Australian Government

Department of Foreign Affairs and Trade

Evaluation of the Australian NGO Cooperation Program

Final Report – Annexes

Office of Development Effectiveness

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Office of Development Effectiveness

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Independent Evaluation Committee

The Independent Evaluation Committee (IEC) was established in mid-2012 to strengthen the independence and credibility of the work of the ODE. It provides independent expert evaluation advice to improve ODE's work in planning, commissioning, managing and delivering a high-quality evaluation program.

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Annex 1: Terms of reference

Brief historical overview

Established in 1974, the Australian NGO Cooperation Program (ANCP) is a longstanding annual grant program that provides funding to accredited Australia-based international development NGOs to deliver development projects in developing countries. The ANCP is a distinct program of engagement between DFAT and Australian NGOs (ANGOs) that is designed to supplement ANGOs' own activities. In 2013–14 the ANCP will provide $130.7 million to 44 accredited ANGOs and hundreds of their in-country partners, to deliver 670 development activities in over 50 countries in a range of sectors including education, health, water and sanitation, food security and civil society strengthening.[1]

> The goal of the ANCP is '*to subsidise Australian NGO community development activities which directly and tangibly alleviate poverty in developing countries*.'[2]

In 1996, what was then AusAID initiated an accreditation scheme for ANGOs participating in the official Australian aid program. ANGOs must be accredited to receive ANCP funds. This accreditation process as a front-end risk-management process, and is the primary vehicle that enables ANGOs to participate in the ANCP. Accreditation can also allow eligible ANGOs to participate in other DFAT country or regional grant programs.[3]

Being a signatory to the Australian Council for International Development (ACFID) Code of Conduct for Non-Government Development Organisations[4] is a pre-condition for accreditation. The ACFID Code of Conduct is a voluntary, self-regulatory sector code of good practice that was developed in 1997 and comprehensively revised in 2010.

In 2009, reforms were undertaken to the ANCP to strengthen the partnership approach. DFAT now has an ANCP Partnership Agreement with 10 of Australia's largest development NGOs: World Vision Australia, Oxfam Australia, Caritas Australia, PLAN International Australia, ChildFund Australia, CBM Australia, CARE Australia, TEAR Australia, The Fred Hollows Foundation and Save the Children Australia. These organisations receive increased funds and have an enhanced role in policy dialogue and engagement in the aid program, due to the scope and scale of their networks and expertise as well as their large community support bases.

Reforms to the ANCP in 2009 also included the option of ANCP NGOs using up to 10 per cent of funding on in-Australia development awareness raising activities. This was in response to recommendations from the Organisation for Economic Cooperation and Development Assistance Committee Peer Review of the Australian aid program in 2008.[5] This review recommended that AusAID work with NGOs to widen public support for effective aid. Following consultations with ANCP NGOs and the Committee for Development Cooperation (CDC)[6] in 2013, a once-only agreement was

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[1] From *ANCP Factsheet for State and Territory Directors*, April 2014 (Internal DFAT document)

[2] From *ANCP Guidelines*, 2012. Available at http://aid.dfat.gov.au/Publications/Pages/ancp-guidelines-dec2012.aspx

[3] From *AusAID NGO Accreditation Guidance Manual, v2.* February 2012. Available at http://aid.dfat.gov.au/ngos/Documents/ngo-accreditation-manual.pdf

[4] Available at http://www.acfid.asn.au/code-of-conduct/files/code-of-conduct

[5] Available at http://www.oecd.org/dac/peer-reviews/australia2008dacpeerreviewofaustralia-mainfindingsandrecommendations.htm

[6] The CDC is a joint Australian Aid–NGO committee that oversees accreditation of NGOs, the ANCP and other issues concerning the Australian Aid–NGO relationship. There are four NGO representatives and four Australian Aid representatives on the CDC, with the Australian Council for International Development (ACFID) attending as an observer and assisting the secretariat. The CDC meets formally four times a year. For further details see http://www.acfid.asn.au/about-acfid/committee-for-development-cooperation-cdc

reached allowing NGOs to use up to six per cent of ANCP funding for single or multi-year development awareness raising projects in Australia.[7]

The Civil Society Engagement Framework[8] was released by the Australian Government in 2012. This policy set out how Australia would work more effectively with civil society organisations (CSOs) in Australia and overseas — through programs such as ANCP — to increase the impact of aid for the world's poorest people. A new framework for the way the Australian Government engages with civil society will be developed to reflect the government's strategic directions as outlined in *Australian aid: promoting prosperity, reducing poverty, enhancing stability*,[9] and ensure that engagement is targeted towards effectiveness and results. Consultation with Australian NGOs will inform the development of the framework.

The ANCP Monitoring, Evaluation and Learning Framework (MELF)[10] was introduced in May 2012 to streamline and standardise NGO reporting, monitoring and evaluation. ANCP Online was introduced in 2013, which allows ANCP NGOs to report online, as well as submit annual grant applications.

Budget

DFAT funding to NGOs[11]

Total funding to NGOs through the Australian aid program (including to Australian and overseas-based NGOs) grew fourfold between 2005 and 2013. This represented more than a doubling of the percentage of Australian Official Development Assistance (ODA) that NGO funding comprised. This took place in a context where the Australian aid program was 'scaling up' to meet the commitment to spend 0.5 per cent of Gross National Income (GNI) on foreign aid by 2015–16.

In the 2012–13 financial year, 329 NGOs received a total of $564 million in direct funding from DFAT. This was shared among 105 Australian NGOs (including 43 ANCP recipients) and 224 non-Australian NGOs.

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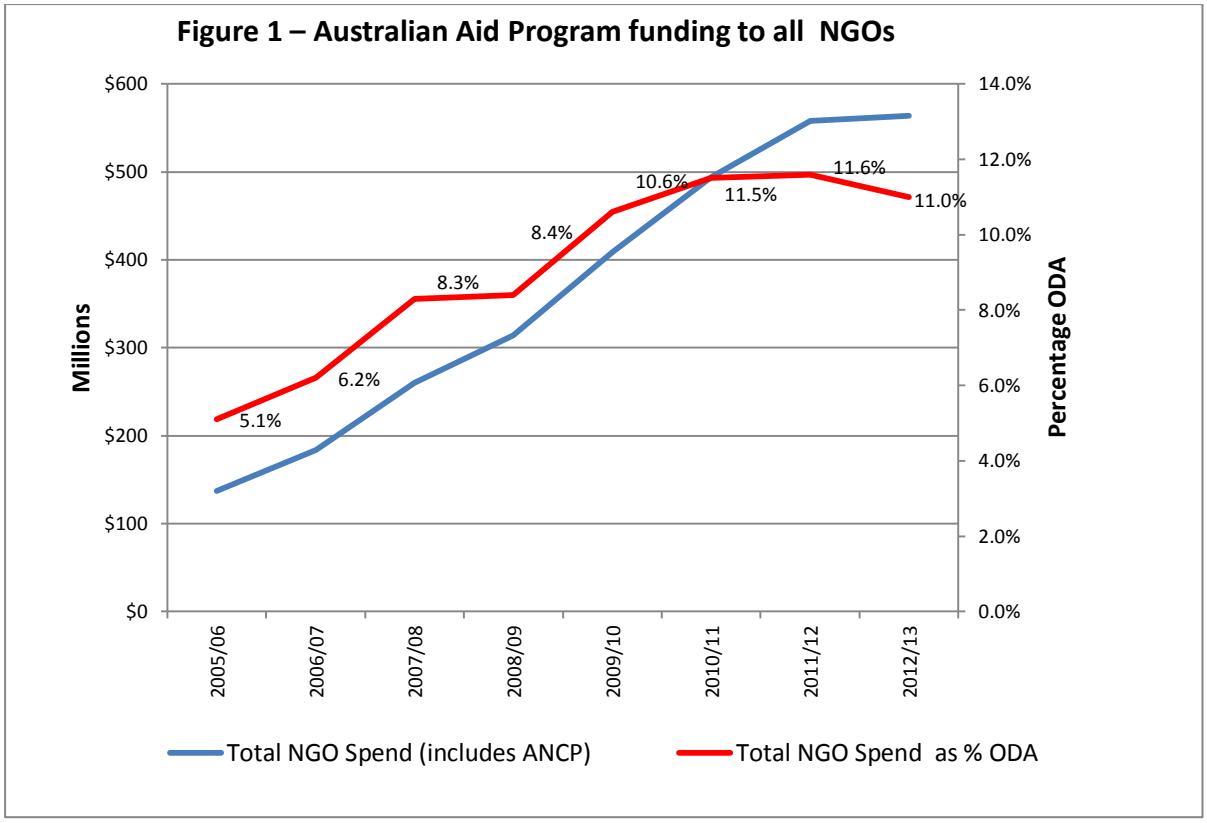
[7] From *ANCP Development Awareness Raising Guidelines*, May 2013. Available at http://aid.dfat.gov.au/Publications/Pages/3098_1034_7723_2624_7859.aspx

[8] Available at http://reliefweb.int/sites/reliefweb.int/files/resources/civil-society-engagement-framework.pdf

[9] Available at http://dfat.gov.au/about-us/publications/Pages/australian-aid-promoting-prosperity-reducing-poverty-enhancing-stability.aspx

[10] Available at http://dfat.gov.au/about-us/publications/Documents/ancp-monit-eval-and-learning-framework.pdf

[11] Statistics and graphs in this section exclude funding through the DFAT Direct Aid Program – see http://dfat.gov.au/aid/topics/development-issues/direct-aid-program/Pages/direct-aid-program.aspx

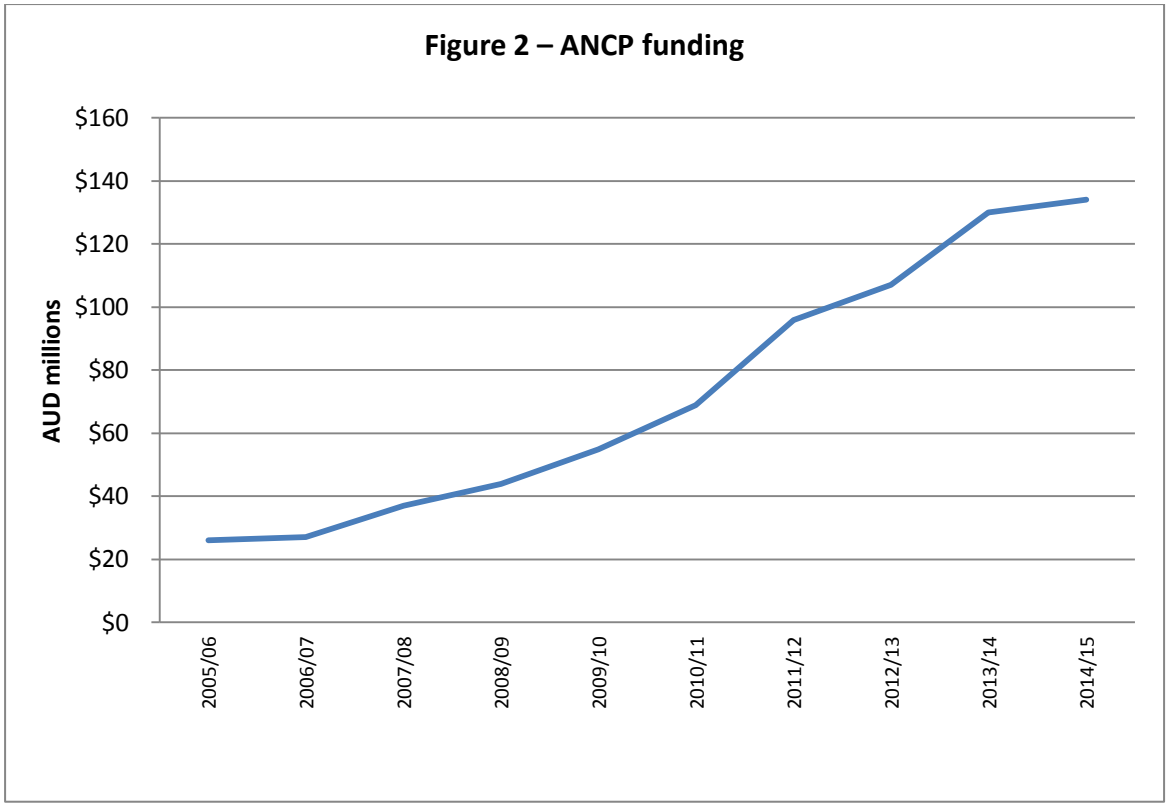


Source: NGO Policy Section presentation at DFAT Civil Society Network Meeting March 2014 – uses DFAT Statistics Unit Jan 2014 figures

ANCP budget

The ANCP is the single largest funding opportunity for NGOs. In 2012–13 it accounted for 19% of all funds to NGOs. As shown in Figure 2 below, ANCP funds have grown rapidly in recent years, alongside the rise in total NGO budget allocation. Expenditure on the ANCP more than quadrupled in the years between 2005 and 2013 alongside the scale-up of the aid program mentioned above. At $106.5 million, it represented 2.1% ODA in 2012–13, and reached $130.7 million in 2013–14, which constituted 2.6% of Australian ODA (based on estimated budget outcomes). The ANCP budget will not continue to increase by the same magnitude seen in the recent scaling-up period. The recent DFAT Portfolio Budget Statement[12] foreshadows that the ANCP budget in 2014–15 will be approximately $134 million.

[12] *DFAT Portfolio Budget Statement – Budget Highlights*, 11 Sept 2014. Available at http://dfat.gov.au/about-us/corporate/portfolio-budget-statements/Pages/budget-highlights-2014-15.aspx



Source: DFAT Statistics Unit – May 2014. All data reflects actual expenditure, except for 2014/15, which is a funding estimate based on the DFAT Portfolio Budget Statement estimate.

Delivery of the ANCP[13]

Accreditation

Under the ANCP, DFAT forms partnerships with ANGOs that have met DFAT accreditation standards to implement the ANGOs' own development and poverty alleviation programs overseas. To become accredited, organisations are required to undergo an extensive assessment of their organisational structure, systems and philosophies. Accreditation covers organisations' entire programs and budgets, as reflected in their Recognised Development Expenditure (RDE)[14]; it is not limited to assessing only DFAT-funded activities.

Accreditation aims to provide DFAT and the Australian public with confidence that the Australian Government is funding professional, well-managed, community-based organisations that are capable of delivering quality development outcomes. ANGOs sign a head agreement with DFAT when they become accredited. Accreditation is a highly intensive process, carried out by a team of three independent assessors (appointed by DFAT). The whole process may take up to 20 months to complete, including the time it takes for organisations to prepare. To maintain accreditation, NGOs must be re-accredited every five years and be available for spot checks and a rolling program of audits in the intervening period.

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[13] From *ANCP Guiding Principles*, December 2012. Available at http://dfat.gov.au/about-us/publications/Pages/australian-ngo-cooperation-program-ancp-aid-program-performance-report-2012-13.aspx and *ANCP Annual Program Performance Report 2012*

[14] For further details on RDE, a key aspect of accreditation and the ANCP funding model, see http://dfat.gov.au/about-us/publications/Pages/recognised-development-expenditure-worksheet-explanatory-notes.aspx

DFAT accreditation complements the principles and standards in the ACFID Code of Conduct for NGOs. It is a requirement of DFAT accreditation that an ANGO be signatory to this Code of Conduct, which aims to enhance standards of operation throughout the Australian NGO community. It is a voluntary, self-regulatory industry code, focused upon the financial and accountability systems of NGOs. Recent revisions to the code include an expanded focus on standards for development effectiveness. While compliance with both DFAT accreditation and the code takes different forms, the two systems are intended to reinforce and strengthen each other to ensure a high level of aid effectiveness.[15]

Funding arrangements

Accredited ANGOs (44 in 2013–14) receive grants based on their level of accreditation (Base, Full or Partner). There are currently 8 Base-accredited NGOs, 26 Full-accredited NGOs and 10 Partners. Currently, Base-accredited NGOs receive $150,000 per year; Full-accredited NGOs receive a minimum $300,000 per year; and Partner allocations are paid an annual amount based on a three-year average of their RDE (to 2012), plus access to a pool of funds negotiated via their Memorandum of Understanding (MOU). Full-accredited NGOs also receive a proportion of the remaining program funds after Base and Partner payments have been allocated. This additional amount is dependent on their levels of RDE.

NGOs must submit an Annual Development Plan (ADPlan) outlining proposed activities. ADPlans are submitted by 30 June, to receive funding for the following financial year. Activities put forward in the ADPlan must conform to the ANCP Guidelines and be undertaken in developing countries. In Australia, development awareness raising activities are being phased out in 2014–15.

Performance reporting, monitoring and evaluation

The ANCP Monitoring, Evaluation and Learning Framework (MELF) was introduced for trial in May 2012, and underwent review in early 2013.[16] It is a primary tool to streamline and standardise NGO reporting on ANCP-funded activities. Under the MELF, ANCP NGOs use reporting templates to report on the work funded through ANCP for the previous 12 months (i.e. achievements of the activities listed in the ADPlans). These performance reports also include a financial acquittal of funds expended for the period. They include performance data collected by NGOs against 20 DFAT headline sector indicators, as well as 70 ANCP-specific lower level indicators (such as disaggregated beneficiary numbers), though these indicators may change under the new, soon-to-be-announced DFAT aid program performance benchmarks. Where relevant, data is disaggregated by sex, age and disability. This data allow NGOs to provide statistics on achievements specific to their area of expertise and to enable DFAT to report on aggregate as well as project-specific achievements.

To further improve reporting and program management, a new online grants-management system, ANCP Online (which utilises the 'SmartyGrants' online grant-management software), was developed in 2012–13 to allow ANGOs to report online, rather than using Excel-formatted, paper-based templates as had been employed in the past.

NGOs are allowed to use up to 10% of their annually allocated ANCP funding for designing, monitoring and evaluating their own activities.

The MELF mandates that DFAT undertake biennial meta-evaluations and thematic reviews that focus on assessing the lessons, quality and range of outcomes arising from ANCP-supported activities. In-country visits by DFAT staff are also undertaken on an ad hoc basis to monitor effectiveness and compliance with relevant policies (e.g. child protection). Engagement with posts is seen as a priority by DFAT Canberra during these visits.

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[15] A summary of the differences between DFAT Accreditation and the Code of Conduct can be found at http://www.acfid.asn.au/code-of-conduct/files/acfid-code-of-conduct-and-ausaid-accreditation

[16] *Report on the Review of the MELF for the ANCP*, March 2013. Available at http://aid.dfat.gov.au/Publications/Documents/ancp-melf-report.pdf

In-country partners

On average, for every ANGO funded under ANCP, 36 in-country or 'down-stream' partners directly implement the development activities.[17] Down-stream partners include private-sector organisations, governments, local NGOs, local community groups and disabled people's organisations.

Significant reviews and evaluations

The ANCP has been subject to a range of thematic reviews and evaluations. Recent examples include:

2011 thematic review[18]

This review examined how ANCP activities engage with the poorest and most marginalised people. Overall, it found that ANCP NGOs have a deep understanding of poverty, and that the most marginalised and poor (often women, children, the aged and infirm and people living with a disability) don't just lack access to basic needs, but are also *excluded* from the usual benefits of development, from their communities and from the decision-making processes affecting their lives.

The review found that many ANCP-supported ANGOs invest significant time and resources to identify the poorest and most marginalised, and take the time to assist their down-stream partners to overcome ingrained attitudes and ways of working that keep the most marginalised excluded.

Mid-term review of the Partnership agreements in 2012[19]

This review found that the ANCP Partnerships represent a large-scale development program that uses a wide range of approaches and methodologies to directly target the needs of the very poor. Across 53 countries and regions, and through 289 different projects, Partnership activities reached more than 6.5 million direct beneficiaries. The review also identified a range of areas requiring improvement for the Partnerships to fully realise their potential, including better impact assessment, wider sharing of lessons learned, more systematic and dedicated resourcing and better understanding of Partnership purpose, scope and responsibilities.

2013 review of the MELF[20]

This review concluded that the MELF provides a level of reporting consistency for ANCP NGOs that supports greater accountability and performance coverage than what existed prior to its introduction. It found that the annual reports provide a good summary of NGO achievements but that the templates needed refinement. The review also identified a need for increased opportunities for ANCP Partner-level NGOs to report their Partnership achievements over and above the current level of reporting.

2013 meta-evaluation of nine evaluations of ANCP activities in Cambodia[21]

This was the first of the biennial meta-evaluations, reporting on nine evaluations undertaken by ANCP-supported ANGOs. It found that the nine evaluations adequately evaluated and reported on activities,

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[17] From *Quality at Implementation Report for ANCP 2013* (Internal DFAT Document)

[18] *ANCP 2011 Thematic Review: How do ANCP activities engage with the poorest and most marginalised people?* September 2012. Available at http://aid.dfat.gov.au/ngos/Documents/ancp-2011-thematic-review.pdf

[19] *AusAID NGO Cooperation Program Partnership Agreements – Mid Term Review Report*, 2013, Available at http://dfat.gov.au/about-us/publications/Pages/ausaid-ngo-cooperation-program-partnership-agreements-mid-term-review-report.aspx

[20] *Report of the Review of the Monitoring, Evaluation and Learning Framework for the ANCP*, March 2013. Available at http://aid.dfat.gov.au/Publications/Documents/ancp-melf-report.pdf

[21] Available at http://dfat.gov.au/about-us/publications/Documents/ancp-meta-evaluation-2013.docx

with useful identification of common themes and lessons learned, but that there was consistent and significant room for improvement.

2014 review of Recognised Development Expenditure

This is a review of the current rules and processes relating to the calculation of RDE. It articulates the current principles for the use of RDE in determining distribution of ANCP funding and provides recommendations for updating the model of RDE measurement, as well as the formula for distribution of ANCP funds.

DFAT self-rated performance reports

Recent annual ANCP *Quality at Implementation Reports* and *Program Performance Reports*[22] also provide useful, descriptive performance and quality information about ANCP.

Evaluation rationale

The Office of Development Effectiveness (ODE) Rolling Evaluation Workplan (2013–14 to 2015–16) includes a proposal to conduct an evaluation of the ANCP in 2013–14.

With the recent integration of AusAID and DFAT it is timely to conduct an independent evaluation of the ANCP. Stronger performance benchmarks and capturing results are a clear focus of integration reforms. Amongst other things, the newly released benchmarks require that the department put in place a system for assessing the performance of NGOs and other partners.

