by the AACGS contribute to progress towards achievement of the MDGs at community level in Africa.
- Projects funded promote equity and access to traditionally marginalised groups.
- AusAID is committed to ensure an active role in the Scheme for people with disability consistent with policies on disability-inclusive development.
- The Scheme is keen to work with women's advocacy networks and organisations supporting projects that deal with the special needs of women and children in post conflict situations.

Some Communication Tools and Activities

- Development and selective distribution of promotion material based on the Guidelines in *Annex 6*
- Soft promotion of the Scheme 'stories' in appropriate publications and on Websites, media releases etc

- Periodic surveys of relevant AusAID and other partners recording personal, published and official comments regarding the operation of the Scheme (*Section 4.4.4*).
- Inclusion of accessible information to ensure the Scheme reaches traditionally marginalised groups such as people with disabilities, women and ethnic minorities.
- Staged information dissemination to potential partners – approaches will vary from country to country.
- Head of Mission visits to 'new' countries will often provide unique opportunities to communicate information about the Scheme.

Annex 14:   Risk Management Matrix

Major Risk	Potential impact	Level of risk	Aspects in the IP to Minimise Risk	Actions if Risk Event Happens
Political				
Severe political instability or conflict in countries	▪ Difficult to provide assistance to expand Scheme coverage and assist NGOs in 'new' countries ▪ Project implementation suffers in countries already receiving assistance ▪ Scheme output targets not met and Scheme objective not fully realised	Low in some countries/high in others	▪ Focus on Management Partnership arrangements ▪ Realistic targets for expanding Scheme to new countries ▪ Progress reporting templates and increased capacity to monitor progress of individual projects	▪ Develop relationships with Management Partners that may have access, denied to government agencies in 'difficult' countries ▪ Monitor political situation in 'new' countries on an ongoing basis and based on analysis of political context, where necessary, focus on Scheme expansion elsewhere ▪ Regularly update this political analysis ▪ At project level allow extensions and other measures that will enable Implementation Partners to cope with negative developments that they can't control ▪ Carefully review 'difficulties' reported in progress reports and expand monitoring activities
Focus on community level development activities limits opportunities to bring	Failure to achieve a Australian identity requirements	Medium	▪ While direct partner government involvement is this type of program is not necessary and should not be encouraged, provision is made for	▪ While not seeking formal partner government involvement in the program ensure that when discussing government-to-government initiatives

Major Risk	Potential impact	Level of risk	Aspects in the IP to Minimise Risk	Actions if Risk Event Happens
the Scheme to the attention of government decision makers			MOUs to be negotiated where governments wish to be involved and the program will actively keep government informed ▪ Flexible Window allows for some government or semi-government funding requests to be considered	the importance and achievements of this Scheme are mentioned; actively promote the Scheme and activities being funded to relevant partner governments eg annual reports/letters and invitations to functions ▪ Use the Flexible Window to broaden the range of Scheme activities ▪ Maximise opportunities to promote the Scheme and its achievements at all levels with 'good stories' through case studies and ensure success stories are brought to the attention of government counterparts ▪ Assess activities in terms of their suitability for leveraging PR
Foreign policy considerations reflected in a key program objective of recognition of Australia as an active partner in Africa development are difficult to achieve especially given relatively small size of assistance per country in comparison to other donors	Failure to achieve a key program objective	Medium	Australian identity/profile issues highlighted in project proposal Guidelines, agreements and reports	▪ Implementation and at least annual review of a *Communications /Public Diplomacy Strategy* ▪ Monitoring and evaluation activities will give more attention to Australian identity issues

Major Risk	Potential impact	Level of risk	Aspects in the IP to Minimise Risk	Actions if Risk Event Happens
Management & implementation				
Scheme expansion is hindered by a lack of suitable Management Partners to help with the process and logistics aspects of such expansion.	▪ Scheme output targets not met ▪ Scheme objective not fully realised ▪ Strain on AusAID/DFAT and the outsourced staffing resources planned to cover the program expansion	Medium	Partner obligations will not be onerous and will be developed as a mutually beneficial form of harmonisation for all concerned	▪ The partner network will begin modestly but will be actively developed ▪ In negotiations with management partners demonstrate mutual benefits and ensure administrative and other burdens are minimised
Scheme is unable to develop complementarities with other elements of Australia's development assistance program in Africa	Hinders overall effectiveness of AusAID funded programs in Africa	Low	Specified as a fundamental operating priority with clear output targets	▪ Ensure Managing Contractors of other AusAID programs appreciate importance of fostering complementarities ▪ Develop effective coordination arrangements between all programs ▪ Continue to work closely with DFAT staff at all African Posts to ensure complementarities between DAP and AACGS
Projects are located in areas where access is difficult	▪ Difficulties in conducting effective monitoring and evaluation	Medium/High	▪ Output targets that will help ensure a selection of projects in urban and peri-urban areas with reasonable access ▪ Assessment template gives attention to location of projects	Ensure selection processes give weight to geographic/location issues