In January 2014, DFAT released a consultation paper for public comment on performance benchmarks for Australian aid. The paper states that there is potential to revise the existing systems used to assess the performance of the aid program's implementing partners (including international organisations, NGOs and contractors) to ensure that funding is directed to the most effective partners. The paper suggested that the Monitoring, Evaluation and Learning Framework (MELF) for Australian NGOs be reviewed to ensure that budget allocations to NGOs are better linked to performance. ACFID responded with the paper *Benchmarks for Effective and Accountable Australian Aid*,[23] outlining eight core benchmarks for an effective and accountable aid program – and again signalling Australian NGOs' commitment to demonstrating results.

A DFAT submission to a recent parliamentary enquiry into Australia's overseas aid program stated that 'Australian NGOs with a strong track record of effectiveness will continue to play an integral role in delivering Australian aid.'[24]

An ODE evaluation that examines the ANCP model of working with NGOs would be useful in this context. The evaluation will be responsive to the current reform environment to ensure that its findings can be used to inform future ANCP directions, improvements and reporting requirements.

The Australian Government has recently committed to a deregulation agenda as a policy priority, with the aim of reducing the annual cost of red tape for businesses, community organisations and individuals. DFAT's share of the 2014 reduction of red tape has been approved by Cabinet. This agenda will be taken into account in framing the purpose and approach of the evaluation.

Purpose

[22] Available online, for example see http://dfat.gov.au/about-us/publications/Documents/ancp-appr-2013-14.pdf

[23] Available at http://www.acfid.asn.au/resources-publications/files/benchmarks-for-an-effective-and-accountable-australian-aid-program/view

[24] DFAT Submission to Senate Foreign Affairs, Defence and Trade References Committee, Enquiry into Australia's overseas aid and development assistance program, 7 February 2014

To evaluate the ANCP as a mode to assist NGOs in reducing poverty and supporting sustainable development in developing countries.

Proposed objectives and intended audience

The proposed objectives of the evaluation are to:

1. Assess the relevance, effectiveness and efficiency of the ANCP.
2. Assess the results of delivering aid through the ANCP.
3. Make recommendations for improvements to the design and management of the ANCP.

The intended audience for the evaluation is primarily DFAT staff with aid management responsibilities, Australian NGOs and ACFID.

Scope

Proposed criteria and key questions for evaluation

The key evaluation questions, including selection of areas and approaches for analysis, will be refined and finalised by the selected Evaluation Team in collaboration with ODE. The following is an indicative list of possible key and sub-questions to inform the evaluation:

Relevance: Is the ANCP a relevant mechanism for the delivery of effective aid to reduce poverty and support sustainable development?

- To what extent does the ANCP contribute to the achievement of partner-country development priorities?
- To what extent does the ANCP deliver aid in accordance with international aid-effectiveness principles (e.g. Paris Declaration, Busan Partnership and Istanbul Principles for CSO Development Effectiveness[25])?
- To what extent does the ANCP have the flexibility and capacity to deliver aid consistent with DFAT's current strategic aid priorities including economic diplomacy and private sector objectives?
- To what extent does the ANCP promote Australia's aid program both domestically and internationally?
- To what extent is ANCP addressing cross-cutting development policy priorities such as gender, disability and environmental issues?

Implementation: Are the management and implementation arrangements fit for purpose and can they be improved?

- To what extent are there clear and well-understood program objectives for ANCP?
- What are the strengths and weaknesses of the ANCP funding model for NGOs?
- Is ANCP an efficient funding model and can it be leveraged by NGOs to access other, additional resources?

[25] See http://cso-effectiveness.org/InternationalFramework for further detail

- To what extent does the ANCP accreditation process enable selection of the most effective NGOs to deliver aid activities?
- Does ANCP represent value for money?
- How does ANCP compare with other DFAT support to NGOs?

Institutional arrangements: Are the institutional arrangements underpinning the development and implementation of the ANCP program sound?

- Do DFAT staff have sufficient knowledge of ANCP (including risks) to manage the program effectively?
- Do DFAT staff in Canberra and at posts, as well as NGO staff, understand their roles and responsibilities in relation to ANCP? To what extent are they working effectively together to achieve ANCP objectives?
- To what extent has DFAT developed effective relationships with ACFID and with ANGOs through the existing consultation and partnership arrangements, including through the ANCP Committee for Development Cooperation and ACFID Development Practice Committee?

Monitoring and evaluation: Is ANCP supported by robust and appropriate monitoring & evaluation processes?

- To what extent is the MELF an appropriate way of collecting, analysing, disseminating and using performance information about ANCP?
- To what extent is the MELF able to meet the reporting requirements of the Australian Government's new performance benchmarking system?
- To what extent does the MELF generate robust evidence about the results obtained under the ANCP?
- To what extent does the MELF drive learning, policy and program improvement?
- To what extent is the DFAT online grants-management system and its platform generating appropriate and user-friendly performance reporting?

Results: What have been the results of delivering aid through the ANCP?

- What have been some of the major results of the ANCP model?

The proposed timing, inputs and outputs are detailed below at **Annex A**.

A detailed Evaluation Plan will be developed and finalised by the selected Evaluation Team in consultation with ODE. The Evaluation Team will develop the Evaluation Plan and a Key Issues Paper based on document analysis examining the different approaches to Australian Government support for NGOs within six weeks of commencing the evaluation. The suggested phases of the evaluation (subject to the views and agreement of the Evaluation Team) and indicative consultant days are as follows:

September–October 2014: Six weeks for Evaluation Plan and Key Issues Paper (up to 45 consultant days)

Key outputs: Key Issues Paper and Evaluation Plan

The Evaluation Plan and Key Issues Paper will be developed concurrently. Both will be informed by desk review of existing ANCP materials and initial stakeholder meetings/interviews.

Key Issues Paper

- The Key Issues Paper is an important output during the early phase of the evaluation. It will allow the Evaluation Team to develop a solid understanding of the management and administration of the ANCP and clarify the critical issues to examine through the evaluation. The final Key Issues Paper will be shared with stakeholders.
- For the Key Issues Paper, the Evaluation Team is expected to draw on a range of data sources including: performance quality and other data housed in AidWorks; internally and externally conducted evaluations, reviews and reports about the ANCP; interviews with current DFAT staff and managers in Canberra; interviews with key stakeholders; and any other relevant quantitative and qualitative data. The team should examine the international literature about other major donor approaches to funding NGOs, as well as compare and analyse Australian Government funding for ANGOs through the ANCP alongside non-ANCP modes of NGO funding. This analysis should examine the strengths and weaknesses of different funding models, including transaction costs.
- Five days are provided for meetings/interviews with key stakeholders – including DFAT program staff and ACFID and NGO representatives – in this initial phase to obtain a general understanding of the ANCP, discuss evaluation methodology and seek views for the Key Issues Paper.
- The Key Issues Paper will also assess the adequacy of existing ANCP monitoring and evaluation data and analysis to inform the evaluation. The evaluation is expected to draw heavily upon existing material, however the Key Issues Paper should highlight any apparent constraints associated with such an approach. Depending upon the findings of this assessment of the evaluability of existing data, the Key Issues Paper may include a proposal for limited in-country fieldwork to validate themes emerging through the desk review and stakeholder interviews.

Evaluation Plan

- The Evaluation Plan will outline in detail how the evaluation will be conducted. It should conform to the DFAT Monitoring and Evaluation Standards[26] on Independent Evaluation Plans. The Plan will include the Evaluation Team's approach to domestic fieldwork, as well as any proposed international fieldwork (the justification for which will be presented in the Key Issues Paper).
- The Evaluation Plan will be subject to review by the ODE Independent Evaluation Committee and will be shared with the Evaluation Reference Group for comment. The final agreed Evaluation Plan will form the basis on which the performance of the Evaluation Team will be assessed.

November 2014 – January 2015: Three months for data collection, analysis and report writing (up to 118 consultant days)

Data collection and analysis methods should be detailed in the Evaluation Plan.

Key output: First-draft Evaluation Report

[26] Available at http://betterevaluation.org/sites/default/files/DFAT%20M%26E%20Standards.pdf

- Upon completion of the data collection and analysis phase, the Evaluation Team will produce a first-draft Evaluation Report for consideration by ODE. It should conform to the DFAT Monitoring and Evaluation Standards[27] on Independent Evaluation Reports. The Evaluation Team will also meet with ODE and DFAT colleagues working on the ANCP in early to mid-December to discuss preliminary issues and findings.

February–March 2015: Revisions to first-draft Evaluation Report (up to 28 consultant days)

Key output: Second-draft Evaluation Report

- Following review of the first-draft Evaluation Report by ODE, the Evaluation Team that will make revisions, culminating in submission of the second-draft Evaluation Report. The second-draft Report will be disseminated to all key stakeholders for peer review (e.g. DFAT NGOs and Volunteers Branch, the Independent Evaluation Committee and the Evaluation Reference Group). The second-draft Report may also be subject to independent technical appraisal.

March–April 2015: Revisions to second-draft Evaluation Report (up to 28 consultant days)

Key output: Final Evaluation Report

- Following review by stakeholders, a final Evaluation Report will be prepared. The final Evaluation Report, together with DFAT's management response, will be published on the DFAT website.

May 2015: Dissemination activities (up to 5 consultant days)

Key outputs: Preparation and attendance at a roundtable/seminar/Q&A session with DFAT in Canberra or at another venue, and either a podcast interview or newsletter interview.

- Following finalisation of the Report, the Evaluation Team Leader will be required to present at DFAT-hosted events or seminars and participate in an interview.

Table 1: Indicative table of key deliverables, indicative days and time period

Phase	Indicative consultant days	Indicative time period
Evaluation Plan and Key Issues Paper	45	September–October 2014
Data collection, analysis and draft Report	118	November 2014 – January 2015
Second-draft Report	28	February–March 2015
Final Evaluation Report	28	March–April 2015

[27] Available at http://dfat.gov.au/about-us/publications/Pages/dfat-monitoring-and-evaluation-standards.aspx

Participation in dissemination activities	5	May 2015
Total consultant days: Approximately 224		

Accountabilities and responsibilities

The Evaluation Team will work under the oversight of an Evaluation Team Leader, who will be responsible for managing inputs from team members in accordance with the agreed Evaluation Plan. The Evaluation Plan, draft and final Evaluation Report will comply with the DFAT Monitoring and Evaluation Standards cited above. The Evaluation Team will be accountable for the quality of their work through the ODE Team and ultimately to the DFAT Independent Evaluation Committee (IEC).

Under the leadership of the Evaluation Team Leader, the Evaluation Team will be expected to work effectively as a team, and to manage relationships with DFAT policy and program areas, ACFID and NGOs.

On a day-to-day basis, the Evaluation Team will primarily work with two nominated ODE staff. These ODE staff members will assist in the provision of relevant DFAT data for the team, provide organisational context, provide contacts for key informants, and will be available to discuss emerging issues and challenges. ODE staff may also potentially participate in some fieldwork, subject to agreement with the Team Leader.

DFAT's NGOs and Volunteers Branch (NVB) will provide support to the Evaluation Team, including providing contacts, documents, references and information about NGO activities. NVB will also discuss and provide feedback on emerging issues or preliminary findings.

The primary stakeholders for the evaluation are: DFAT staff with aid management responsibilities, Australian NGOs and ACFID. The Evaluation Team will, however, be expected to be mindful of and responsive to the broader stakeholder interests in the evaluation, including the interests of members of the public (both in Australia and in developing countries that are beneficiaries of ANCP funding) as well as other aid organisations internationally.

ODE will consult regularly with the ANGO community about the evaluation through the Evaluation Reference Group, which will be the existing Development Practice Committee of ACFID (DPC).[28]

Roles and responsibilities in the management of the evaluation are summarised below.

Summary of stakeholder responsibilities in conducting evaluations

Stakeholder	Main areas of responsibility

[28] For details on the DPC, see http://www.acfid.asn.au/about-acfid/standing-committees/development-practice-committee-dpc

Independent Evaluation Committee	Responsible for ensuring that ODE evaluations are of high quality. Provide expert technical assessment and advice in relation to evaluation methods and the use of evidence to support findings and recommendations. The IEC will comment on the quality of the draft Evaluation Plan and the second-draft Evaluation Report.
ODE Evaluation Team	Responsible for managing evaluations from their inception to publication, including the contractual relationship with the Evaluation Team and other specialists who may be appointed to assist with the evaluation. The ODE Team will coordinate communications between the Evaluation Team and DFAT staff in Canberra, including NGO and Volunteers Branch and other relevant external stakeholders such as the Evaluation Reference Group. The ODE Team is also responsible for the publications process and dissemination strategy. The ODE Team includes an Evaluation Officer and Evaluation Manager who report to the ODE Evaluation Director. The Director has oversight of the evaluation and works closely with their staff to deliver a high-quality product. The Director reports to the ODE Assistant Secretary, who oversees the management and operations of ODE including the management of the relationship with the IEC.
Contracted Evaluation Team	Responsible for delivering evaluation products in accordance with terms of the contract and the agreed Evaluation Plan, to an acceptable standard of quality (which include the previously cited DFAT Monitoring and Evaluation Standards). The Evaluation Plan and second-draft Evaluation Report will be assessed for quality (particularly around methodology and use of evidence to support findings and recommendations) by the IEC prior to payments being made on related milestones.
NGOs and Volunteers Branch	Responsible for facilitating and supporting the conduct of ANCP operational evaluations and the quality of ANCP. They ensure management is briefed on the findings and implications of reports and will provide the management response to the ODE evaluation.
Evaluation Reference Group (Development Practice Committee of ACFID)	Provide expert guidance and advice from the perspective of the Australian NGO community. The Reference Group will provide feedback on evaluation products, including the Evaluation Plan and second-draft Evaluation Report, and will potentially assist with facilitating access to key NGO informants during fieldwork. The Reference Group will be provided with periodic updates from ODE and the Evaluation Team and will keep the ANGO sector updated on evaluation progress.

Evaluation phases

Inception

At the commencement of the evaluation, ODE will brief the Evaluation Team on DFAT organisational structure with regard to the ANCP and the expected role of all parties involved in the process, provide access to relevant documents and data sources, and organise preliminary consultations with DFAT stakeholders.

The Evaluation Team will negotiate and finalise the Evaluation Plan and the Key Issues Paper with ODE.

Data collection and analysis

The fieldwork will be led by the Evaluation Team Leader and include stakeholder consultations and other data collection. DFAT anticipates that data collection will take place in Canberra, Melbourne and Sydney. If necessary DFAT will consider the case for data collection in one developing country to test the validity of initial findings.

Reporting

The Evaluation Team will report on emerging issues and evaluation findings through regular communication with ODE staff and stakeholders over the course of the evaluation, as will be outlined in the Evaluation Plan. The Evaluation Team will develop a draft report, which will be approved by ODE for release to stakeholders (e.g. DFAT NGOs and Volunteers Branch and the Evaluation Reference Group) for comment and feedback. It will be quality assured by the IEC and peer reviewed to produce a final report.

Dissemination and follow-up

Publication and dissemination of the final report is managed by ODE. It is likely that the Evaluation Team will be required to undertake revisions in relation to the presentation and/or accuracy of evidence to facilitate final publication of the report.

The ODE Evaluation Manager will work with ODE's communications officer to communicate early products, emerging findings and fieldwork results, where appropriate. These communication products will be targeted towards key stakeholders identified in the Evaluation Plan.

Duration of evaluation and expected involvement

It is anticipated that this evaluation will take up to 11 months to complete. There may, however, be unanticipated delays in the process and timelines outlined above, which are beyond ODE's control. For this reason, it is expected the Evaluation Team will be available to revise the Evaluation Report as necessary, up to the end date specified in the contract, to ensure a high-quality, publishable final product.

Composition of the Evaluation Team

In order to ensure delivery promptly against these terms of reference, it is suggested that the Evaluation Team be comprised of **three members**: an Evaluation Team Leader (Level C4 under the Adviser Remuneration Framework) and two team members (either Level C3 or C4 under the Adviser Remuneration Framework).

The Team Leader will lead the Evaluation Team and is responsible producing high-quality outputs, including a high-quality Evaluation Report that is fit for publication. It is expected that the Team Leader will possess the following skills and attributes (in order of importance):

Essential

1. Demonstrated expertise in managing and conducting methodologically rigorous strategic evaluations of international development programs.
2. Proven experience in producing high-quality evaluation reports, reviews and/or research reports for publication.
3. A relevant postgraduate degree in the field of evaluation and/or research. Alternatively, the Team Leader is required to demonstrate significant professional experience in managing and conducting large program evaluations.

Desirable

a) Demonstrated experience and a solid working knowledge of international development and/or the Australian NGO sector.

It is expected that there would be two team members to support the evaluation, one of whom has evaluation expertise and one who has knowledge of aid and development (in particular, a strong background and understanding of the Australian NGO community). The team members will possess the following skills and attributes (in order of importance):

Team member 1:

1. Demonstrated technical expertise in conducting methodologically rigorous evaluations of international development programs.
2. Strong technical skills in research design, management, quantitative and qualitative data collection and analysis and reporting.
3. Strong writing skills and proven experience in producing high-quality evaluation reports, reviews and/or research reports for publication.

Team member 2:

1. Demonstrated experience and a solid working knowledge of the Australian aid program and/or the Australian NGO sector.
2. Well-developed communication skills and a proven ability to communicate with a wide variety of stakeholders in a development context.

The onus is on the Team Leader to provide ODE with a proposed breakdown of resources and team roles and responsibilities prior to the commencement of the evaluation.

Professional guidelines

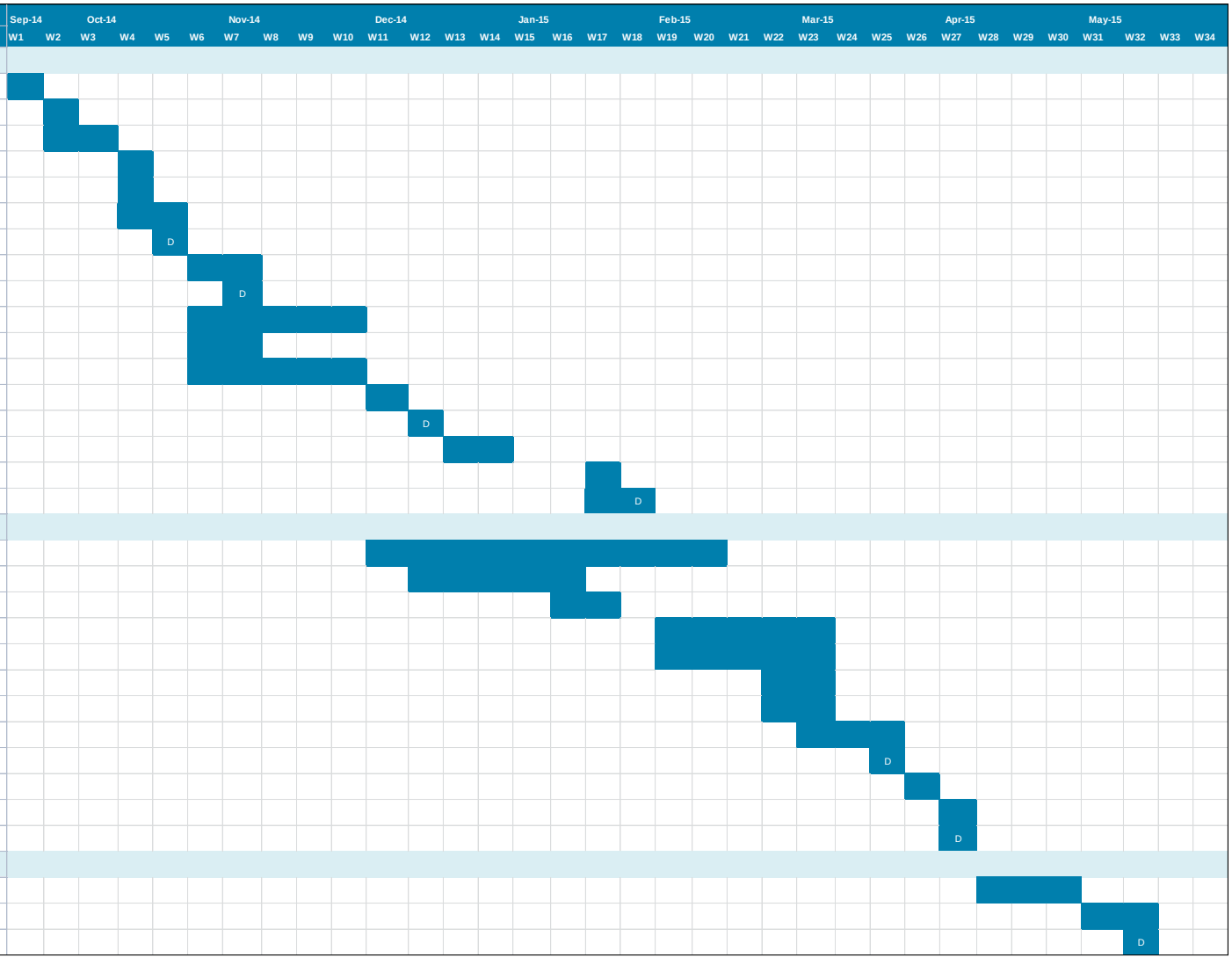
It is expected that the evaluation will be undertaken in accordance with the Code of Ethics of the Australasian Evaluation Society and their Guidelines for Ethical Conduct of Evaluations. In addition, ODE's Ethical Guidelines are expected to be adhered to, with particular attention to be paid to:

- Independence, impartiality and integrity.
- Respect for individuals.

The Evaluation Team will recognise the sensitivity of the project and will maintain strict confidentiality of all data, information and documentation provided or obtained during the course of the project. The managing contractor has a privacy policy consistent with the *Privacy Act 1988* and the *Privacy Amendment (Private Sector) Act 2000*.

Annex 2: Evaluation project plan

Task Name	Duration	Start	Finish
Phase 1 - Inception	**105 days**	**Fri 19/09/14**	**Mon 09/01/15**
Inception Meeting in Canberra	1 day	Fri 19/09/14	Fri 19/09/14
Project set up	2 days	Mon 22/09/14	Tue 23/09/14
Literature review	10 days	Mon 22/09/14	Fri 3/10/14
Stakeholder interview program	3 days	Mon 6/10/14	Wed 8/10/14
Comparative analysis and review	3 days	Mon 6/10/14	Wed 8/10/14
Prepare Evaluation Plan	6 days	Thu 9/10/14	Thu 16/10/14
Submit Evaluation Plan	1 day	Fri 17/10/14	Fri 17/10/14
Incorpate Feedback on Evaluation Plan	5 days	Fri 31/10/14	Thu 6/11/14
Resubmit Evaluation Plan	1 day	Fri 7/11/14	Fri 7/11/14
Attend Theory of Change workshops	22 days	Mon 27/10/14	Wed 26/11/14
Stakeholder interview write-up for KIP	10 days	Mon 27/10/14	Mon 10/11/14
Preparation of Key Issues paper	22 days	Mon 27/10/14	Wed 26/11/14
Internal Review of Key Issues paper (ODE)	4 days	Wed 26/11/14	Mon 01/12/14
Submit Key Issues Paper	1 day	Fri 05/12/14	Fri 05/12/14
External Review of Key Issues paper	10 days	Mon 08/12/14	Fri 19/12/14
Incorpate Feedback on Key Issues paper	5 days	Mon 12/01/15	Fri 16/01/15
Finalise and submit Evaluation Plan and Key Issues paper	10 days	Mon 19/01/15	Fri 30/01/15
Phase 2 - Data Collection and Analysis	**90 days**	**Mon 01/12/14**	**Fri 27/03/15**
Secondary analysis and literature review	50 days	Mon 01/12/14	Mon 09/02/15
Online survey	25 days	Mon 08/12/14	Fri 16/01/15
Analysis of survey results	10 days	Mon 12/01/15	Fri 24/01/15
Stakeholder Interview Program	25 days	Mon 02/02/15	Fri 06/03/15
Stakeholder Focus Group Program	25 days	Mon 02/02/15	Fri 06/03/15
Field Visits (Bangladesh & PNG)	10 days	Mon 23/02/15	Fri 06/03/15
Triangulation of evidence and analysis	10 days	Mon 23/02/15	Fri 06/03/15
First Draft Report preparation	15 days	Mon 02/03/15	Fri 20/03/15
Submit First Draft Evaluation Report	1 day		Fri 20/03/15
Feedback period (ODE)	5 days	Mon 23/03/15	Fri 27/03/15
Incorpate Feedback on Evaluation report	5 days	Mon 30/03/15	Fri 03/04/15
Submit Second Draft Evaluation Report	1 day		Fri 03/04/15
Phase 3 - Final Reporting and Presentation	**30 days**	**Mon 06/04/15**	**Fri 08/05/15**
Second Draft report review period	15 days	Mon 06/04/15	Fri 24/04/15
Update report based on feedback	10 days	Mon 27/04/15	Fri 08/05/15
Final Evaluation Report	1 day	Fri 08/05/15	Fri 08/05/15



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Annex 4: Evaluation framework

EQ no.	Evaluation Question (EQ)	Desk research [29]	Online survey	Interview program / focus groups	In-country field visits
R1	**Relevance: Is the ANCP a relevant mechanism for the delivery of effective aid to reduce poverty and support sustainable development?**				
R1.1	To what extent does the ANCP contribute to the achievement of partner country development priorities?	✓			✓
R1.2	To what extent does the ANCP deliver aid in accordance with international aid-effectiveness principles (e.g. Paris Declaration, Busan Partnership and Istanbul Principles for CSO Development Effectiveness)?	✓		✓	✓
R1.3 'P'	To what extent does the ANCP have the flexibility and capacity to deliver aid consistent with DFAT's current strategic aid priorities, including economic diplomacy and private sector objectives?	✓	✓	✓	✓
R1.4 'P'	To what extent does the ANCP promote Australia's aid program, both domestically and internationally?	✓	✓	✓	✓
R1.5	To what extent is ANCP addressing cross-cutting development policy priorities such as gender, disability and environmental issues?	✓	✓	✓	✓
I1	**Implementation: Are the management and implementation arrangements fit for purpose and can they be improved?**				
I1.1 'P'	To what extent are there clear and well-understood program objectives for ANCP?	✓		✓	✓
I1.2 'P'	What are the strengths and weaknesses of the ANCP funding model for NGOs?		✓	✓	
I1.3	Is ANCP an efficient funding model and can it be leveraged by NGOs to access other, additional resources?	✓	✓	✓	
I1.4	To what extent does the accreditation process enable selection of the most effective NGOs to deliver aid activities?	✓	✓	✓	
I1.5 'P'	Does ANCP represent value for money?	✓		✓	
I1.6 'P'	How does ANCP compare with other DFAT support to NGOs? Are there intangible benefits of engagement under ANCP?	✓		✓	✓
IN1.	**Institutional arrangements: Are the institutional arrangements underpinning the development and implementation of the ANCP program sound?**				
IN1.1	Do DFAT staff have sufficient knowledge of ANCP (including risks) to manage the program effectively?	✓		✓	

[29] Desk research captures an extensive review and analysis of qualitative and quantitative secondary data. Table 4 (section 3.3.1) provides an insight into the type of data that the evaluation will draw upon.

EQ no.	Evaluation Question (EQ)	Desk research [29]	Online survey	Interview program / focus groups	In-country field visits
IN 1.2 'P'	Do DFAT staff in Canberra and at posts, as well as NGO staff, understand their roles and responsibilities in relation to ANCP? To what extent are they working effectively together to achieve ANCP objectives?	✓	✓	✓	✓
IN 1.3 'P'	To what extent has DFAT developed effective relationships with ANCP NGOs through the existing consultation and partnership arrangements, including through the ANCP Committee for Development Cooperation?	✓	✓	✓	
IN 1.4	To what extent does the accreditation process contribute to efficiencies in the management of ANCP by DFAT?	✓		✓	
ME 1.	**Monitoring and evaluation: Is ANCP supported by robust and appropriate monitoring & evaluation processes?**				
ME 1.1	To what extent are ANCP M&E processes and systems (in particular, MELF) an appropriate way of collecting, analysing, disseminating and using performance information about ANCP?	✓	✓	✓	✓
ME 1.2 'P'	To what extent do ANCP M&E processes and systems (in particular, MELF) generate robust evidence about the results obtained under the ANCP?	✓		✓	
ME 1.3	To what extent are ANCP M&E processes and systems (in particular, MELF) able to meet the reporting requirements of the Australian Government's new performance benchmarking system?	✓		✓	
ME 1.4	To what extent are the DFAT online grants-management and its platform generating appropriate and user-friendly performance reporting?	✓	✓	✓	
ME 1.5 'P'	To what extent do ANCP M&E processes and systems (in particular, MELF) drive learning, policy and program improvement?	✓	✓	✓	
RS 1.	**Results: What have been the results of delivering aid through the ANCP?**				
RS 1.1	What have been some of the major results of the ANCP model?	✓	✓	✓	✓

EQ No.	Evaluation Question	OECD-DAC criteria	Judgement criteria / indicators	Sources of evidence			
				Desk research	Online survey of NGOs	Interviews	In-country field visit
R1	**Relevance: Is the ANCP a relevant mechanism for the delivery of effective aid to reduce poverty and support sustainable development?**						
R1.1	To what extent does the ANCP contribute to the achievement of partner-country development priorities?	Relevance	Extent to which ANCP-funded projects (& in-country NGOs) are aligned with partner-government development priorities Extent to which ANCP-funded projects complement DFAT's country strategy Extent to which in-country NGOs cooperate with local government	DFAT policy documents (including ANCP policies and government's new development policy) http://aid.dfat.gov.au/Publications/Pages/australian-aid-promoting-prosperity-increasing-stability-reducing-poverty.aspx Sample of partner-country policy documents ANCP policy & strategy documents ANCP Theory of Change ANCP NGO strategies / NGO ANCP accreditation documentation / NGO ANCP reporting		Stakeholders to be consulted: - DFAT (NVB) - DFAT Posts - ANCP NGOs (ANCP dept. and management)	Stakeholders to be consulted: - DFAT posts - ANCP NGO country program team - Partner-country government representatives - Partner-country NGOs and umbrella organisations

R1.2	To what extent does the ANCP deliver aid in accordance with international aid-effectiveness principles (e.g. Paris Declaration, Busan Partnership and Istanbul Principles for CSO Development Effectiveness)?	Relevance	Extent to which partnership between DFAT and ANCP ANGOs respects organisational autonomy Extent to which ANCP funding is delivered in partnership with local actors and in a way that builds their capacity and that of their beneficiary groups Extent to which the ANCP MELF enables results-based management (See ME1.3) Extent to which ANCP MELF is creating and sharing learning within organisations and sector more broadly (See ME1.4) Extent to which ANCP-funded projects (& in-country NGOs) are aligned with partner-government development priorities (See R1.1)	ANCP MELF reporting Annual Performance Reports ANCP NGO evaluations		Stakeholders to be consulted: - DFAT (NVB) - ANCP NGOs (ANCP dept. and management) - ACFID	Stakeholders to be consulted: - ANCP NGO country program team - Local NGO partners
R1.3 'P'	To what extent does the ANCP have the flexibility and capacity to deliver aid consistent with DFAT's current strategic aid priorities?	Relevance	Extent (and characteristics of) ANCP's flexibility (e.g. geographical / thematic / type of project [capacity building vs. hard inputs] flexibility) Extent to which flexibility contributes to the overall achievement of the government's aid program objectives and the strategic goals of ANCP NGOs (this includes strategic aid priorities across the board, e.g. health, education and gender equality in addition to economic diplomacy and private sector). Extent and nature of ANCP NGO engagement with private sector / focus on economic growth (and/or plans for this in future programming)	ANCP strategy and implementation documentation ANCP evaluations NGO strategies & planning NGO programming Annual Development Plans	**X Question(s) to be included**	Stakeholders to be consulted: - ANCP NGOs (ANCP dept. and management) - ACFID - DFAT Policy Teams	Stakeholders to be consulted: - DFAT Posts

R1.4 'P'	To what extent does the ANCP promote Australia's aid program, both domestically and internationally?	Relevance	Extent to which ANCP plays a role in: - widening public support for aid (including awareness raising) - strengthening the role and capacity of civil society development - extending 'reach' of Australian aid Extent of communication and dissemination activities domestically and internationally	Community support in terms of donations ANCP and ANCP NGO communication strategies (& any evaluation of these strategies)	**X Question(s) to be included**	Stakeholders to be consulted: - DFAT (NVB) - ANCP NGOs (ANCP dept. and management) - ACFID - Non-ANCP NGOs	Stakeholders to be consulted: - ANCP NGO country program team - Partner-government representatives - Local NGO partners
R1.5	To what extent is ANCP addressing cross-cutting development policy priorities such as gender, disability and environmental issues?	Relevance / Effectiveness	Extent to which ANCP objectives and management process (including accreditation and performance management) emphasise cross-cutting development policy priorities Extent to which ANCP-funded projects address gender, disability and environmental sustainability	ANCP objectives and strategic priority documents ANCP MELF and reporting NGO strategy, planning and programming	**X Question(s) to be included**	Stakeholders to be consulted: - DFAT (NVB) - ANCP NGOs (ANCP dept. and management) - ACFID - Non-ANCP NGOs	Stakeholders to be consulted: - ANCP NGO country program team - Partner-government representatives - Local NGO partners
EQ No.	**Evaluation Question**	**OECD-DAC criteria**	**Judgement criteria / indicators**	**Sources of evidence**			
				Desk research	**Online survey of NGOs**	**Interviews/workshops**	**In-country field visit**
I1	**Implementation: Are the management and implementation arrangements fit for purpose and can they be improved?**						
I1.1 'P'	To what extent are there clear and well-understood program objectives for ANCP?	Effectiveness	Extent of awareness and understanding of ANCP objectives (and emerging ANCP ToC) in: - DFAT (Canberra and posts) - ANCP NGOs (HQ & in-country) Extent to which ANCP objectives (emerging ToC) are	ANCP policy documents ANCP Theory of Change (and approach to constructing the ToC) NGO strategies / NGO ANCP		Stakeholders to be consulted: - DFAT (NVB) - DFAT policy teams	Stakeholders to be consulted: - DFAT posts - ANCP NGO country

			reflected in / aligned with ANCP NGOs' objectives (or form part of their strategy)	accreditation documentation / NGO ANCP reporting		- ANCP NGOs (ANCP representative and/or management) - ACFID	program teams
I1.2 'P'	What are the strengths and weaknesses of the ANCP funding model for NGOs?	Effectiveness / Efficiency	Extent to which ANCP model helps or hinders ANCP NGOs and their partners including: - Efficiencies in the management and implementation of ANCP (accreditation process, reporting requirements) and compared to other parts of DFAT Extent to which Recognised Development Expenditure (RDE) mechanism is clear and transparent Effects of ANCP funding mechanism (RDE) on the sector	ANCP funding allocations (2009–2014)	**X Question(s) to be included**	Stakeholders to be consulted: - ANCP NGOs (ANCP representative and/or management) - ACFID	
I1.3	a. Is ANCP an efficient funding model? b. Can it be leveraged by NGOs to access other, additional resources?	Efficiency	Administrative costs as % of ANCP Comparability of ANCP overhead costs with other NGO funding schemes (both within DFAT and implemented by other donors) Extent to which ANCP funding requirements are appropriate and proportionate Costs for ANCP NGOs associated with administering ANCP funding (including obtaining and maintaining accreditation, project delivery and reporting) Extent to which ANCP NGOs have been able to leverage it: - financially (e.g. accessing funding from other sources) - strategically (e.g. influence/learning)	ANCP accreditation process documentation ANCP operational documentation Donor information relating to grant funding mechanisms (including policy documentation, operational documentation and evaluations)	**X Question(s) to be included**	Stakeholders to be consulted: - DFAT (NVB Branch) - ANCP NGOs - Non-ANCP NGOs - ACFID - NGO Humanitarian Partnership Agreements (HPA) – Humanitarian Division	

I1.4	To what extent does the ANCP accreditation process enable selection of the most effective NGOs to deliver aid activities?	Effectiveness	Appropriateness of the accreditation criteria according to international standards Extent to which ANCP accreditation criteria for assessing NGO effectiveness is objective and evidence based (and applied in a systematic, transparent and consistent manner) Extent to which the ANCP accreditation has strong governance and oversight	International standards on organisational effectiveness (for example the outputs of the Open Forum on Aid Effectiveness) ANCP accreditation process documentation ANCP accreditation panel notes ANCP decision notes (and rationale for decisions)	**X Question(s) to be included**	Stakeholders to be consulted: - DFAT (NVB) - ANCP NGOs (ANCP dept. and management) - Non-ANCP NGOs - ACFID	
I1.5 'P'	Does ANCP represent value for money?	Efficiency / Effectiveness	Evidence of management and measurement approaches to Value For Money (VFM) (within ANCP NGOs and ANCP as a whole) - Management: Evidence of appropriate and proportionate staffing, procurement, financial management, performance management, risk management - Measurement: Cost information and evidence of results from MELF plus other M&E activities	- Management and administration cost data (DFAT & ANCP NGO staffing – FTEs) - ANCP project/financial monitoring and reporting - NGO definitions, systems and approaches to managing VFM - ANCP APPR - NVB monitoring visits - DFAT Annual Development Plans and Financial Reports - Sample of ANCP NGO Evaluations / VFM approaches (NGO approaches to reporting on costs and results, Financial and M&E capacity)	**X Question(s) to be included**	Stakeholders to be consulted: - DFAT (NVB) - ANCP NGOs (ANCP dept. and management) - ACFID	

I1.6 'P'	How does ANCP compare with other DFAT support to NGOs and are there intangible benefits of engagement under ANCP?	Effectiveness / Efficiency	Extent and characteristics of ANCP 'value-add'. For example, reach, flexibility, innovation and longevity (See RS1.1) ANCP funding (%) vs. other DFAT sources of funding Extent to which DFAT requirements for ANCP are more stringent than the requirements for other funding sources Extent to which the ANCP model affects DFAT's relationship with ANCP NGOs (including DFAT's ability to influence policy development and implementation and uptake of learning) Comparison of NGO projects funded through ANCP as opposed to through other means	DFAT financial reporting (ANCP and other funding sources) ANCP accreditation process documentation Other DFAT funding requirements	**X Question(s) to be included**	Stakeholders to be consulted: - DFAT (NVB) - DFAT policy teams - ANCP NGOs (ANCP dept. and management) - ACFID - Humanitarian Division	Stakeholders to be consulted: - DFAT posts - ANCP NGO country program teams
EQ no.	**Evaluation Question**	**OECD-DAC criteria**	**Judgement criteria / indicators**	**Sources of evidence**			
				Desk research	**Online survey of NGOs**	**Interviews/workshops**	**In-country field visit**
IN 1.	**Institutional arrangements: Are the institutional arrangements underpinning the development and implementation of the ANCP program sound?**	Effectiveness					
IN 1.1	Do DFAT staff have sufficient knowledge of ANCP (including risks) to manage the program effectively?	Effectiveness	Extent to which DFAT (NVB staff) demonstrate a comprehensive understanding of the strategic rationale for ANCP – including its strengths, weaknesses, opportunities and threats Extent to which DFAT (NVB) document their interactions with ANCP NGOs Extent to which DFAT (NVB staff) identify (and document) the risks of the ANCP	ANCP-related documentation (policy, accreditation guidance & process, annual reporting, meeting minutes) ANCP risk-management process and documentation		Stakeholders to be consulted: - DFAT staff (NVB) - ANCP NGOs (ANCP dept. and management) - ACFID	

IN 1.2 'P'	Do DFAT staff in Canberra and at posts, as well as ANCP NGO staff, understand their roles and responsibilities in relation to ANCP? To what extent are they working effectively together to achieve ANCP objectives?	Effectiveness	Extent to which ANCP accreditation manual / ANCP-related documents provide clear and comprehensive information on the roles and responsibilities of DFAT (NVB and post) and ANCP NGO staff Extent of awareness and understanding of ANCP objectives (and ANCP ToC) in: - DFAT (Canberra and posts) - NGOs (HQ & in-country) Extent to which DFAT (NVB and posts) and ANCP NGO staff demonstrate productive, open and transparent working relationships with each other	ANCP-related documentation (accreditation guidance & process, annual reporting, meeting minutes)	**X Question(s) to be included**	Stakeholders to be consulted: - DFAT staff (NVB) - ANCP NGOs (ANCP dept. and management) - ACFID	Stakeholders to be consulted: - DFAT posts - ANCP NGO country program staff
IN 1.3 'P'	To what extent has DFAT developed effective relationships with ANCP NGOs through the existing consultation and Partnership arrangements, including through the ANCP Committee for Development Cooperation?	Effectiveness	Extent to which DFAT demonstrates productive, open and transparent working relationships with ANCP NGOs, ACFID, ANCP Committee for Development Cooperation Extent to which ANCP Committee for Development Cooperation is an effective mechanism for sharing learning between DFAT and ANCP NGOs and between ANCP NGOs (see ME 1.4) Extent to which ANCP NGOs feel that they are fairly and appropriately represented in the ANCP Committee for Development Cooperation Extent and ways in which DFAT benefits from ANCP Committee for Development Cooperation and ACFID Extent to which ANCP and Partnership arrangements foster collaboration and strengthen the civil society sector in Australia	Documentation outlining function of ANCP Committee for Development Cooperation (including Terms of Reference (ToR) for committee, reporting, meeting minutes, decision-making, level of influence)	**X Question(s) to be included**	Stakeholders to be consulted: - DFAT staff (NVB) - ANCP NGOs (ANCP dept. and management) - ACFID - Non-ANCP NGOs	

IN 1.4	To what extent does the accreditation process contribute to efficiencies in the management of ANCP by DFAT? (Additional question)	Efficiency	Extent to which ANCP accreditation process: - reduces administrative burden - mitigates risk to DFAT - assists other DFAT departments with their due diligence	ANCP accreditation manual and process		Stakeholders to be consulted: - DFAT staff (NVB) - DFAT staff (other departments)	
EQ no.	**Evaluation Question**	**OECD-DAC criteria**	**Judgement criteria / indicators**	**Sources of evidence**			
				Desk research	**Online survey of NGOs**	**Interviews/workshops**	**In-country field visit**
ME 1.	**Monitoring and evaluation: Is ANCP supported by robust and appropriate monitoring & evaluation processes at the DFAT and NGO level?**	Effectiveness					

ME 1.1	To what extent do ANCP M&E processes and systems (in particular, MELF) represent an appropriate way of collecting, analysing, disseminating and using performance information about ANCP?	Effectiveness	Assessment of MELF in terms of: accessibility, reliability, utility for DFAT, utility for NGOs, utility for public, proportionality, influence, gender assessment Extent to which NGOs were consulted in designing MELF (to make it as appropriate as possible) Extent to which MELF is set up to comprehensively (and easily) collect and analyse NGO data Reporting requirements are proportionate to funding allocated and ANCP NGO and local partner capacity Extent to which MELF data collected can be: - easily aggregated and used to produce informative reports on various aspects of the ANCP portfolio (sector, geography, spend, etc.) - used to report on ANCP portfolio performance (in both quantitative and qualitative terms) - used to disseminate information on the ANCP portfolio - used to manage the performance of ANCP NGOs	- ANCP MELF - Process of devising the ANCP MELF - Sample of NGO MELF data - ANCP portfolio reports generated from ANCP MELF (including performance reporting)	**X Question(s) to be included**	Stakeholders to be consulted: - DFAT staff (NVB) - ANCP NGOs (ANCP dept. and management)	Stakeholders to be consulted: - ANCP NGO country program staff
ME 1.2 'P'	To what extent do ANCP M&E processes and systems (in particular, MELF) generate robust evidence about the results obtained under the ANCP?	Effectiveness	Extent to which NGOs employ rigorous and robust methods in collection and analysis of data (via MELF and other NGO & DFAT M&E systems/processes) - Level of M&E methods and approaches employed, in terms of sophistication - Level of qualitative and quantitative research - Level of objectivity in evidence collected - Extent and quality of data reported through MELF Consideration to be given to: - The accountability–learning dichotomy - Inadvertently encouraging risk-averse behaviour - Promoting 'easy to measure' activities	- ANCP NGO MELF reports - NGO MELF documentation (M&E reports and reviews) - Cluster evaluation systems, thematic reviews and meta-evaluations, and evaluative material generated by ANCP NGOs - DFAT monitoring reports		Stakeholders to be consulted: - DFAT staff (NVB) - ANCP NGOs (ANCP dept. and management)	