Major Risk	Potential impact	Level of risk	Aspects in the IP to Minimise Risk	Actions if Risk Event Happens
Working in many new and unfamiliar countries with no DFAT representation	Unable to meet foreign policy objectives and Scheme output targets	High	Realistic targets set for expanding to new countries	Develop relationships with Management Partners that may have access, denied to government agencies in 'difficult' countries
Inability to attract suitable local staff	Unable to meet Scheme objective and output targets given current severe resource constraints	Low	Use the specialised recruitment mechanisms of the Partnership Facility	Readvertise after reviewing and if necessary adjust the compensation packages being offered
Poor performance of contracted staff	Scheme output targets may not be met as planned	Low	Staff will be attached to the Partnership Facility with access to support and supervision	▪ Provide training where necessary ▪ Ensure contractual arrangements and performance reviews that will allow for prompt action to recruit replacement staff
Scheme mechanisms too slow and cumbersome to meet partner needs and expectations	Targets not met and Australia's reputation suffers	Low	▪ Guidelines have been streamlined ▪ Use of Management Partnership arrangements ▪ Multi-year funding for trusted partners	Review and address any fundamental constraints
Management capacity is unable to cope with the challenges of a pan-African Scheme – generates more work than anticipated for AusAID and DFAT staff	▪ Scheme objective and output targets not met and negative perceptions of Australia as a reliable and active partner in African development ▪ AusAID staff workloads increase	Medium	▪ The Implementation Plan provides for the recruitment of outsourced staff that will provide a significant increase in overall management capacity ▪ Realistic output targets	Allow adequate numbers of outsourced staff with appropriate skills including future TAG support in key areas such as M&E

Major Risk	Potential impact	Level of risk	Aspects in the IP to Minimise Risk	Actions if Risk Event Happens
	with potential negative impact on other program activities			
Recipients default or do not acquit funds	▪ Scheme outputs not met ▪ Negative perceptions	▪ Low in current countries ▪ Medium/High in new countries	▪ Monitoring targets ▪ Maintain 'good practice' follow-up approaches used by the current Small Activities Scheme given that there have been no defaults in 20 years of operations	▪ Actions include fast (phone) follow up if acquittals are late; threat of no future funding if acquittals are not submitted; checking past donor references; effective short-listing and assessment procedures
Cross-cutting issues				
Gender issues not adequately addressed	The Scheme is unable to meet its output targets and/or fails to comply with AusAID's policies on gender	Low	▪ Development of Management Partnerships with national/regional organisations addressing needs of vulnerable and marginalised groups especially women a key operating priority and output target ▪ Scheme Guidelines cover gender issues and all project proposals must address gender and benefits to women ▪ Monitoring and evaluation data to be gender disaggregated	▪ Proactively develop Management Partnerships with relevant organisations ▪ Encourage women's advocacy network CSOs and CSOs supporting projects implementing aspects of UN Security council Resolution 1325 to apply
Disabled People's Organisations lack the capacity and track	The Scheme is unable to meet its output targets in relation to	Medium	▪ Development of Management Partnerships with national/regional DPOs a key operating priority and	▪ Encourage smaller less experienced DPOs to partner with more experienced CSOs

Major Risk	Potential impact	Level of risk	Aspects in the IP to Minimise Risk	Actions if Risk Event Happens
record to compete with other CSOs for funding on a competitive basis	*Development for All* guiding principles		output target ▪ Scheme Guidelines (and the standard Funding Agreements) cover disability issues and all project proposals must address disability issues	▪ Develop Management Partnerships with larger more experienced DPOs that can address the needs of smaller DPOs
Environmental issues receive inadequate attention at activity level	The Scheme is unable to meet its output targets and/or fails to comply with the government's environmental laws and policies	Low/Medium	▪ Development of Management Partnerships with national/regional environmental; CSOs a key operating priority and output target ▪ Scheme Guidelines require all Project Proposals to assess environmental impact and to address possible remedial measures	▪ Proactively develop Management partnerships with national level environmental advocacy networks and other environmental groups ▪ Ensure environmental issues well covered in Project Proposals and all reporting
Monitoring & evaluation				
Difficulty in directly connecting outcomes of program to progress towards MDGs	Difficulty demonstrating progress towards the Scheme goal	Low	▪ Implementation Plan and M&E Framework recognise the limits of attribution and focus on achieving objectives at Scheme and activity level that address MDG-relevant development issues ▪ Despite broad and flexible sectoral focus guidelines provide for some preference to be given to sectors that address MDGs more directly	▪ Despite the necessarily broad and flexible sectoral focus, give some preference to sectors that contribute most directly to the achievement of MDGs ▪ While impact at (MDG) goal level can't be measured collect M&E evidence against objective demonstrating some contribution towards the goal

Annex 15:   Management cost assumptions

The cost assumptions and calculations in this Annex support the management costings provided in the Table in Section 4.1.5.

Salaries and allowances for outsourced (local) staff

1) M & E Manager: $110,000 pa

2) Community Development Manager: $100,000 pa

3) Program Officer: $40,000 pa

Running costs for outsourced staff

$70,000 pa

Set up costs for outsourced staff

$20,000 in year 1 (covering computers, equipment & furniture)

Partnership Facility Managing Contractor Fees

$100,000 pa (40% of the cost of salaries and allowances)

Africa TAG M&E Specialist

Fees $50,000 pa based on 50 days pa @ a daily fee of $1,000

In-Africa travel costs

1) Outsourced staff: $120,000 pa based on 20 trips pa @ average cost of $3,000 per trip for each of the Managers – a total of 40 trips pa.

2) M&E Specialist: $12,000 based on 4 trips pa @ average cost of $3,000 pa

3) AusAID staff monitoring/partnership development and related travel: $150,000 pa indicative allocation

Mid-term Review

Fees $82,000 in year 2 based on 2 consultants for 20 days in Africa including travel. Fees @ $1,400 average per day. Per diems/accommodation @ $300 per day. Fares @$7,000 each.

Inflation

7.5 % inflation factor in years 2 and 3