ME 1.3	To what extent are ANCP M&E processes and systems (in particular, MELF) able to meet the reporting requirements of the Australian Government's new performance benchmarking system?	Effectiveness	Please note the new performance benchmarking system will not be in place prior to the evaluation being finalised. Therefore, the evaluation will seek to provide background and contextual information that might be useful in the context of implementing a forthcoming performance benchmarking system	- ANCP MELF - DFAT guidance on developing performance benchmarks		Stakeholders to be consulted: - DFAT staff (NVB) - ANCP NGOs (ANCP dept. and management) - Aid Management and Performance Branch	
ME 1.4	To what extent is the DFAT online grants-management system and its platform generating appropriate and user-friendly performance reporting?	Effectiveness	Level of compliance with online platform reporting requirements ANCP NGOs' and DFAT perceptions of the usability/user-friendliness of the platform Use of the platform outputs by DFAT	- ANCP funding system documentation (User interface, reporting capability etc.)	**X Question(s) to be included**	Stakeholders to be consulted: - DFAT staff (NVB) - ANCP NGOs (ANCP dept. and management)	

ME 1.5 'P'	To what extent do ANCP M&E processes and systems (in particular, MELF) drive learning, policy and program improvement?	Effectiveness	Assessment of strengths or limitations of mutual learning information exchange between DFAT and ANCP NGOs and at the NGO level as well Extent to which there are clear learning objectives for ANCP Extent to which lessons/evidence are being (systematically) captured Extent to which lessons/evidence are being disseminated between ANCP stakeholders (and in what direction – DFAT to NGOs, NGOs to DFAT, both) Evidence of ANCP key stakeholders (DFAT & NGOs) engaging in policy dialogue Evidence of ANCP lesson learning flowing into policy cycle	- ANCP MELF - Strategy and approach to capturing and disseminating ANCP lessons learned - ANCP lessons learned captured - ANCP events for disseminating lessons learned - ANCP stakeholder engagement in policy dialogue	**X Question(s) to be included**	Stakeholders to be consulted: - DFAT staff (NVB) - ANCP NGOs (ANCP dept. and management) - ANCP NGO country program staff and/or partner NGOs	
EQ no.	**Evaluation Question**	**OECD-DAC criteria**	**Judgement criteria / indicators**	**Sources of evidence**			
				Desk research	**Online survey of NGOs**	**Interviews/workshops**	**In-country field visit**
RS 1.	**Results: What have been the results of delivering aid through the ANCP?**	Impact					
RS 1.1	What have been the major results of the ANCP model at an Australian NGO level and in terms of institutionally strengthening NGOs to deliver their international programs more effectively?	Impact	(Please note the evaluation will be guided by the ANCP Theory of Change and the ANCP outputs and outcomes) Extent to which ANCP: - enables flexibility (long-term engagement and partnership networks, works at community level) - extends reach (poorest of the poor and most	ANCP MELF data Additional DFAT/NGO M&E reporting - field visits ANCP NGO M&E, reviews and reports 2009–2014.	**X Question(s) to be included**	Stakeholders to be consulted: - DFAT staff (NVB) - ACFID secretariat - ANCP NGOs (ANCP dept. and	Stakeholders to be consulted: - DFAT post - ANCP NGO country program team - Partner-country

			marginalised) - leads to innovation (pilot projects, partnerships) - enhances skills, capabilities and overall development effectiveness of ANGOs - captures and disseminates learning Extent to which NGOs have clear and comprehensive strategies for delivering development outcomes Extent to which NGOs have clear and comprehensive MELF(s) to track progress against objectives Extent to which NGOs have rigorous and robust M&E systems Extent to which NGO MELFs demonstrate that ANCP funding is contributing to development outcomes Extent to which NGOs demonstrate learning and provide evidence that it is being applied			management) - Non-ANCP NGOs	government representatives

Annex 5: Key issues paper

1 Introduction

1.1 Background and purpose

In addition to the Evaluation Plan, the Terms of Reference (ToR) requested that a Key Issues Paper be developed. The purpose of this paper was to present the key issues associated with each evaluation question. The issues highlighted have been used to build on and refine the evaluation framework developed as part of the Evaluation Plan. The evaluation framework presents evaluation questions, judgement criteria, evaluation methods and sources of evidence.

A first draft of the Key Issues Paper was shared with the Evaluation Reference Group (Development Practice Committee of ACFID) and DFAT's NGOs and Volunteers Branch (NVB). Both parties provided comments and feedback on the document. The Evaluation Team, in close consultation with ODE, have updated the Key Issues Paper, addressing the feedback to the greatest extent possible. **The comments received will also be used in the development of the final Evaluation Report** which will be reviewed by the Reference Group, NVB and IEC. To ensure consistency and one point of reference the Key Issues Paper is now part of the Evaluation Plan.

Refining the evaluation framework and identifying key issues

As mentioned above the purpose of the Key Issues Paper is to build on and refine the evaluation framework developed as part of the Evaluation Plan. Based on desk research, an initial interview program with 10 ANCP NGO stakeholders and through observing a series of ANCP Theory of Change workshops,[30] the Evaluation Team has been able to:

- Identify the key issues associated with the evaluation questions (and present an enriched interpretation of what will be examined under each evaluation question).
- Prioritise the evaluation questions (based on an initial prioritisation presented in the Evaluation Plan).
- Establish the evaluability of the themes – (i) relevance, (ii) management and implementation arrangements, (iii) institutional arrangements, (iv) monitoring and evaluation and (v) results – that is, the extent to which they can be evaluated in a reliable and credible fashion with the resources available for this evaluation.

Preliminary appraisal of funding modalities

As part of the Key Issues Paper, the Evaluation Team was asked to carry out a review of literature on international donor approaches to funding development NGOs. The evaluation aims to identify strengths and weaknesses of different funding models as well as compare and analyse Australian Government funding for ANGOs through the ANCP alongside non-ANCP modes of NGO funding. This will be integrated into the final Evaluation Report and is not part of the Key Issues Paper in this Annex.

[30] The *Background Paper on Key Issues* for the evaluation was prepared from the NGO interviews and observations of the Theory of Change process and has fed into this final Key Issues Paper.

1.2 Data and sources of information

Desk research

In addition to the documentation reviewed as part of developing an Evaluation Plan, the Evaluation Team has scoped documentation related to other NGO funding streams both in Australia and internationally. The team has also reviewed literature relating to the relationship between donors and NGOs and the changing role of INGOs globally. Additionally, a review of key statistical information, generated through the ANCP Monitoring, Evaluation and Learning Framework (MELF) and managed by NVB, is underway and has fed into this analysis.

NGO interviews

Working with ACFID and the ANCP Partner Agency Collaboration (APAC), a sample of 14 NGOs were identified to provide feedback on the scope of the evaluation and critical themes from an Australian NGO perspective. The sample included a mix of Partner, Full-accredited and Base-accredited NGOs. A total of 10 interviews[31] took place covering the key issues for NGOs in terms of:

- ANCP goals, approach and results.
- ANCP management and institutional arrangements.
- ANCP monitoring and evaluation.

ANCP Theory of Change workshops

In late 2014 DFAT commissioned a piece of work to develop an ANCP Theory of Change[32] (ToC). This comprised a series of workshops and interviews with ANCP NGOs and representatives across DFAT to examine the value-add of ANCP. Evaluation Team members attended as observers in the Theory of Change workshops. Common themes emerging from across the ToC workshops have been used to further prioritise between evaluation questions.

[31] Action Aid Australia, ADRA Australia, Burnet Institute, CBM, International Needs Australia, International Nepal Fellowship (Aus), Oxfam Australia, Save the Children, Uniting the World and World Vision Australia

[32] See *Background for ANCP Theory of Change consultations*, DFAT 2014, Canberra

2 Key issues

2.1 Relevance

The first draft of the Evaluation Plan[33] indicated that an articulation of ANCP's relevance and an evidence-based view of ANCP's contribution to the aid program as a whole are important in the current reform environment. However, subsequent enquiry suggests that as aid policy is clearly supportive of poverty-alleviation activities, it would be more practical for the evaluation to focus on aspects of ANCP's relevance which have not been a subject of previous evaluative enquiry and/or are linked to the emerging ANCP Theory of Change – therefore requiring a more detailed and tangible description going forward.

R1.1 To what extent does the ANCP contribute to the achievement of partner-country development priorities?

The ANCP NGO response highlighted concerns around the framing of this question – specifically, the extent to which the evaluation should concentrate on using measures such as alignment with partner-country development priorities to evaluate ANCP as a modality, when in fact this is not part of the programming approach. That said, DFAT has an expectation that there is some level of consistency between ANCP-funded projects and partner-government priorities (or at least, ANCP-funded projects do not go against partner-government priorities). In this context the evaluation proposes to look at a sample of partner-government development priorities (through desk research and in-country fieldwork) and assess the extent to which ANCP complements and is consistent with them. The evaluation will also look at whether and to what extent ANCP encourages partner organisations to engage with partner governments. In addition, the evaluation will gauge the views of civil society in partner countries. Where partner governments and local civil society are agreed on priorities, this exercise should not be contentious. Where there is disagreement between partner government and local NGOs as to priorities, the evaluation should note this.

R1.2 To what extent does the ANCP deliver aid in accordance with international aid-effectiveness principles (e.g. Paris Declaration, Busan Partnership and Istanbul Principles for CSO Development Effectiveness)?

The feedback received from key stakeholders was that this question could be touched upon in the background information or historical narrative on ANCP.

The international frameworks on development effectiveness set out a number of principles and priority areas for development activity. The key principles for consideration in this evaluation are set out below and have been nominated based on the scope and objectives of the ANCP and of the evaluation. The assessment will focus on the extent to which the ANCP mechanism promotes effective development within ANCP NGOs and will cover some of the points presented below. It will not include detailed evaluation of the activities delivered with ANCP funding.

- **Partnership:** The evaluation will assess the quality of partnership between DFAT and ANCP NGOs and between ANCP NGOs and local partners. The assessment will consider how and to what

[33] A brief description on 'emerging issues', which was based on conversations with ACFID, NVB and ODE, was included in the first draft of the Evaluation Plan.

extent the ANCP enables and encourages partnerships based on trust, builds capacity and promotes organisational autonomy.

- **Multiple accountability:** NGOs are not only accountable to donors, but also to their missions (managed by their boards) and most importantly to the beneficiaries who they seek to serve and represent. The evaluation will consider the extent to which the ANCP recognises and accommodates these multiple accountabilities through its design and implementation.
- **Managing for results:** The evaluation will consider the extent to which ANCP monitoring and evaluation arrangements are focused on desired results and use information to inform decision-making (see ME1.1 and ME1.3).
- **Knowledge sharing and learning:** A more recent objective of ANCP is to promote learning to inform policy dialogue between DFAT and NGOs and within the sector. The evaluation will assess the extent to which this is taking place (see ME1.4).

R1.3 To what extent does the ANCP have the flexibility and capacity to deliver aid consistent with DFAT's current strategic aid priorities, including economic diplomacy and private sector objectives? (Priority question)

ANCP's flexibility remains a key issue for the evaluation. The flexibility of the ANCP modality as it supports ANGOs' own international development programs has enabled creation of a large 'footprint' for the Australian aid program. The evaluation has a role in mapping the extent of this flexibility and more importantly, demonstrating how this contributes to the overall achievement of the Australian Government's aid program objectives and the strategic goals of ANCP NGOs as well. It should be emphasised that the ANCP will be assessed against its ability to deliver on all strategic aid priorities – for example, health, education and gender equality as well as economic diplomacy and private sector objectives. Specifically on the latter, the evaluation will look at the effectiveness of ANCP in promoting private sector-led growth and enabling the poor to participate and share in the benefits of greater economic prosperity.

R1.4 To what extent does the ANCP promote Australia's aid program both domestically and internationally? (Priority question)

The evaluation will explore issues including:

- **ANCP's reach:** Similar to the issue of ANCP's flexibility, the evaluation offers an opportunity to collect evidence on ANCP's reach and the positive implications and challenges of this for ANGOs and DFAT. A key issue for DFAT (NVB and posts[34]) in terms of the program's relevance is ANCP's reach. During the ANCP Theory of Change interviews with posts, several examples of ANCP's reach were provided. ANCP NGOs also felt this was an opportunity to develop the evidence around different aspects of reach – looking beyond the number of beneficiaries to different models and approaches to reducing poverty and strengthening civil society that the Australian aid program is funding through ANCP.
- **Role of ANCP in widening public support for aid:** One of the ANCP's well-documented strengths is its longevity as an approach to NGO funding. The emerging ANCP Theory of Change suggests that funding a diverse range of organisations is an effective means of engaging a wide range of Australian citizens in the aid program. This evaluation is an opportunity to examine the scope for

[34] Evaluation Team members participated as observers in the teleconferences with DFAT posts that were organised as part of the ANCP Theory of Change process

DFAT and its NGO partners to further explore ANCP's strengths and to widen public support for aid.

- **Use of funding for awareness raising:** Another issue for review is the fact that ANCP funding is no longer to be used for development awareness raising (DAR) activities (previously NGOs could spend 10% of ANCP funds on DAR). The evaluation will explore the extent to which this has affected NGOs' ability to strengthen public support for aid.
- **Strengthening the role and capacity of civil society development**: The emerging ANCP Theory of Change suggests that the ANCP mechanism plays an important role in strengthening the civil society sector in Australia. The evaluation will test this hypothesis.

R1.5 To what extent is ANCP addressing cross-cutting development policy priorities such as gender, disability and environmental issues?

On cross-cutting development policy priorities, the view shared by stakeholders and the Evaluation Team is that some evaluative work has already taken place. Therefore, further analysis will be best undertaken through an in-depth review of pre-existing ANCP thematic studies and learning.

2.2 Implementation

This theme encompasses DFAT NVB's management of ANCP as well as the processes of accreditation, the Partnerships with larger NGOs and other policy and sector-level arrangements that define which NGOs can receive ANCP support. Some aspects of ANCP's management and implementation arrangements have been reviewed recently, such as the rules and processes relating to Recognised Development Expenditure (RDE)[35] under ANCP and the ANCP Partnerships.[36] The accreditation process was also reviewed and altered in recent years.

The proposal therefore is for this evaluation to focus on management and implementation arrangements which are important in the current administrative context and have not been the focus of recent evaluative enquiry, at least not at the level of the program as a whole. Proposed data collection priorities include: understanding of ANCP program objectives, transparency and clarity around ANCP funding allocations, efficiencies in management and implementation arrangements, value for money, and how ANCP compares to other NGO funding schemes within the Australian aid program. Process-evaluation approaches will be used in this area.

I1.1 To what extent are there clear and well-understood program objectives for ANCP? (Priority question)

The feedback received on the evaluation questions on ANCP management and implementation arrangements was consistent with the prioritisation suggested in the draft Evaluation Plan. DFAT (NVB) identified understanding of program objectives as a priority in the context of the Australian Government's integration of AusAID and DFAT. Interviews with partner NGOs also suggested that building DFAT posts' awareness and understanding of ANCP is a strategic priority for ANGOs.

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[35] Simkiss, G. (2014). *Recognised Development Expenditure Assessment under the Australian NGO Cooperation Program* - Report prepared for the DFAT, Peekay Consolidated P/L, Canberra.

[36] See *AusAID NGO Cooperation Program Partnerships Agreements - Mid-term Review Report*, DFAT, Canberra

The evaluation will examine the effects of changes within DFAT on ANCP management and implementation. Additionally, the evaluation will examine the variation in levels of understanding of ANCP objectives in DFAT posts based on the longevity, scope and scale of ANCP funding over time. The evaluation will refer to some of the key assumptions emerging from the ANCP Theory of Change and test these among DFAT and NGO stakeholders. Currently, these assumptions include:

- Diversity increases the adaptability and resilience of the program, as well as the potential for increased innovation and effectiveness.
- The funding model ('matched', flexible, reliable funding) is a sufficient condition to facilitate the expression of the ANGO 'comparative advantage' (working at the community level, developing long-term relationships and 'demand-responsive', iterative, innovative approaches).
- ANCP funding is maintained at a level commensurate with the accreditation status and Recognised Development Expenditure of accredited ANGOs for a sufficient period of time to allow improvements in ANGO effectiveness to occur and be measured.
- DFAT resources provided for management of the program are sufficient to facilitate adequate support for each of the change pathways.
- ANGOs and their in-country partners are committed to improving effectiveness.

I1.2 What are the strengths and weaknesses of the ANCP funding model for NGOs? (Priority question)

The evaluation will examine the extent to which the ANCP model helps or hinders flow-on benefits (for example, security and the long-term nature of funding) to ANCP NGOs and their partners. This will be linked to value-for-money assessment (question I1.5), as well as comparisons between ANCP and other forms of DFAT support to NGOs (question I1.6).

- **Efficiencies in the management and implementation of ANCP:** The evaluation represents an opportunity to examine how the funding model, accreditation process and the various implementation guidelines linked to ANCP funding contribute to efficiencies in the management of ANCP by DFAT and at the ANCP NGO level. There are some aspects of ANCP's funding model, as well as the accreditation process, that have been reviewed recently. The proposal therefore is for this evaluation to focus on management and implementation arrangements which are important in the current administrative context and have not been the focus of recent evaluative enquiry, at least not at the level of the program as a whole.
- **ANCP funding allocations:** A key issue raised by all stakeholder audiences is the lack of transparency and clarity around decisions for allocations between agencies. The view shared by many stakeholders is that the policy and procedural basis for funding allocations (beyond the RDE match) is not clearly articulated. Therefore, the evaluation has a role in determining how DFAT can provide further clarity to ANCP NGOs on the allocation of ANCP funding.
- **Effect of funding mechanism on the sector:** One hypothesis of a likely benefit of ANCP is that RDE calculations encourage cooperation between NGOs as the fund is not competitive. The evaluation will examine the nature and the extent of cooperation between NGOs and with DFAT. It will also examine the extent to which other funding models have been successful at fostering cooperation and coordination amongst NGOs.

I1.3 Is ANCP an efficient funding model? Can it be leveraged by NGOs to access other, additional resources?

- **Efficient funding model:** The evaluation will elicit insights from ANCP NGOs as to how the ANCP model compares to other sources of funding (within and external to DFAT – see I1.6) in terms of efficiency (systems, processes, time and resources required to manage and administer funding). More specifically, the evaluation will seek to understand the costs associated with operating ANCP, both from the perspective of DFAT and the ANCP NGOs. Linked to the question on ANCP's value for money (see I1.5), where possible ANCP costs will be compared and contrasted to those of other funding mechanisms.
- **Leveraging of ANCP:** An evaluation of ANCP as a modality needs to include some analysis of the extent to which NGOs leverage ANCP for program, financial or strategic[37] goals, within the context of demonstrating its relevance and effectiveness. There is evidence to suggest that ANGOs have for some time now been leveraging ANCP funds to broaden and deepen their impact. For instance, the ANCP Aid Program Performance Report 2013–14 found that, on average, for every ANGO funded under the ANCP, 36 in-country partners directly participate in projects, including the private sector, governments, local community groups and disabled people's organisations.[38]

I1.4 To what extent does the accreditation process enable selection of the most effective NGOs to deliver aid activities?

- **Effect of eligibility requirements on organisations:** The evaluation will look into the strengths and weaknesses of the ANCP model in providing ANGOs access to government funding and in ensuring diversity in terms of representativeness of the ANGOs, priority areas of thematic programming and geographical scope. The evaluation will rely on existing literature assessing the accreditation process and present an analysis of how the ANCP has evolved (in terms of the number and types of NGOs that have gradually become part of ANCP). It will also seek insights from ANCP NGOs and non-ANCP NGOs on what has attracted them or is putting them off / preventing them from becoming part of ANCP.

I1.5 Does ANCP represent value for money? (Priority question)

The Evaluation Team recognises that there has been no requirement to date for NGOs to demonstrate a Value for Money (VFM) approach around an agreed definition. In this context, the evaluation exercise presents a good opportunity to look at VFM and how it might be approached going forward. The Evaluation Plan outlines how the Evaluation Team, in conjunction with ODE, will examine the extent to which the ANCP demonstrates VFM by adopting a management and a measurement approach. (Please refer to Section 3.3.1 Quantitative data in the Evaluation Plan for further information.)

I1.6 How does ANCP compare with other DFAT support to NGOs? (Priority question)

It is envisaged that the evaluation will benefit from examining ANCP in relation to other DFAT funding for NGOs. This includes the funding for accredited and non-accredited NGOs through country and sector programs, funding for local and international civil society organisations, and the humanitarian partnerships with Australian NGOs.[39] The intent will be for the evaluation to use these comparisons to validate data on ANCP's relevance and also to compare and contrast management and

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[37] Strategic influence and leverage (for example, the extent to which the ANCP influences, raises awareness and contributes to broader policy development)

[38] From *Aid Program Performance Report 2013–2014: Australian NGO Cooperation Program*, 2014, DFAT, Canberra

[39] List of other DFAT programs to be finalised with NVB by December, 2014

implementation arrangements – demonstrating what is working and what is challenging about the ANCP funding models for ANGOs, their partners and DFAT.

2.3 Institutional arrangements

Two common themes cut across the feedback from stakeholders consulted during the inception phase. The first was the need for the evaluation to take a step back and focus on whether the major institutional arrangements underpinning the management and implementation of ANCP are sound. The second was the need for the evaluation to assess the benefits and drawbacks of recent changes made to the key institutional processes, such as the sharing of data between ANCP NGOs and DFAT or the formal learning events organised by DFAT and the partner NGOs over the past two years. The institutional context for ANCP has changed significantly in recent years and the evaluation will consider the strengths, weaknesses, opportunities and threats of the current institutional arrangements and processes underpinning the management and implementation of ANCP.

IN1.1 Do DFAT staff have sufficient knowledge of ANCP (including risks) to manage the program effectively?

In order for the partnerships between DFAT and NGOs to realise their strategic value, it is important that the NVB staff have a comprehensive understanding of the program theory and objectives. The evaluation will engage with NVB staff and other stakeholders and assess their knowledge and the extent to which the recent Theory of Change process has clarified or changed their understanding. The evaluation will also review management documentation for evidence that program risks (both potential and realised) have been dealt with effectively.

IN1.2 Do DFAT staff in Canberra and at Posts as well as NGO staff understand their roles and responsibilities in relation to ANCP? To what extent are they working effectively together to achieve ANCP objectives? (Priority question)

A priority issue for the evaluation is the engagement of DFAT posts and the strengths and limitations of the relationships that have been built through ANCP at a country level. Initial discussions with ANCP NGOs suggest that DFAT posts play varying roles in terms of strengthening learning and exchanges between ANCP NGOs and partners at a country level. The evaluation will also consider the relationships that exist between ANGOs and DFAT staff in Canberra. This not only includes DFAT's NGOs and Volunteers Branch (NVB), which has the central role in ANCP management and implementation, but other areas of DFAT Canberra as well. The evaluation will focus on the interactions between ANCP NGOs and partners with posts over time as well as recent institutional arrangements such as the NVB M&E visits, which enable NVB to interact with posts and increase the visibility of the program within DFAT. Some assessment of DFAT staffing for ANCP management and implementation will also be useful to assess the extent to which institutional arrangements for ANCP within DFAT are efficient and effective.

IN1.3 To what extent has DFAT developed effective relationships with ANCP ANGOs through the existing consultation and partnership arrangements, including through the ANCP Committee for Development Cooperation (CDC)? (Priority question)

The evaluation will assess the full range of institutional arrangements in place that support program management, learning and dialogue. This includes formal mechanisms such as the CDC and

performance-management tools as well as ad hoc consultation processes. The assessment of effectiveness will take into account the following factors:

- **Partnership (with Base, Full and Partner NGOs):** The extent to which the ANCP and supporting institutional framework promotes genuine partnership between DFAT and ANCP NGOs (see R1.2).
- **Sharing knowledge and learning:** It is important that the knowledge generated through ANCP and its supporting mechanisms is shared widely to benefit DFAT and ANCP NGOs (see ME1.4).
- **Representation:** The extent to which NGOs feel like their interests and perspectives are fairly represented in bodies such as the CDC, the ANCP Partner Agency Collaboration (APAC) and the MELF Reference Group.
- **Strengthening the NGO sector:** The extent to which ANCP provides a platform for NGOs to interact, strengthening their relationships and in turn the sector more broadly (see R1.4).
- **Evidence of outcomes:** As well as assessing the benefit of the consultation processes, the evaluation will consider their results and evidence that they have led to changes in policy and practice within DFAT and NGO partners.
- **Unintended consequences:** Initial consultation with NGOs and DFAT suggests that there are many benefits to the partnership fostered through ANCP which are not captured through existing results frameworks. The evaluation will seek to draw these out and for NGOs, assess the extent to which benefits are specific to individual organisations or reflect the experience of several partners (see RS1.1).

IN 1.4 To what extent does the accreditation process contribute to efficiencies in the management of ANCP by DFAT? (Additional question)

Evaluation question I1.2, examining the strengths and weaknesses of the ANCP funding model, will also look at how the accreditation benefits ANGOs. Based on the feedback received on the Evaluation Plan, it is proposed that the evaluation also explore how the accreditation process contributes to efficiencies in the management of ANCP by DFAT. This will be assessed mainly through consultation with NVB.

2.4 M&E

The monitoring and evaluation arrangements that are in place for ANCP represent an important component of DFAT's performance-management framework and have the capacity to influence grantee organisations and the work that they do. It is important that the M&E system drives positive behaviour and promotes shared learning and policy dialogue, both between DFAT and NGOs and within the NGO sector. The evaluation will assess the effectiveness and appropriateness of ANCP M&E arrangements with consideration to the accountability needs of DFAT, and the multiple accountabilities faced by NGOs.

Based on stakeholder consultation, the evaluation will not limit its enquiry to the MELF,[40] but will consider the whole M&E system (including relevant evaluative material generated by ANCP NGOs). The evaluation will build on, but not duplicate, work that has already been done to assess the effectiveness of M&E arrangements, including the review of the MELF.

Evaluation questions **ME1.1** to **ME1.4** are focused on the extent to which ANCP M&E processes and

[40] MELF is not just the reporting framework, but also includes thematic reviews and meta-evaluations

systems are appropriate and robust, whereas **ME1.5** is focused on the extent to which the ANCP M&E processes drive learning, program improvement and policy dialogue.

ME1.1 To what extent are ANCP M&E processes and systems (in particular, MELF) an appropriate way of collecting, analysing, disseminating and using performance information about ANCP?

The evaluation will consider factors such as:

- **Accessibility:** The extent to which interested parties can readily access information that is up to date and helpful to them.
- **Reliability:** The extent to which performance data is evidence based and can be relied upon to as a basis for making policy and programming decisions. A key issue flagged in the recent APPR is that the quality assurance stage of ANGO performance reports requires strengthening.
- **Utility of data:** For both DFAT and ANCP NGOs, the extent to which data addresses accountability to the public, as well as communication and support for the aid program.
- **Utility for DFAT:** The extent to which the information generated has actually been used by NVB and DFAT more broadly to inform decision-making and policy dialogue. The evaluation will consider why this might or might not be the case and what could be done to enhance the utility of performance information.
- **Utility for NGOs:** The extent to which information produced in the context of ANCP is used by partners to influence internal decision-making and program improvement. It is important that information requirements do not lead to the establishment of parallel systems within organisations, creating administrative burden without supporting learning and continuous improvement.
- **Proportionality:** The extent to which the accountability requirements take into account the varied sizes and levels of sophistication of the wide variety of ANCP NGOs and the different grant packages that they are receiving.
- **Influence:** The extent to which program-level monitoring and evaluations systems influence what is done and how activities are carried out. Donors' monitoring and evaluation requirements are sometimes criticised for being overly prescriptive and having undue influence on the activities undertaken by organisations and on the value judgements that are made in relation to their results. Consideration needs to be given to the ways and the extent to which ANCP grantees should be accountable to DFAT, in order to balance donors' desire to achieve value for money and tangible results with NGOs' need to be flexible and responsive to their beneficiaries and to deliver activities in line with their organisational principles. Building on this, the evaluation will consider how reporting and accountability requirements affect local delivery partners. See also ME1.3 for further discussion of these issues.
- **Gender assessment:** The extent to which gender is assessed. If possible, disability and child protection will also be looked at, but this will depend on the data and time available.

ME1.2 To what extent do ANCP M&E processes and systems (in particular, MELF) generate robust evidence about the results obtained under the ANCP? (Priority question)

Understanding the results and long-term impact of aid activity is important for the purpose of accountability and driving learning and continuous improvement. In considering the extent to which

the MELF generates robust evidence about results, the evaluation will take into account the following issues and possible risks:

- **The accountability–learning dichotomy:** It is important that 'hard indicators' used to track compliance and ensure accountability be complemented with qualitative evidence and narrative on outcomes to contextualise results, enable a holistic assessment of performance and drive program and policy improvement.
- **Inadvertently encouraging risk-averse behaviour:** It is important that the performance-management system encourage open dialogue and learning so that objective-setting and results measurement does not discourage risk taking. While it is important that organisations be accountable for the results they achieve, there needs to be scope for failure and learning in order promote innovation.
- **Inadvertently promoting 'easy to measure' activities:** As well as facilitating important service delivery, NGOs play a critical role in capacity building, promoting justice, empowering individuals and communities, and holding partner governments to account. These nebulous concepts can be difficult to measure and their impact is not generally quantifiable. It is important that results-measurement systems accommodate and actively encourage NGOs to undertake these sorts of activities.

ME1.3 To what extent are ANCP M&E processes and systems (in particular, MELF) able to lend themselves to the emerging reporting requirements of the Australian Government's new performance benchmarking system?

The new performance benchmarking system is unlikely to be in place prior to the final Evaluation Report being published. Therefore, the evaluation will seek to provide contextual information and suggestions that might be useful for DFAT and ANCP NGOs when the forthcoming performance benchmarking system is introduced.

ME1.4 To what extent is the DFAT online grants-management system and its platform generating appropriate and user-friendly performance reporting?

The appropriateness of the online grant-management system will be assessed, taking into account the factors listed in ME1.1. The extent to which the platform is user-friendly will be determined based on the perceptions of users within DFAT and NGO partners.

ME1.5 To what extent do ANCP M&E processes and systems (in particular, MELF) drive learning, policy and program improvement? (Priority question)

An important objective of the ANCP is to encourage and facilitate learning to drive program improvement and potentially influence policy dialogue. The evaluation will assess the extent to which this is occurring, taking into account elements which are important to facilitating learning and continuous improvement, such as:

- **Learning objectives:** For NGOs and DFAT to learn from activities, it is important that clear learning objectives are put in place (at the program and/or organisational level) to ensure that monitoring and evaluation systems are set up to collect and process the data that is required to test theories about stakeholder engagement and the delivery of activities.
- **Learning strategy:** The extent to which NGOs and DFAT are able to learn from research or program implementation relies on the right people getting the right information at the right time and in the right format. In order to determine what is 'right' for NGOs and DFAT, it is helpful to have a

learning strategy in place (formal or informal), which is based on the needs of the stakeholder groups who will be using the learning generated through project implementation.

- **Supporting systems:** Learning is facilitated when systems are in place to methodically document learning and when these systems are maintained and accessible to relevant parties. The assessment of the MELF (see ME1.1 and ME1.5) will evaluate the extent to which the current systems are appropriate to promoting and facilitating learning.
- **Institutional arrangements:** It is important that there is a supportive institutional environment to promote learning. The evaluation will consider how relationships within DFAT facilitate learning (see IN1.2) and the effectiveness of learning platforms set up for ANCP (see IN1.3).
- **Resourcing:** For learning to take place, it is important that adequate resources are dedicated to monitoring, evaluation, communication and outreach. The evaluation will consider the extent to which learning is adequately resourced within DFAT and within NGOs.

2.5 Results

The theme of ANCP results was not elaborated on in the ToR. However, analysis of results at the level of communities or primary beneficiaries is beyond the scope of the evaluation. Subsequent exploration of this theme and the feedback from DPC in particular suggests that it would be prudent to focus on some aspects of ANCP results. The view shared by NGOs is that a lot of work has occurred in recent years on assessing the impacts of ANCP projects and programs as well as ANCP NGO development effectiveness, and that this could be 'mined' for an assessment of ANCP's overall results.

It is proposed that data collection focus on results at the level of ANCP NGOs or on the extent to which ANCP contributes to ongoing institutional strengthening of ANCP NGOs. Additionally, the Evaluation Team will review ANCP NGOs' self-assessment of their results and analyse the extent to which this data and information is adequate for assessing results of the program as a whole. In examining these results it will be important for the evaluation to keep in mind the extent to which they can be attributed to ANCP. The evaluation will also seek to identify unintended results and consequences, i.e. those not foreseen at the outset of ANCP funding or not captured in the emerging ANCP ToC. A combination of theory-based and process-evaluation approaches will be used in this area.

RS1.1 What have been some of the major results of the ANCP model?

- **ANCP's flexibility:** See Evaluation Question – Relevance R1.3. **ANCP's reach:** See Evaluation Question – Relevance R 1.4.
- **Innovation:** The innovative nature of the development programming, partnership and capacity building work that occurs through ANCP support has also emerged as an issue for further investigation. The NGO interviews highlighted the use of ANCP funds to pilot or trial new models and initiatives, many of which are reported to have been scaled up at later stages. Examples of innovative forms of partnership and capacity building – with local government, civil society organisations and the private sector – were also cited during these interviews. Additionally, 10 of the largest ANGOs have agreements in place with DFAT to promote learning and innovation from ANCP across the sector. The Evaluation Team proposes to focus on innovation as part of evaluating ANCP's relevance (and results) to the aid program and ANGOs. The evaluation will define innovation in the context of ANCP (based on the ANCP Theory of Change definition) to ensure that there is a common interpretation among stakeholders.

- **Development effectiveness of ANCP NGOs:** An important theme for the evaluation is the effect that ANCP funding has had over time on the leadership, skills, capabilities and overall development effectiveness of ANGOs. The evaluation will undertake an examination of ANCP NGOs that have managed and implemented ANCP projects for some time to assess the extent to which this is a value-add.
- **Extending development effectiveness:** Related to above, the evaluation will also explore the extent to which the impact of ANCP funding is felt beyond ANCP projects and programs – at the level of ANCP NGOs in-country partners or field offices in developing countries. Through both drawing on the existing literature and through fieldwork, the evaluation will explore examples of ANCP funding having an influence on their wider development effectiveness.
- **Evidence on results:** A final component of the data collection on results will be on the type and scope of information generated by DFAT and ANCP NGO systems and the extent to which this is adequate in the context of ANCP's Theory of Change and DFAT's quality-reporting requirements (AQC formerly QAI) .

Annex 6: Primary data collection

Phase	When?	Who? (Stakeholder)	How? (Method)	Why? (Primary purpose)	Evaluator role?
Phase 1 Inception	Oct/Nov	Sample of 6–10 ANCP NGOs (Partner, Full and Base tier) *The Evaluation Team aims to engage senior NGO personnel and/or those with responsibility for ANCP within the NGO sector*	Telephone interview (Qualitative)	Evidence to feed into Evaluation Plan and Key Issues Paper	Data collector
Phase 1 Inception	Oct/Nov /Dec	NVB & ACFID ODE/Ministerial Parliamentary Branch & DFAT program areas DFAT overseas offices ACFID DPC ANCP CDC ANCP Partner Agencies Base and Full NGOs (up to 25) Base and Full NGOs (up to 10)	Participation in ANCP Theory of Change workshops/telec onferences (Qualitative)	Evidence to feed into Evaluation Plan and Key Issues Paper	Observer
Phase 2 Data collection	Dec/Jan	All ACFID affiliated NGOs including: - ANCP NGOs (48 organisations) - Non-ANCP NGOs (approx. 100 organisations) *The Evaluation Team will restrict responses to one per NGO*	Online Survey (Mainly quantitative) Closed-ended questions with 2/3 open-ended questions	Assessment of ANCP issues across large number and variety of stakeholders ('WHAT' are the important / less important issues?)	Data collector
Phase 2 Data collection	Jan/Feb /March	- 10 Partner NGOs - Accredited NGOs (Full Tier) - Accredited NGOs (Base Tier) - Sample (5) of non-ANCP NGOs *The Evaluation Team will liaise with the ANCP contact person within each NGO. NGOs are free to select an appropriate representative for evaluation interviews and focus groups*	In-depth interviews (Partner NGOs and non-ANCP) Focus group discussions (Full and Base NGOs) (Qualitative)	Assessment of ANCP issues across a smaller sub-set of stakeholders (Why are the issues considered important/ unimportant?)	Data collector
Phase 2 Data collection	Feb/ March	- ODE/Ministerial Parliamentary Branch & DFAT program areas - NVB	In-depth interviews	Assessment of ANCP issues from a DFAT perspective	Data collector

Phase	When?	Who? (Stakeholder)	How? (Method)	Why? (Primary purpose)	Evaluator role?
Phase 2 Data collection	Feb/ March	- DFAT overseas offices - In-country NGO partners - Other donor agencies in-country - Partner-country government representatives	In-depth interviews during in-country fieldwork	Opportunity to gather evidence from stakeholders not directly linked to ANCP, bringing further objectivity to the evaluation	Data collector

Annex 7: Online surveys

Australian NGO Cooperation Program Evaluation 2014

The Office of Development Effectiveness (ODE) has commissioned Coffey International Development to undertake an evaluation of the Australian NGO Cooperation Program.

The purpose of this evaluation is to evaluate ANCP as a mode to assist NGOs to reduce poverty and support sustainable development in developing countries. As part of this exercise, the evaluation has launched an online survey to consult both ANCP and non-ANCP accredited NGOs.

Your feedback will contribute the development of findings against the evaluation's principal objectives;

1. Assess the relevance, effectiveness and efficiency of the ANCP.

2. Assess the results of delivering aid through the ANCP.

3. Make recommendations for improvements to the design and management of the ANCP.

We thank you in advance for responding to this survey and would be grateful if you could fill out all sections. It should take up to 30 minutes to complete.

Your responses:

- will remain confidential. Any comments you make will not be directly attributable to you, or be used in a way which might identify you as the author of these comments. Findings will be reported in aggregate form only.
- will be processed and analysed by the Coffey Evaluation Team before being passed on to the Office of Development Effectiveness (ODE) in DFAT for further in-house analysis.
- to all closed-ended questions will be provided to ODE at the end of the survey period. However, your personal identification (email address and name) will not be included in the data.
- to open-ended questions (those without a response scale) will be made confidential before being provided in verbatim form to ODE.

If you have any questions related to the online survey please contact Merve.Hosgelen@coffey.com. For broader questions about the ODE evaluation, please contact Tracey.McMartin@dfat.gov.au

Survey for ANCP NGOs

Introduction	
1. Name:	2. Contact details (phone or email address):
3. What NGO do you work for or represent?	

4. What is your current position within the NGO?	
5. How long have you worked for or been associated with Australian development NGOs?	Less than 1 year 1–3 years 3–6 years 6+ years
6. How would you rate your understanding of ANCP and its processes and priorities? 1 = No knowledge 2 = Limited knowledge of ANCP 3 = Some knowledge of ANCP 4 = Good knowledge of ANCP 5 = Excellent knowledge of ANCP	

NGO accreditation		
7. How long has your NGO had accreditation?	_____ years	
8. What level of accreditation does your organisation receive? (Base, Full or Partner)		
9. In addition to ANCP, does your organisation access other sources of DFAT funding?	**Yes**	**No**
If yes, please can you provide details of where the funding has come from over the last 5 years? (For example, in-country funding, Canberra funding, Humanitarian funding?)		
10. In order of priority, please list up to three different ways the Australian Government can support Australian NGOs in alleviating poverty in developing countries.		
11. To what extent does ANCP fit with your three proposals above?		
12. What are the major benefits of receiving support through ANCP?		
13. What does ANCP enable your NGO to do that would not be possible in the absence of this funding?		

14. ANCP Relevance – Please give your view on the following statements:					
	Strongly Disagree	**Disagree**	**Neither Agree or Disagree**	**Agree**	**Strongly Agree**

a)	ANCP significantly enhances our NGO's contribution to development	☐	☐	☐	☐	☐
b)	ANCP funding has influenced the way our NGO is managed and administered	☐	☐	☐	☐	☐
c)	The way we address issues such as gender, disability and environmental protection is directly informed by ANCP policies	☐	☐	☐	☐	☐
d)	ANCP funding allows our NGO to be more innovative in aid delivery	☐	☐	☐	☐	☐
e)	The capacity of our NGO to deliver effective results has improved because of funding we received through ANCP	☐	☐	☐	☐	☐
f)	Our NGO depends upon the ANCP in order to maintain an appropriate number of programs	☐	☐	☐	☐	☐
g)	Our NGO depends upon the ANCP to extend reach in terms of the number of countries and sectors in which we work	☐	☐	☐	☐	☐
h)	ANCP increases the reach of the Australian aid program through NGOs such as ours	☐	☐	☐	☐	☐
i)	Our priorities differ significantly to those of the Australian Government's aid program	☐	☐	☐	☐	☐
j)	Our organisation engages in policy dialogue on development issues with the Australian Government	☐	☐	☐	☐	☐
k)	Through ANCP our organisation maintains a productive relationship with DFAT	☐	☐	☐	☐	☐
l)	Our NGO collaborates with DFAT posts in the countries where we use ANCP funding	☐	☐	☐	☐	☐
m)	Our NGO aligns its ANCP-funded priorities with those of the Australian Government	☐	☐	☐	☐	☐
n)	The flexibility of ANCP is such that the program can adapt to changes in Australian Government policy	☐	☐	☐	☐	☐
o)	ANCP governance arrangements, including the role of the Committee for Development Cooperation, are appropriate and effective.	☐	☐	☐	☐	☐
p)	Our NGO's interests in ANCP are effectively represented through the Committee for Development Cooperation and/or the Australian Council for International Development	☐	☐	☐	☐	☐

15. ANCP Communication and Promotion – Please give your view on the following statements:

	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree
a) The goal of ANCP is clear to me	☐	☐	☐	☐	☐
b) The role of ANCP in supporting NGOs is clear to me	☐	☐	☐	☐	☐
c) Our projects funded under ANCP are always branded to promote the program and the Australian aid	☐	☐	☐	☐	☐
d) Our NGO promotes the fact we are funded through ANCP and the Australian Government	☐	☐	☐	☐	☐
e) Our NGO actively promotes the fact we are accredited under ANCP	☐	☐	☐	☐	☐

16. ANCP Accreditation and Funding – Please give your view on the following statements:

	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree
a) The costs to our NGO of obtaining and maintaining ANCP accreditation are excessive	☐	☐	☐	☐	☐
b) The bureaucracy surrounding ANCP and accreditation is excessive and could be improved	☐	☐	☐	☐	☐
c) ANCP accreditation was a worthwhile process to help improve our organisation and build capacity	☐	☐	☐	☐	☐
d) ANCP accreditation is used to promote the integrity and quality of our NGO to the Australian public ANCP accreditation is only important to our NGO for access to funding	☐	☐	☐	☐	☐
e) DFAT's total funding allocation to ANCP is fairly distributed amongst full, base and partner NGOs	☐	☐	☐	☐	☐
f) ANCP administration arrangements are appropriate and help us to get funds to where they are most needed	☐	☐	☐	☐	☐
g) ANCP accreditation process is a reliable mechanism which channels government funding to the most effective NGOs.	☐	☐	☐	☐	☐

17. ANCP Accreditation and Funding – Please give your view on the following statements:

	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree
a) Because of ANCP our monitoring and evaluation systems have improved so we can more accurately report on results	☐	☐	☐	☐	☐
b) Using ANCP's monitoring and evaluation system has improved the way we report on our achievements	☐	☐	☐	☐	☐
c) The level of reporting on results required from our NGOS under the ANCP is overly onerous	☐	☐	☐	☐	☐
d) ANCP's monitoring and evaluation system adds more cost to the way we do things without improving our results	☐	☐	☐	☐	☐
e) ANCP online reporting tools are user friendly.	☐	☐	☐	☐	☐
f) Our calculation of results achieved under ANCP is based on a best estimate and may not always be accurate	☐	☐	☐	☐	☐
g) To accurately report results is a very expensive process for our NGO	☐	☐	☐	☐	☐
h) Our NGO uses ANCP funding to strengthen our M&E systems and reporting on results.	☐	☐	☐	☐	☐
i) ANCP funding has allowed us to share lessons that we learn about effective aid delivery.	☐	☐	☐	☐	☐
j) The M&E reports we provide to DFAT (NGO & Volunteers Branch) are also useful to our organisation.	☐	☐	☐	☐	☐
k) The M&E reports we provide DFAT (NGO & Volunteers Branch) help us make improvements	☐	☐	☐	☐	☐
l) ANCP monitoring and evaluation arrangements effectively facilitate the sharing of learning across the Australian NGOs community	☐	☐	☐	☐	☐
m) Our NGO provides training and support for our in-country partners to help them improve their monitoring and evaluation	☐	☐	☐	☐	☐
n) DFAT uses the M&E information that my NGO provides to report on ANCP effectively	☐	☐	☐	☐	☐

o) DFAT should do more with the M&E information that my NGO provides	☐	☐	☐	☐	☐

Please feel free to provide additional comments in relation to the previous questions or other key issues that you feel relevant for this evaluation

Survey for non-ANCP NGOs

Introduction		
1. Name:	2. Contact details (phone or email address):	
3. What NGO do you work for or represent?		
4. What is your current position within the NGO?		
5. How long have you worked for or been associated with Australian development NGOs?	Less than 1 year 1–3 years 3–6 years 6+ years	
6. How would you rate your understanding of ANCP and its processes and priorities? 1 = No knowledge 2 = Limited knowledge of ANCP 3 = Some knowledge of ANCP 4 = Good knowledge of ANCP 5 = Excellent knowledge of ANCP		
7. Does your organisation access other sources of DFAT funding?	**Yes**	**No**
If yes, please can you provide details of where the funding has come from over the last 5 years? (For example, in-country funding, Canberra funding, Humanitarian funding?)		
8. My NGO has tried to get accreditation with ANCP but has not been successful		
9. If yes, what is the main reason for not achieving accreditation?		
10. If no, what is the main reason for your NGO not trying to get accreditation? (Or please state if your NGO is intending to apply for accreditation)		

11. Please give your view on the following statements:

	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree
a) The goal of the ANCP program is clear to me	☐	☐	☐	☐	☐
b) The role of ANCP in supporting NGOs is clear to me	☐	☐	☐	☐	☐
c) ANCP accreditation is a priority for our NGO	☐	☐	☐	☐	☐
d) Our NGO does not have the systems and processes necessary for us gain accreditation and access ANCP funding	☐	☐	☐	☐	☐
e) ANCP accreditation is currently too costly for our NGO to pursue in relation to the benefits we will receive	☐	☐	☐	☐	☐
f) Our NGO does not want to be dependent on government funding	☐	☐	☐	☐	☐
g) Our NGO occupies a niche area that does not align with ANCP or the Australian government aid priorities.	☐	☐	☐	☐	☐
h) There are no benefits to our NGO if we were to obtain ANCP accreditation	☐	☐	☐	☐	☐
i) Our NGO wants to be seen as independent of direct government funding and influence	☐	☐	☐	☐	☐
j) ANCP accreditation will not help our public support	☐	☐	☐	☐	☐
k) ANCP accreditation would boost perceptions about the effectiveness and professionalism of our organisation	☐	☐	☐	☐	☐
l) ANCP accreditation will be of significant benefit to our NGO	☐	☐	☐	☐	☐
m) Our NGO would be more sustainable and effective if we could access multi-year ANCP funding	☐	☐	☐	☐	☐
n) The level of accountability and transparency required as part of the accreditation process is unnecessary and expensive.	☐	☐	☐	☐	☐
o) ANCP accreditation and Australian aid promotion is seen as a risk to our NGO activities	☐	☐	☐	☐	☐
p) Non-accreditation limits our NGO's access to DFAT funding outside the ANCP.	☐	☐	☐	☐	☐
Please feel free to provide additional comments in					

relation to the above questions or other key issues that you feel relevant for this evaluation:	

Annex 8: Online survey results

1. ANCP NGOs

- Response rate: 90%.
- Total number of respondents: 43.
- 63% of the respondents had worked in the NGO sector for 6 years or more.
- 44% of these said that they had excellent knowledge of ANCP, while 49% had good knowledge.
- On average, ANCP NGOs have been accredited for 6 years.
- 22% of the respondents are Partner NGOs, 64% are Full and 14% are Base NGOs.
- 76% receive other sorts of DFAT funding besides ANCP funds.

ANCP Relevance	Strongly Disagrees/ Disagrees	Neither Agrees nor Disagrees	Agrees/Strongly Agrees	Total
ANCP significantly enhances our NGO's contribution to development	2%	0%	98%	100% (N=42)
ANCP funding has influenced the way our NGO is managed and administered	0%	5%	95%	100% (N=42)
The way we address issues such as gender, disability and environmental protection is informed by ANCP policies	0%	12%	88%	100% (N=42)
ANCP funding allows our NGO to be more innovative in aid delivery	12%	0%	88%	100% (N=42)
The capacity of our NGO to deliver effective results has improved because of the funding we received through ANCP	0%	5%	95%	100% (N=42)
Our NGO depends upon ANCP in order to maintain an appropriate number of programs	14%	19%	67%	100% (N=42)
Our NGO depends upon ANCP to extend reach in terms of the number of countries and sectors in which we work.	10%	17%	73%	100% (N=42)
ANCP increases the reach of the Australian aid program through NGOs such as ours	0%	0%	100%	100% (N=42)
Our priorities differ significantly to those of the Australian Government's aid program	76%	17%	7%	100% (N=42)
Our organisation engages in policy dialogue on development issues with the Australian Government	3%	20%	77%	100% (N=41)
Through ANCP our organisation maintains a productive relationship with DFAT	0%	0%	100%	100% (N=42)

Our NGO collaborates with DFAT posts in the countries where we use ANCP funding	10%	17%	73%	100% (N=42)
Our NGO aligns its ANCP-funded priorities with those of the Australian Government	7%	33%	60%	100% (N=42)
The flexibility of ANCP is such that the program can adapt to changes in Australian Government policy	0%	24%	76%	100% (N=41)
ANCP governance arrangements, including the role of the Committee for Development Cooperation are appropriate and effective	0%	29%	71%	100% (N=42)
Our NGO's interests in ANCP are effectively represented through the Committee for Development Cooperation and/or the Australian Council for International Development	7%	7%	86%	100% (N=42)

ANCP Communication and Promotion	Strongly Disagrees/ Disagrees	Neither Agrees nor Disagrees	Agrees/Strongly Agrees	Total
The goal of ANCP is clear to me	0%	0%	100%	100% (N=42)
The role of ANCP in supporting NGOs is clear to me	0%	3%	97%	100% (N=42)
Our projects funded under ANCP are always branded to promote the program and Australian aid	0%	11%	89%	100% (N=42)
Our NGO promotes the fact we are funded through ANCP and the Australian Government	0%	0%	100%	100% (N=42)
Our NGO actively promotes the fact we are accredited under ANCP	0%	0%	100%	100% (N=42)

ANCP Accreditation and Funding	Strongly Disagrees/ Disagrees	Neither Agrees nor Disagrees	Agrees/Strongly Agrees	Total
The costs to our NGO of obtaining ANCP accreditation are excessive	31%	43%	26%	100% (N=42)
The bureaucracy surrounding ANCP accreditation is excessive and could be improved	23%	33%	44%	100% (N=42)
ANCP accreditation was a worthwhile process to help improve our organisation and build capacity	0%	0%	100%	100% (N=42)
ANCP accreditation is used to promote the integrity and quality of our NGO to the Australian public	2%	0%	98%	100% (N=42)
DFAT's total funding allocation to ANCP is fairly distributed among the three	29%	31%	40%	100% (N=42)

levels of NGO accreditation (Base, Full and Partner)				
ANCP administration arrangements are appropriate in helping our NGO get funds to where they are most needed	2%	24%	74%	100% (N=42)
ANCP accreditation process is a reliable mechanism which channels government funding to the most effective NGOs	7%	21%	72%	100% (N=42)

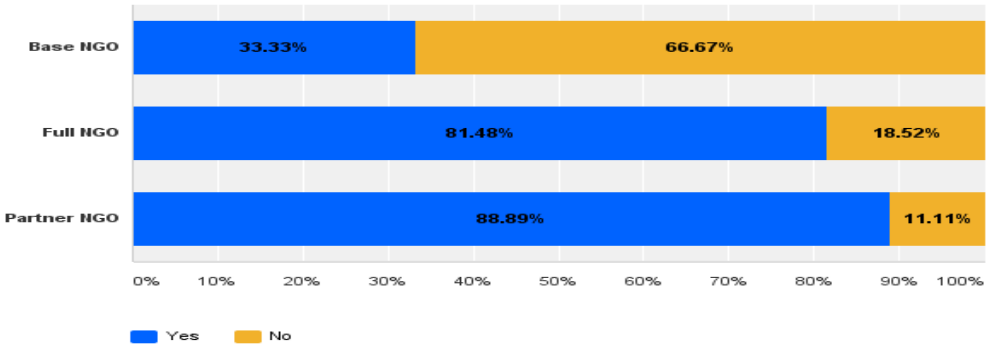
ANCP Monitoring and Evaluation	Strongly Disagrees/ Disagrees	Neither Agrees nor Disagrees	Agrees/Strongly Agrees	Total
Because of ANCP our monitoring and evaluation systems have improved so we can more accurately report on results	0%	10%	90%	100% (N=41)
Using ANCP's monitoring and evaluation system (MELF) has improved the way we report on our achievements	3%	18%	79%	100% (N=40)
The level of reporting on results required from our NGO under ANCP is overly onerous	53%	33%	14%	100% (N=40)
ANCP's monitoring and evaluation system (MELF) adds more cost to the way we do things without improving our results	65%	25%	10%	100% (N=40)
ANCP online reporting tools are user friendly	13%	18%	69%	100% (N=40)
Our calculation of results achieved under ANCP is based on a best estimate and may not always be accurate	43%	15%	42%	100% (N=40)
To accurately report results is a very expensive process for our NGO	40%	35%	25%	100% (N=40)
Our NGO uses ANCP funding to strengthen our M&E systems and report on results	5%	5%	90%	100% (N=40)
ANCP funding has allowed us to share the lessons we learnt about effective aid delivery	3%	10%	87%	100% (N=40)
The M&E reports we provide to DFAT (NGO & Volunteers Branch) are also useful to our organisation	5%	10%	85%	100% (N=40)
The M&E reports we provide to DFAT (NGO & Volunteers Branch) help us to make improvements	5%	18%	77%	100% (N=40)
ANCP monitoring and evaluation arrangements effectively facilitate the	20%	32%	48%	100% (N=40)

sharing of learning across the Australian NGO community				
Our NGO provides training and support for our in-country partners to help them improve their monitoring and evaluation	0%	3%	97%	100% (N=40)
DFAT uses the M&E information that my NGO provides to report on ANCP effectively	3%	50%	47%	100% (N=40)
DFAT should do more with the M&E information that my NGO provides	3%	43%	54%	100% (N=40)

Disaggregated graphs on a number of selected online survey questions

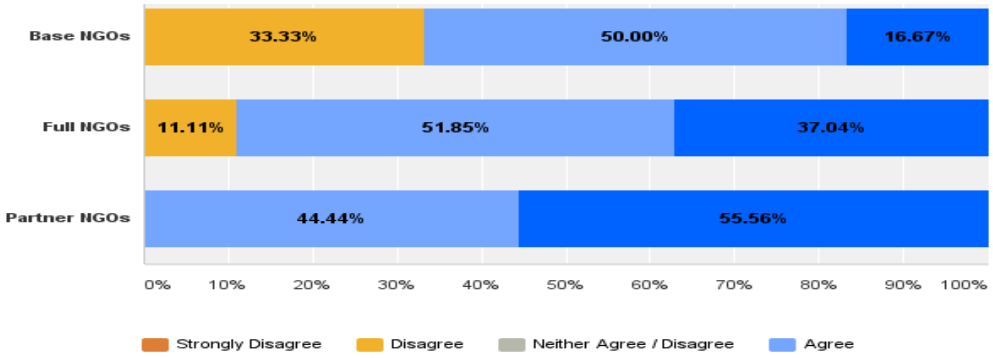
Question 9. Access to other sources of DFAT funding

In addition to ANCP, NGO accesses other sources of DFAT funding

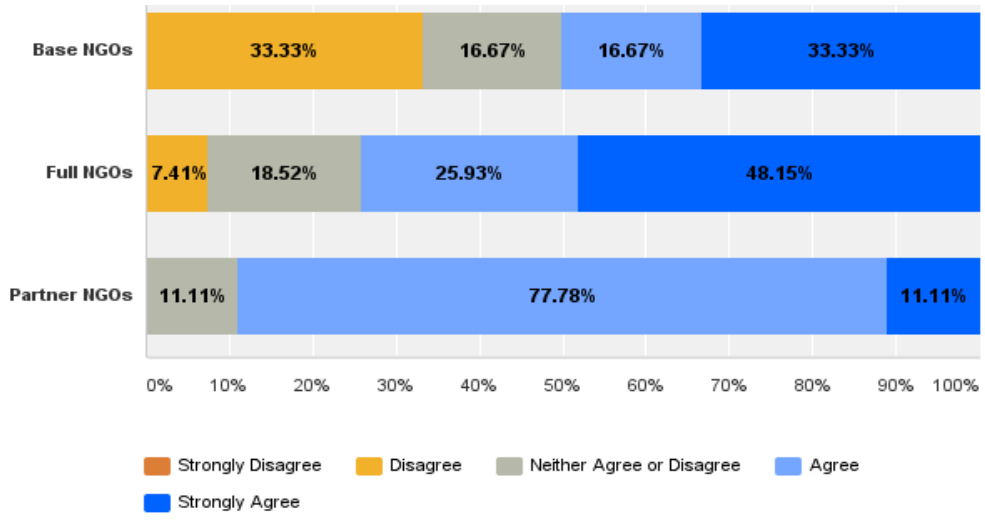


Question 14. Perceptions on ANCP relevance

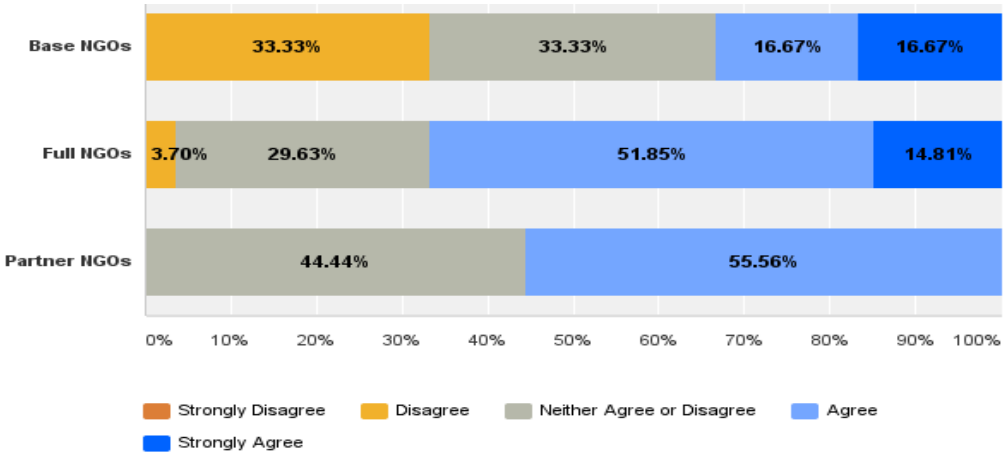
14d. ANCP funding allows our NGO to be more innovative in aid delivery



14g. Our NGO depends upon ANCP to extend reach in terms of the number of countries and sectors in which we work

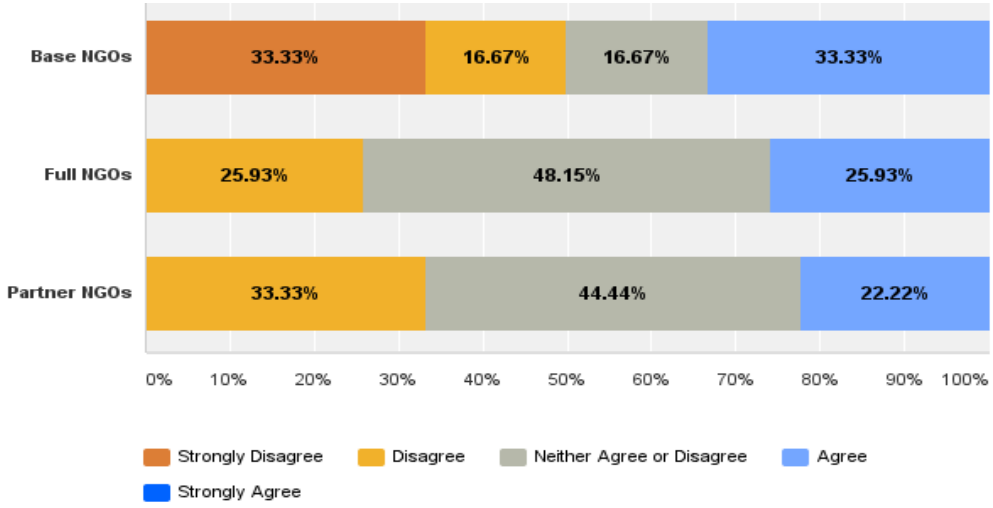


14m. Our NGO aligns its ANCP-funded priorities with those of the Australian Government

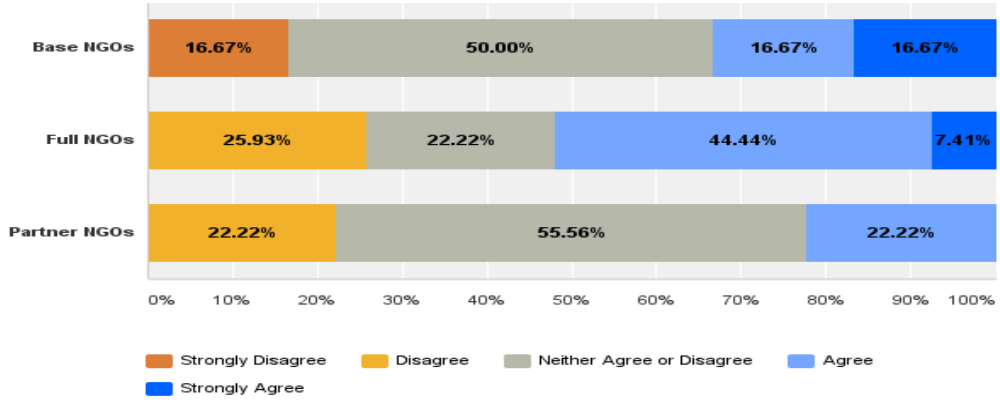


Question 16. ANCP accreditation and funding

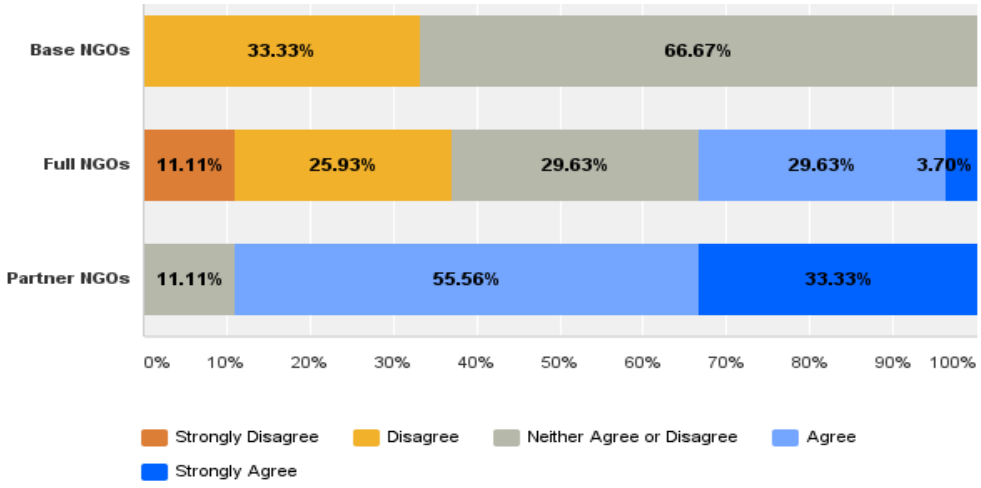
16a. The cost to our NGO of obtaining ANCP accreditation are excessive



16b. The bureaucracy surrounding ANCP accreditation is excessive and can be improved

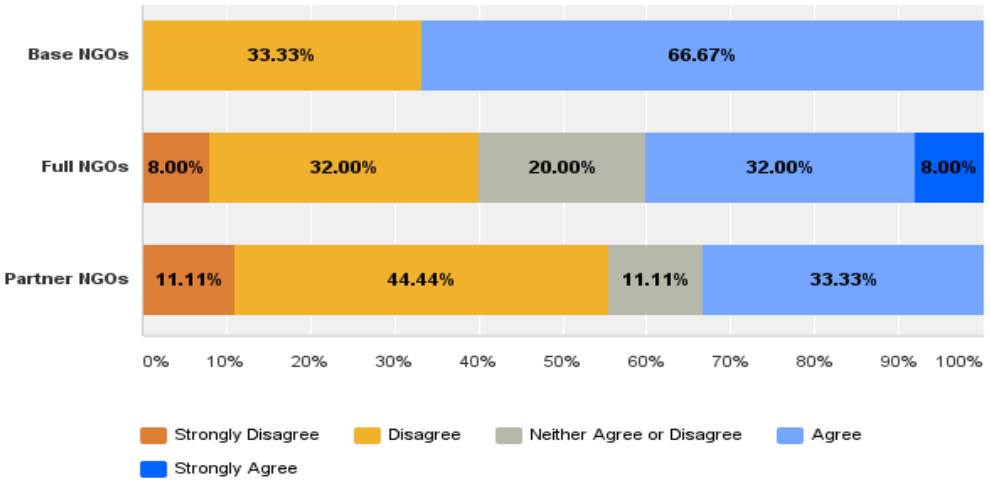


16e. DFAT's total funding allocation to ANCP is fairly distributed among Full, Base and Partner NGOs

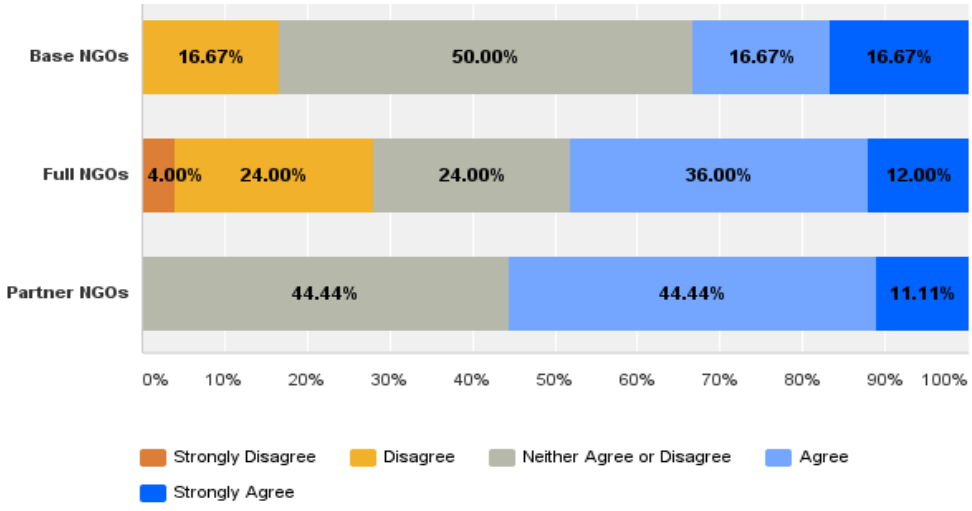


Question 17. Monitoring, evaluation and learning

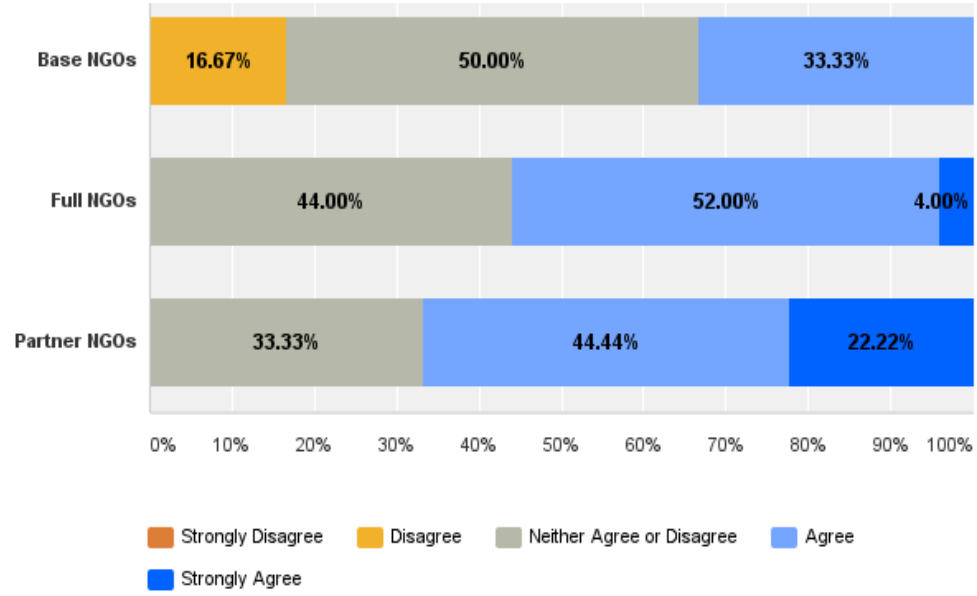
17e. Our calculation of results achieved under ANCP is based on best estimate and may not always be accurate



17l. ANCP monitoring and evaluation arrangements effectively facilitate the sharing of learning across the Australian NGOs community



17o. DFAT should do more with the M&E information that my NGO provides



2. Non-ANCP NGOs

- Total number of respondents: 18.
- 78% of the respondents had worked in the NGO sector for 6 years or more.
- 28% of these said that they had good knowledge of ANCP, while the rest of 88% had limited or some knowledge of ANCP.
- 33% receive other sorts of DFAT funding besides ANCP funds.
- 28% said they applied for accreditation previously.

ANCP	Strongly Disagrees/ Disagrees	Neither Agrees nor Disagrees	Agrees/Strongly Agrees	Total
The goal of ANCP is clear to me	11%	17%	72%	100% (N=18)
The role of ANCP in supporting NGOs is clear to me	17%	17%	66%	100% (N=18)
ANCP accreditation is a priority for our NGO	22%	22%	56%	100% (N=18)
Our NGO does not have the systems and processes necessary for us to gain accreditation and access ANCP funding	39%	22%	39%	100% (N=18)
ANCP accreditation is currently too costly for our NGO to pursue in relation to the benefits we will receive	28%	28%	44%	100% (N=18)
Our NGO does not want to be dependent on government funding	33%	44%	23%	100% (N=18)
Our NGO occupies a niche area that does not align with ANCP or the Australian Government aid priorities	56%	22%	22%	100% (N=18)
There are no benefits to our NGO if we were to obtain ANCP accreditation	83%	17%		100% (N=18)
Our NGO wants to be seen as independent of direct government funding and influence	45%	39%	16%	100% (N=18)
ANCP accreditation will not help our public support	76%	6%	18%	100% (N=17)
ANCP accreditation would boost perceptions about the effectiveness and professionalism of our organisation	11%	11%	78%	100% (N=18)
ANCP accreditation will be of significant benefit to our NGO	6%	22%	72%	100% (N=18)
Our NGO would be more sustainable and effective if we could access multi-year ANCP funding	11%	11%	78%	100% (N=18)
The level of accountability and transparency required as part of the accreditation process is unnecessary and expensive	56%	22%	22%	100% (N=18)
ANCP accreditation and Australian aid promotion is seen as a risk to our NGO activities	61%	33%	6%	100% (N=18)
Non-accreditation limits our NGO's access to DFAT funding outside the ANCP	11%	33%	56%	100% (N=18)

Annex 9: Field visit summaries

Bangladesh

1. Benefits of ANCP funding mechanism

Flexibility of ANCP funding: All NGOs and DFAT post mentioned the flexibility of ANCP in that a) it can be used to fund critical gaps in programming (e.g. Save the Children), b) in many cases the programs being implemented would not have been possible in the absence of ANCP funding, and c) It is possible to adapt programming based on what you learn during implementation (e.g. Habitat for Humanity).

> *'You can't work in Bangladesh without flexibility'* — Habitat for Humanity.

Compared with ANCP funding, some donors are particularly prescriptive, providing limited scope to consider specific contextual issues and to adapt and improve a program during implementation.

ANCP extends reach: Linked to flexibility, there are numerous examples of ANCP funding being used for projects in rural and remote parts of Bangladesh, targeting communities that are typically under-served (e.g. Fred Hollows and Caritas).

ANCP project concepts are developed at a grass-roots level (community-driven): The majority of ANCP projects appear to have been conceived by the country office and are not driven by the specific donor's programming requirements. Country offices have generated concepts for ANCP funding (often in conjunction with local partner NGOs who are close to the communities that they work in) and have collaborated with their Australian counterparts to develop ANCP proposals.

Capacity-building benefits: There appear to be capacity-building benefits at numerous levels through ANCP funding – for example, training of local partner NGOs in financial management, fraud prevention, training of health workers, awareness raising in the community. There is also the training that the INGO country-office staff receive from their colleagues based in Australia. All NGOs mentioned that their teams had benefited from training across many different areas. For example, training in monitoring and evaluation, program management, proposal preparation, gender awareness and leadership.

Impact from a relatively small amount of funding: For certain NGOs (Save the Children and Caritas) the dollar amount of ANCP projects is not particularly high relative to their entire program budget in Bangladesh. However, this does not mean the funding has no impact. Save the Children mentioned that ANCP has filled a critical gap in its programming and has influenced other programs with its adoption of a more child-centred approach. Habitat for Humanity were able to use ANCP funding for the initial phases of their intervention and subsequently attract further DFAT funding (CSO WASH) to replicate and scale up the initiative.

Short-term but consistent funding: While ANCP funding is generally viewed as short term in many cases it has actually been very consistent with projects securing repeated funding over several years. Some NGOs appear to be better than others at managing the uncertainty that surrounds the annual programming nature of ANCP. For example, they have committed to the ANCP project for several years (without the guarantee of ANCP funding after year one). Other NGOs operate from one year to the next

and their partners have to rely on ANCP funding being secured for subsequent years. This puts strain on national NGO partners as they cannot always guarantee jobs for their staff the following year.

Complements the Bi-lateral Aid Program and extends reach: ANCP is viewed as complementary to the Bi-lateral Aid Program in that funding can be used to reach areas beyond those that the Bi-lateral Program is able to address.

2. Challenges with ANCP funding mechanism

Annual nature of ANCP funding cycle prevents long-term programming: ANCP funding is only for one year so budgets and proposals are prepared along these lines. With no guarantee of funding beyond this, it can be difficult to retain staff and keep them engaged.

Not always able to carry over ANCP budget: The fact that budgets cannot be carried over from one year to the next is also very challenging. This year in particular will be difficult: the political situation in Bangladesh has delayed progress, and there may be a need to carry funds forward into the next year.

Difficult-to-manage currency fluctuations: It is difficult for NGOs to manage currency fluctuations. Several mentioned that their budgets were reduced by 20% directly attributable to a devaluing of the Australian dollar against the US dollar. This poses a real challenge for managing a program effectively.

Contact with DFAT Bangladesh post is welcome, but there is always scope for more: Fred Hollows, Habitat for Humanity and Caritas all mentioned that they'd had opportunities to meet with High Commission staff and the High Commissioner himself. All NGOs welcome contact and a good relationship with the High Commission. They also mentioned that it would be useful to receive more information about the ANCP and other projects in Bangladesh.

Scope for more interaction with other ANCP NGOs in Bangladesh: NGOs mentioned having little awareness of other ANCP-funded programs in Bangladesh or connection to the other ANCP partners operating in the country. There is a general view that there could be opportunities for learning and sharing of ideas between ANCP NGOs and their partners in Bangladesh.

3. Government of Bangladesh relations

Numerous examples of NGOs influencing GoB: All NGOs consulted talked about their interaction and sway with GoB at various levels.

Fred Hollows Foundation Bangladesh is part of an INGO forum including Orbis, Sight Savers and CBM that meets every quarter to discuss the issues related to eyecare in Bangladesh. This forum sits on a government task force providing input to the development of the National Eyecare Strategy. The inclusion of diabetes and eyecare indicators (National Health Information system) into the National Eyecare Plan can be attributed to the INGO forum, who have pushed these agendas successfully with the GoB.

Caritas Bangladesh highlighted its work in raising awareness of the issues faced by the Adivasi people. This is cited as a particular success story in influencing GoB policy. The Executive Director of Caritas Bangladesh is consulted during the development of five-year development plans and during national budget discussions, so the organisation claims to be recognised and to some extent 'listened to' at high political level.

NGOs ensure alignment with the GoB's five-year development plan: All NGOs consulted talked of the importance of ensuring their programming is consistent with the priorities laid down in the GoB's five-year development plan. There is a GoB approval process that development projects have to go through, and ANCP projects are no exception.

NGOs play a role in delivering on the five-year plan targets: Several interviewees (including those with non-ANCP NGOs such as BRAC and MJF) confirmed that national and international NGOs play a role in delivering on GoB five-year strategic targets. The GoB has created space for the NGO sector to function. A good example is the tuberculosis program – the GoB has handed over responsibility for implementation to NGOs. This shows how much importance GoB places on the involvement of NGOs. The GoB is generally receptive to new ideas and receptive to NGOs working in the country. It is aware of its limitations in certain areas.

4. DFAT post relations

Positive views expressed regarding the relationship with DFAT Bangladesh: All NGOs described a good relationship with the Australian High Commission. All NGOs consulted had met the High Commissioner and someone in the aid team. Fred Hollows Foundation Bangladesh also mentioned receiving some funding through DFAT's Development Assistance Program.

Limited level of awareness that ANCP is managed from Canberra: NGOs welcome interaction with DFAT post and many consider this as the face of DFAT and therefore of the ANCP. There is limited awareness that ANCP is actually managed by a DFAT area in Canberra. Given the level of resources at post, there is a limit to what the staff can do in Dhaka.

5. INGO country-office relations

In general, INGO country offices described the relationship with their Australian counterparts as supportive and strong. The nature of this relationship and the benefits it brings with it is highlighted below:

Interaction on program concepts: Most INGO country offices generate ideas and concepts for future programming and submit these to colleagues in Australia for their consideration and feedback. Proposals tend to be co-developed, with both sides contributing.

Cross-cutting policies: NGO country offices spoke about guidance on institutional policies received from Australia. For example, the introduction of policies on child protection and fraud/corruption prevention were mentioned by all NGOs consulted. The practical application of these policies in a Bangladeshi context can be challenging – for example, securing police checks for staff.

Capacity development: INGO country offices have benefited from training and support provided by their Australian Head Offices. For example, training in areas such as monitoring, program management, proposal preparation, gender awareness and leadership.

Regular Contact: Representatives from INGOs in Australia travel to Bangladesh on a regular basis, so most county offices appear to be well acquainted with their Australian colleagues.

6. INGO country office – national partner NGO relations

Criteria and due diligence processes for selection of partners: INGO country-office staff spoke about the due diligence process that they have in place for ensuring that they partner with reliable national NGOs in Bangladesh. While some national NGOs have longstanding relationships with their INGO partners, it seems that new partnerships have resulted as part of ANCP. In the case of Fred Hollows Foundation, significant effort was put into selecting the most appropriate partners based on the geographies in which they operate and their track records.

Capacity building of partners: National partners mentioned how they had benefited from training provided by the INGO country office. This took the form of training on site as well as at the country

office itself. Areas of training included monitoring and evaluation, fraud prevention and financial management.

Supportive and trusting relationship with partners: National partners spoke of an open relationship with INGO country offices. When experiencing problems or when mistakes had been made, country offices were described as supportive and understanding.

7. Monitoring, evaluation and learning

NGOs appear to have well-established M&E systems: All INGO country offices reported using their internal M&E systems and claimed that they were able to cope with the monitoring data requirements of the ANCP Reporting Framework.

High level of confidence in direct beneficiary data: All INGO country offices seemed to be confident in the data that they are collecting on direct beneficiaries of their projects.

Some challenges with disaggregated data and non-direct beneficiaries: The main challenges mentioned by INGO country-office staff relate to potential double-counting and confusion around definitions for indirect beneficiaries. All talked about how this process was gradually becoming easier.

Mid-term and end-term evaluations seem to be the norm: All NGOs commission mid-term and end-term evaluations of their activities. A mix of internal and external evaluators are recruited to carry out these assignments, although external parties tend to be used for end-term evaluations.

8. ANCP promotion and visibility

Promotion of 'Australian Government funding' appears high: All INGO and partner NGOs interviewed confirmed (and evidenced through photographs and marketing materials) that there is significant effort made in terms of highlighting that the funding has come from the Australian Government. Most of this promotion takes place in the communities that the ANCP projects are working. This comes in both written/visual (e.g. billboards, marketing material) and spoken form (e.g. at community events).

Australian public contribution not so widely known: Interviews with two of Save the Children's local partners suggested that there is not such a high level of awareness around the ANCP contribution of the Australian people (via the INGOs). This is a point to be tested in Bangladesh but is an area that the INGOs might want to look into further. Diplomatically, this is also represents a powerful message that would be good to get through to beneficiaries.

ANCP Bangladesh fieldwork – background Information

1. 2013–2014 Annual Development Plan and Annual Performance Report details

Annual Development Plan Budget:	$4.3m
Annual Performance Report allocation:	$2.5m
Number of ANCP projects:	30
Average size of grant:	$151k/$139k
Largest investment:	$429k
Smallest investment:	

2. NGOs (and their ANCP projects) consulted as part of fieldwork

Caritas project	Annual Development Plan 2013–2014	Annual Performance Report 2013–2014
Sustainable Food and Livelihood Security (SuFoL) project	$185,805.00	$209,152.00
Safe Motherhood project	$39,360.00	$38,154.00
Integrated Community Development Project – Dinajpur	$180,080.00	$200,546.00
Integrated sustainable community-managed arsenic preparedness and mitigation program	$143,269.00	$152,281.00
Total	$548,514.00 (13% of ANCP Bangladesh Program)	$600,133.00 (24% of ANCP Bangladesh Program)

Fred Hollows Project	Annual Development Plan 2013–2014	Annual Performance Report 2013–2014
Building Our Effectiveness Practice	$61,696.00	$62,547.00
Sustainable eyecare delivery through 10 district hospitals – Bangladesh	$32,227.00	$31,816.00
Partnership with NGOs to provide quality eyecare in Bangladesh – Barisal and Chittagong	$429,299.00	$431,952.00
Upgrade of the education department of Ispahani Islamia Eye Institute and Hospital to provide comprehensive training on eyecare	$89,631.00	$80,899.00
Total	**$612,853.00** (14% of ANCP Bangladesh Program)	**$607,214.00** (24% of ANCP Bangladesh Program)

Save the Children projects	Annual Development Plan 2013–2014	Annual Performance Report 2013–2014
Community-based care and protection for children of sex workers and children infected/affected by HIV and AIDS in Bangladesh	$343,347.00	$357,585.00
Integrated child-centred climate-change adaptation project in Bangladesh	$327,633.00	$311,076.00
Total	**$612,853.00** (15% of ANCP Bangladesh Program)	**$668,661.00** (26% of ANCP Bangladesh Program)

Habitat for Humanity Projects	Annual Development Plan 2013–2014	Annual Performance Report 2013–2014
WASH Phase II: Ensuring improved health through WASH promotion and disaster-resilient homes for low-income community members in Bangladesh	$104,700.00	$98,534.00
Dhaka Urban Resiliency Project	$53,000.00	$37,017.78

Habitat for Humanity Projects	Annual Development Plan 2013–2014	Annual Performance Report 2013–2014
Total	**$157,700.00** (4% of ANCP Bangladesh Program)	**$135,551.78** (5% of ANCP Bangladesh Program)

Papua New Guinea

Stakeholders Consulted

ANCP NGOs	PNG NGO partners	Other stakeholders
World Vision	Buk Bilong Pikinini (BBP) – Port Moresby Children's Community Education Project	Australian High Commission: Operations, Governance, Gender, Health
Oxfam	Papua Hahine Social Action Forum (Port Moresby) – Ending Violence Against Women	GoPNG: Department of Planning, Department of Community Development
WaterAid	Anglicare	Other Donors: NZ High Commission, UNDP
Burnet Institute	Salvation Army, City Mission	

1. Benefits of ANCP funding mechanism

Flexibility of ANCP funding: ANCP NGOs in PNG spoke about the flexibility of ANCP funding in a variety of ways: a) it can be used to fund critical gaps in programming (e.g. Oxfam, World Vision), b) in many cases the projects being implemented would not have been possible in the absence of ANCP funding (e.g. Burnet Institute – no other donor would be interested in funding such a small pilot project), and c) it is possible to adapt programming based on what you learn during implementation (e.g. World Vision).

ANCP extends reach: There are numerous examples of ANCP funding being used for projects in rural and remote parts of PNG, targeting communities who have no access to public services. INGOs and local NGOs are the only service providers in these areas (e.g. World Vision talked about its projects in the far reaches of PNG, where project officers have to travel into the bush for up to two weeks with their teams).

Capacity building for INGO country offices and local NGO partners: The field visit to PNG has confirmed that there are capacity-building benefits at numerous levels through ANCP funding: a) many of the ANCP interventions have distinct capacity-building elements to them, e.g. training of local partner NGOs in financial management, fraud prevention, monitoring and evaluation and on cross-cutting issues such as disability, child protection and gender, and b) there is also the training that the INGO country-office staff receive from their colleagues based in Australia. All NGOs mentioned that their teams had benefited from training across many different areas. For example, training in monitoring and evaluation, report writing, gender and disability awareness.

ANCP project concepts are developed at a grass-roots level (community-driven): ANCP projects in PNG have been conceived by the country office and are not driven by the specific donor's programming requirements. Country offices have generated concepts for ANCP funding (often in conjunction with

local partner NGOs who are close to the communities that they work in) and have collaborated with their Australian counterparts to develop ANCP proposals.

Enabling pilots and innovation with relatively small amounts of funding: Burnet Institute talked about their project being a pilot and how it would have been very difficult to source funding from other donors for such a small amount ($100k). There is evidence to suggest that Burnet is in a position to replicate the project and to potentially scale up. There are preliminary plans to leverage it to acess funding from the private sector and other donors. Oxfam PNG highlighted their Performance Based Aid System in which partners are eligible for bonus payments if they are able to exceed theory targets. WaterAid has established a partnership with Anglicare (a PNG NGO specialising in HIV and AIDS services from diagnosis and treatment to education and training) to deliver WASH facilities and training in schools. Anglicare was not considered a typical local partner of WaterAid. However WaterAid recognised that Anglicare had a long-established relationship with schools and in terms of access they represented an excellent partner, as more often than not it is these schools that desperately require both facilities and education in WASH.

Consistent funding in recent years: NGOs mentioned that ANCP funding has been very consistent, with projects securing funding over several years. The NGOs consulted in PNG appear to be good at managing the uncertainty that surrounds the annual programming nature of ANCP. For example, they have committed to the ANCP project for several years (without the guarantee of ANCP funding after year one). Although (given the growth of ANCP funding) this probably has not been an issue in recent years, there is a risk this will change with a potential cut to ANCP funding – a scenario that programs are preparing for.

Complements other funding programs: In filling gaps and funding areas that may not be possible under other funding schemes, ANCP complements other sources of funding.

Australian Government in PNG recognises NGO accreditation: Australian High Commission recognises the accreditation process and considers it an important due diligence process. It wants to work with accredited NGOs and by definition this means ANCP NGOs. The High Commission identifies with ANCP because of accreditation.

2. Challenges with ANCP funding mechanism

ANCP projects are a small part of the aid program in PNG: ANCP funding is very small in PNG compared to other sources of funding (e.g. the Bi-Lateral Aid Program). ANCP is also managed from Canberra. Given this context there are low levels of awareness of the ANCP project portfolio within the Australian High Commission and it is not considered a priority.

Scope to improve the information on the ANCP project portfolio in PNG: The AHC would appreciate more information about the ANCP portfolio of projects in PNG. Not necessarily a detailed document but something that would provide a good overview of the NGOs operating, the sectors, the geographies and the scale of the interventions. Someone suggested an interactive map of ANCP projects.

Positive feedback on interaction with the Australian High Commission: ANCP NGOs described a good relationship with the Australian High Commission. All NGOs spoke positively about the meeting with the new High Commissioner and the opportunity to talk about what they are doing (ANCP and non-ANCP related work). This is likely to be an ongoing initiative that all NGOs welcome.

Good relations with teams in Australian High Commission (but more would be welcome): NGOs also mentioned the relationships they had established with specific teams in the AHC. For example, Oxfam spoke about its close links with the Gender Team and World Vision about its discussions with the Governance team.

Scope for more information and interaction with ANCP NGOs in PNG: NGOs mentioned having little awareness of other ANCP-funded programs in PNG or connection to the other ANCP partners operating in the country. There is a general view that there could be opportunities for learning and sharing of ideas between ANCP NGOs and their partners in PNG.

3. Government of PNG relations

INGOs and local NGOs are considered an important service provider in PNG (this is recognised in parts of GoPNG).

NGOs' ability to operate in hard to reach areas: NGOs have been able to reach and operate in remote areas of PNG. The local NGOs have established good community links, have a good understanding of the contexts in which they operate and are accepted by these communities.

NGO approaches in PNG: The Australian High Commission Governance sector believes that NGOs have been successful where many other actors haven't and that their approaches have to be considered in the development of future governance programs in PNG.

NGOs claim to have absorptive capacity to do more: The INGOs claim to have the absorptive capacity to be able to handle significant sums of aid funding. The systems and processes are in place to ensure that funding is used responsibly and effectively through local partners. This is key when operating in PNG. The High Commission recognises accreditation that ANCP NGOs have been through.

NGOs also play an advocacy role in PNG: All NGOs consulted in PNG talked about their interaction and sway with GoPNG at various levels. While there are examples of how NGOs have influenced government, many stakeholders alluded to the fact that there is no clear mechanism for policy-making in PNG. NGOs interact with government via numerous platforms including:

- CIMC: Council for Implementation and Monitoring.
- Family and Sexual Violence Action Committee (FSVAC).
- Health and Population Committee.

NGOs ensure alignment with the GoPNG: NGOs talked about the importance of ensuring their programming is consistent with GoPNG priorities. For example, World Vision (WV) always checks alignment to GoPNG policies when developing new programs and projects. They work closely with provincial, district and local-level governments. WV sees that funding from national-level government doesn't reach sub-national levels, so sub-national levels need NGO assistance to deliver services. District and local-level government contribute their funds to WV programs. WV's policy now is to only start a project with local government and community support.

There is scope for NGOs – international and Australian but particularly local – to play a much bigger role: The view from Australian High Commission and other donors (including NZ High Commission and UNDP) is that an active civil society movement is good for any country. However, compared to other developing contexts, the civil society sector is really not as strong. There are certain practical barriers in PNG. For examples, the process of registration is not clear and can be expensive, the geography of PNG makes it a difficult place to work logistically and there is a high cost of doing business. With Australia being the largest player in PNG, many of the other donors would like to see Australian High Commission continue to encourage, support and promote the civil society sector.

4. Australian NGO Head Office – country office relations

NGO country offices described the relationship with their Australian colleagues as very good. The nature of this relationship and the benefits it brings with it are highlighted below:

Interaction on program concepts: In most cases NGO country offices generate ideas and concepts for future programming and submit these to their colleagues in Australia for consideration and feedback. Proposals tend to be co-developed with both sides contributing. World Vision does a lot of preparatory work around seeking buy-in from district and provincial government and local communities (and often financial buy-in as well) before going ahead with a project proposal.

Cross-cutting policies: NGO country offices spoke about guidance on institutional policies received from Australia. For example, the introduction of policies on child protection and fraud/corruption prevention were mentioned by all NGOs consulted.

Ongoing and regular contact with Head Office in Australia: PNG-based staff (both local and international) reported a good relationship with their colleagues based in Australia. There is regular contact between Head Office and the PNG office (over the phone, via email and in person).

Capacity development: NGO country offices have benefited from training and support provided by their Australian Head Offices. For example, training in areas such as monitoring, program management, proposal preparation, and cross-cutting issues such as gender, disability and child protection.

5. Relations between INGO country office and local partner NGOs

Capacity building of local NGO partners: Local partners in PNG mentioned how they had benefited from training provided by their INGO counterparts. This has taken the form of training on monitoring and evaluation, fraud prevention and financial management as well as support in bringing in cross-cutting (gender, disability and child protection) issues to their work.

Supportive of local NGO partners: Local NGO partners spoke of an open and trusting relationship with INGO country offices.

Long-term partnerships through ANCP: ANCP NGOs operating in PNG had a mix of relatively new partners and those that were well established and considered long term and which now go beyond ANCP projects.

6. Monitoring, evaluation and learning

ANCP M&E requirements are comprehensive and necessary: All ONGO country offices recognise the ANCP requirement for reliable M&E data from their projects. This was a consistent message from the national NGO partners who were able to speak about the monitoring mechanisms they had in place. These were established with oversight and direction from INGO country offices.

Adjusting to ANCP M&E requirements has taken some time but NGOs are there now: INGO country offices did mention that it had taken significant effort and time to adhere to the MELF reporting requirements. However, now that the work has been carried out, NGOs think that the framework will be useful.

High level of confidence in direct beneficiary data: INGO country offices and their local counterparts are increasingly confident in the data that they are collecting, particularly on the direct beneficiaries of their projects.

Scope for more men and boy indicators in ANCP Reporting Framework: Oxfam PNG and the Burnet Institute did mention that more disaggregated data on men and boys would be useful, as this demographic represents an important beneficiary group of their projects.

Some challenges with disaggregated data and non-direct beneficiaries: The main challenges mentioned by INGO country office staff relate to confusion around definitions for indirect beneficiaries. All NGOs mentioned that filling out the reporting framework had gradually become easier the more familiar they became with it.

Evaluations carried out as per NGO policy: World Vision described evaluation as being part of their organisational culture. The frequency and rigour of their evaluations is dependent on factors such as scale and duration of the intervention and the donor requirements surrounding the intervention. World Vision tends to be more flexible about mid-term evaluations but will frequently conduct end-term evaluations. Baseline data is collected for all World Vision projects and used as the basis for follow-up evaluation/assessment exercises. Other NGOs carry out evaluations as per their internal guidelines and donor requirements. There were no specific mentions of mid-term or end-term evaluations carried out on the projects that were visited as part of the evaluation fieldwork.

7. ANCP reporting and learning

ANCP reporting not deemed excessive: The reporting requirements for ANCP were not described as excessive. As with the quantitative data requirements, INGO country offices spoke of 'getting used' to the reporting formats/templates and that they were now part of standard operations. The discipline of being able to condense project narrative into 200 to 300 words is generally viewed quite positively.

Demand for further information on ANCP to promote the funding and share the lessons learned: Clear and concise project narrative is valued. However, NGO country offices feel that there also needs to be a way of collecting and disseminating more information about ANCP projects, particularly in the context of learning. Case studies that provide more detail (e.g. on what worked, what didn't and why?) would be useful for all ANCP NGOs and for DFAT Canberra and country posts.

8. Visibility of Australian Government

NGOs adhere to Australian Government branding although changing guidelines make this challenging: All international NGOs and partner NGOs interviews confirmed (and evidenced through marketing materials) that efforts are made to highlight that funding has come from the Australian Government. Most of this promotion takes place in the communities that the ANCP projects are working. This comes in both written/visual (e.g. billboards, marketing material) and spoken form (e.g. start-up meetings).

ANCP PNG fieldwork – background information

1. NGOs (and their ANCP projects) consulted as part of fieldwork

World Vision project	Annual Development Plan 2013–2014	Annual Performance Report 2013–2014
Gutpela Sindaun Bilong Famili Project (formerly Port Moresby Mother and Child Well-Being Project)		$253,391.36
Madang Family and Child Health Nutrition Project		$213,494.17
Positive Living Project Phase 3		$154,125.49

World Vision project	Annual Development Plan 2013–2014	Annual Performance Report 2013–2014
West Coast Bougainville Lukautim Famili Helt Project (formerly West Coast Mother and Child Health and Nutrition Project)		$256,153.02
Usino-Bundi / Upper Ramu Community Resilience & Livelihoods Project		$250,571.77
North Bougainville Children Educated for Life Project		$177,238.14
Port Moresby Children's Community Education Project (POM CCE)		$357,623.17
Yawar Education Project		$155,642.30
Bungim Famili na Komuniti ('bringing family and community together') (formerly Madang Women Empowerment and Protection Project)		$253,215.93
Assessment and Design in PNG Project		$103,598.95
Total		**$2,175,054.30**

WaterAid projects	Annual Development Plan 2013–2014	Annual Performance Report 2013–2014
School and community sanitation, water supply and health education		$353,124.82
Total		**$353,124.82**

Oxfam project	Annual Development Plan 2014–2015	Annual Performance Report 2014–2015
Advancing international mechanisms to address armed violence and irresponsible arms transfers in the Pacific Region	$30,000.00	
East Sepik WASH, PNG	$122,893.00	
Ending violence against women in PNG	$551,530.00	

Total	$704,423.00	

Annex 10: ANCP accreditation and funding tiers

Accreditation: Under the ANCP, DFAT forms partnerships with ANGOs that have met DFAT accreditation standards to implement the NGOs' own development and poverty alleviation programs overseas. To become accredited, organisations are required to undergo an extensive assessment of their organisational structure, systems and philosophies. This accreditation scheme, operational since 1996, acts as a front-end risk-management process. It is an in-depth assessment of Australian NGOs against criteria that have been developed and agreed by DFAT and ACFID. It evaluates an NGO's structure, policies, links to the Australian community, partnership arrangements, programs, financial and management systems, and how all these are applied. Accreditation is not an assessment of the quality or impact of an NGO's development activities.

It also functions as a capacity-building tool which enables Australian NGOs to reflect on and improve their own performance. The underpinning principles of the ANCP accreditation process and decision-making by the independent review team (organised by DFAT) include accountability and transparency, front-end risk management, peer assessment, collaboration and participation, evidence-based judgements, acknowledgment of the diversity of the Australian NGO sector, continuous learning and quality/capacity improvement in the sector and good practice.

Pre-requisites for accreditation: An organisation that wishes to apply for accreditation must meet the following eligibility requirements:

- Be an Australian organisation with an Australian Business Number (ABN) issued by the Australian Taxation Office.
- Have applicable Deductible Gift Recipient status (under ITAA 1997 s30-85 Developing Country Relief Fund or ITAA 1997 s30-80 International Affairs – Specific) if issuing tax-deductible receipts.
- Be a signatory to the Australian Council for International Development (ACFID) Code of Conduct.
- Demonstrate a minimum two-year track record of managing development activities.
- Have a Recognised Development Expenditure of $50,000 minimum, averaged over three years, if applying for Base accreditation; or a Recognised Development Expenditure of $100,000 minimum, averaged over three years, if applying for Full accreditation.
- Completed and submitted an online application.

Accreditation criteria cover five domains of practice: NGO identity and structure, development philosophies and management practices, approaches to partnership and development collaboration, linkages with the Australian community, and financial systems and risk management. The full list of 16 accreditation criteria can be viewed at:
http://dfat.gov.au/about-us/publications/Pages/australian-ngo-accreditation-guidance-manual.aspx

Accreditation types: NGOs can seek accreditation at either Base or Full level. While the criteria are similar for each level, NGOs applying for Base-level accreditation are required to respond to fewer criteria than those applying for Full accreditation. The amount of ANCP funding available at each level differs according to the level of accreditation. Australian NGOs applying for accreditation for the first time, or ANCP NGOs seeking to upgrade their accreditation status from Base to Full, submit applications online any time during an annual three-month window of 1 September to 1 December. If an accredited Australian NGO wishes to continue to access DFAT funding, and in particular ANCP funding, it must reapply for accreditation every five years. DFAT will alert accredited NGOs up to 12

months before the end of their five-year period of accreditation. Access to funding under the ANCP for newly accredited Australian NGOs, or ANCP NGOs that are eligible to be upgraded from Base to Full-tier funding, is subject to annual budgetary funding availability. NGOs seeking re-accreditation must submit their applications according to pre-agreed deadlines.

- **Base accreditation** is not as comprehensive as Full accreditation. Small organisations or organisations new to accreditation who apply for Base accreditation are not expected to have as comprehensive a capacity, as extensive a track record, or systems that are as robust as those that larger, more established NGOs applying for Full accreditation might have. Organisations applying for Base accreditation must have a minimum Recognised Development Expenditure of $50,000, averaged over three years. Base-accredited NGOs receive a fixed amount of funding as an accreditation factor. The accreditation factor is capped at a maximum amount per organisation per annum.
- **Full-accredited NGOs** must respond to a greater number and more comprehensive criteria than those applying for Base accreditation. Full-accredited NGOs receive a higher fixed amount as an accreditation factor, plus a 'volume factor' proportional to their average Recognised Development Expenditure compared to all Full-accredited NGOs. Organisations applying for Full accreditation must have a minimum Recognised Development Expenditure of $100,000, averaged over three years.

Accreditation process: Following an Australian NGO's submission of an application for accreditation, DFAT contracts a team of external consultants to conduct a desk assessment and organisation review. The process is as follows:

1. All Australian NGOs applying for Base or Full accreditation complete a pro forma application. This is the means by which the NGO presents all documentation relevant to the accreditation criteria and forms the basis for the review team's desk assessment (ANCP Manual, May 2014).
2. The review team conduct a desk assessment of the NGO's operations, systems and capacities. The team leader will provide a report and make a recommendation about whether the NGO has responded satisfactorily to each of the accreditation criteria. If it appears that accreditation status is unlikely to be granted, the NGO will consult with DFAT on whether to proceed to the next stage.
3. An organisation review is undertaken for both Base and Full accreditation. The review provides the opportunity for discussion between the NGO and the review team on any issues raised in the desk assessment and enables NGOs to provide further clarifying material. The review usually involves a two-to-three day visit to the NGO's head office (in Australia). The review team prepares its final report, and the NGO has an opportunity to comment on the report and recommendations before it is presented to the Committee for Development Cooperation (CDC) for endorsement.
4. The application is considered by the CDC. The CDC considers the organisation review report and the NGO's comments, if any, at its next meeting after the organisation review. The CDC will then make a recommendation to the DFAT delegate through the CDC chair.
5. The DFAT delegate makes the final decision to grant or deny accreditation. DFAT will inform the NGO of the delegate's decision as soon as possible after the CDC meeting at which the organisation review report is considered. Following a decision by the DFAT delegate on accreditation, the NGO may write to the delegate stating the grounds for disputing the decision and requesting reconsideration of the decision.
6. An NGO that gains accreditation will be invited to sign a head agreement with DFAT. The NGO will then be eligible to participate in NGO funding opportunities immediately. However, DFAT will only allocate ANCP funding in the next financial year when indicative planning figures for all accredited NGOs participating in the program can be calculated. Indicative planning figures are

subject to the Australian Government's budget appropriation for the ANCP and the formula used to calculate the distribution of available funds each year.

Funding tiers: ANCP funding is provided on an annual basis in July/August of each year. Accredited ANGOs receive funding based on three tiers: Base ($150,000 a year), Full (a minimum of $300,000 a year) or Partner (an allocation based on their three-year rolling average RDE plus access to a pool of funds negotiated through a Memorandum of Understanding). Full-tier NGOs also receive a proportion of the remaining funds after the Base and Partner funds have been allocated. NGOs submit an Annual Development Plan (ADPlan) outlining proposed activities to receive funding for the following financial year.

Annex 11: Alternative funding models comparison

The table below presents the characteristics of alternative NGO funding modalities from a selection of six donor countries and tries to highlight how they compare with ANCP.

NGO funding model comparison

	Danida	Norad	Dutch MFA (MSF II)	Irish Aid	SIDA	DfID (PPA)	DFAT (ANCP)
Key principles of CSO/NGO partnership agreements	Framework agreement and mini-programs/projects	Framework agreement in key thematic areas and project funding	Program funding	Framework agreement Project funding and micro-projects	Umbrella Framework Agreement: Core funding/ program agreements	Program Partnership Agreement Funding allocation based on performance (submission of offer using a set template and assessment process using a scoring mechanism)	Accreditation Funding allocation based on RDE
Length of funding cycles (years)	4	3–5	5	4	3+1	3 (+2 extension possible for some of the eligible NGOs)	(Accreditation is for 5 years / funding for 1)
Number of NGO agencies per donor framework agreement	15 (2014)	29 (2013)	25	16 (2012–2015)	16 (2014)	41 (2011–14)	48 (2014)
Percentage age change in the number of NGO agencies per donor	+250% (2012–2014)	–	+25%	+400% (2011–2014)	+7% (2012–14)	+158% (2008–14)	+9% (2012–2014)
Average annual budget of framework schemes (millions)	AUD$ 154 (2014)	AUD$ 233 (2014)	AUD$ 623 (2014)	AUD$ 92 (2014)	AUD$ 301 (2014)	AUD$ 203 (2014)	AUD$ 130.7 (2014)
ODA (millions)	AUD$ 4,400	AUD$ 5,403 (2013)	AUD$ 8,200	AUD$ 962 (2013)	AUD$ 6,800	AUD$ 21,978	AUD$ 5,700

	Danida	Norad	Dutch MFA (MSF II)	Irish Aid	SIDA	DfID (PPA)	DFAT (ANCP)
	(2012)		(2012)		(2012)	(2013)	(2013)
NGO partnership funds as a percentage of the total ODA (2013–2014)	4.8%	13%	7.6%	11%	3.6%	9.2%	2.3%
Percentage change in the average annual budget of the framework /partnership schemes	+43.6% (2012–2014)	+11% (2012–2014)	-66.5% (2011–2016)	-15.3% (2007–2014)	+13.2% (2012–2014)	+28.3% (2008–2014)	+89.4% (2010–2014)
Average size of partnership grant (millions)	AUD$ 10.3 (2014)	AUD$ 7.8 (2013)	AUD$ 31.2 (2014)	AUD$ 5.7 (2014)	AUD$ 18.8 (2014)	AUD $ 5.0 (2011–14)	AUD$ 2.7 (2014)
Open to other non-national NGOs	No	Yes, priority to international and regional organisations and networks originating in the South	Yes with restriction[41]	No	No	Yes	No
By invitation only	Yes	Yes	No	Yes	Not specified	No	No
Due diligence checks	Yes	Not specified	Yes	Not specified	Yes[42]	Yes[43]	Yes
Intervention logic required	No, but considered when scoring for performance-related funding	No	Yes	Yes	Yes	Yes (Logframe)	No
Performance-related funding	Yes	Not specified	Not specified	Yes	Yes	Yes (competitive selection process)	No

[41] Non-national CSOs can be considered in two consortium contexts: Consortium led by CSOs established in low or lower-middle income countries containing at least one Dutch CSO, or, consortium partners where led by Dutch CSO

[42] Those that meet minimum requirements then need to meet criteria with regards to 'representativeness, independence and well anchored operations', 'systems for the internal management and control', 'capacity & skills to achieve and report relevant results against strategies' and 'capacity & skills in policy and methodological work'

[43] Conducted by KPMG on PPA holder, i.e. will not necessarily check all consortia partners / local partners

	Danida	Norad	Dutch MFA (MSF II)	Irish Aid	SIDA	DfID (PPA)	DFAT (ANCP)
Co-financing required	Yes, 20%	Yes, 10%	Yes, 25% income from non-MFA contributions	Not specified	Yes, 10%[44]	No	Yes, 20%
Funds raised in donor country	Yes, 25%	Yes	Not specified	Not specified	Yes	Not specified	Yes
Restricted from accessing other funding from donor	Not specified	Yes[45]	Not specified	Partially[46]	No	No	No
Funding track record with donor	No	Yes	No[47]	Yes	No	No	No
Track record requirements	Not specified	Presentation of results of the organisation's work during the last 3 years	3–5 cases illustrating experience of lobby and advocacy in past 3 years	Not specified	Minimum of 5 years in developing countries	Not specified	Minimum 2-year track record of managing development activities
Requires engagement with developing country CSOs		Yes	Yes	Yes	Yes[48]	No but scored in proposal assessment	No
Requires strategic fit with donor objectives	Yes, with right to a better life and development policy priorities	Yes	Yes	Yes	Yes, with CSO strategy	No, but scored in proposal assessment	Yes
Requires strategic fit with MDGs	Not specified	Not specified	Not specified	Yes	Not specified	No, but scored in proposal assessment	Not specified

[44] Self-financed part of total costs is to comprise 10% and consist of cash funds raised in Sweden

[45] Norad shall not be provided to organisations that are already receiving substantial support from other donors

[46] NGOs are not permitted to access other Irish aid-funding streams (other than for sudden onset humanitarian emergencies), HPP predictable funding, bid in open tenders or apply for pooled funds where Irish Aid is a donor

[47] Three references must be provided either from MFA, another donor, or partner organisations in low or lower-middle income countries

[48] Must have locally anchored operations in partner countries via agreements with local partners

	Danida	Norad	Dutch MFA (MSF II)	Irish Aid	SIDA	DfID (PPA)	DFAT (ANCP)
Minimum organisational size	Not specified	Norad avoids supporting small-scale activities	Not specified	Yes	Yes[49]	Not specified	Not specified
Geographical restrictions		Must have organisations, operations or board members in or from more than two countries Specifically earmarked for ODA countries whenever the organisations or networks in question also run activities in non-ODA countries	Must work with CSOs in more than three low and lower middle income countries. Specifically earmarked for ODA countries whenever the organisations or networks in question also run activities in non-ODA countries	No, but preference indicated towards sub-Saharan Africa Specifically earmarked for ODA countries whenever the organisations or networks in question also run activities in non-ODA countries	No	No, but scored in proposal assessment. Preference indicated toward fragile states	Yes (Thailand, Latin America, Caribbean etc.)
Thematic focus	None	None	Yes, lobbying and advocacy	None[50]	None	Yes, PPA CHS	Yes
Use of standard indicators	Yes, report expenditure by country and DAC sector	No	Yes	No	Yes	No, but commitment to IATI standard is used as a marker for transparency when scoring in proposals	Yes
Sub-granting permitted	Yes	Not specified	Not specified	Not specified	Yes	Not specified	Yes
Budget limitations	Up to 7% of the total grant can be used to cover administrative costs	Up to 7% of the grant may be used to cover the grant recipient's administrative	Not specified	Up to 6% may contribute to HQ admin costs			Up to 10% can be used for admin and up to 10% for design monitoring

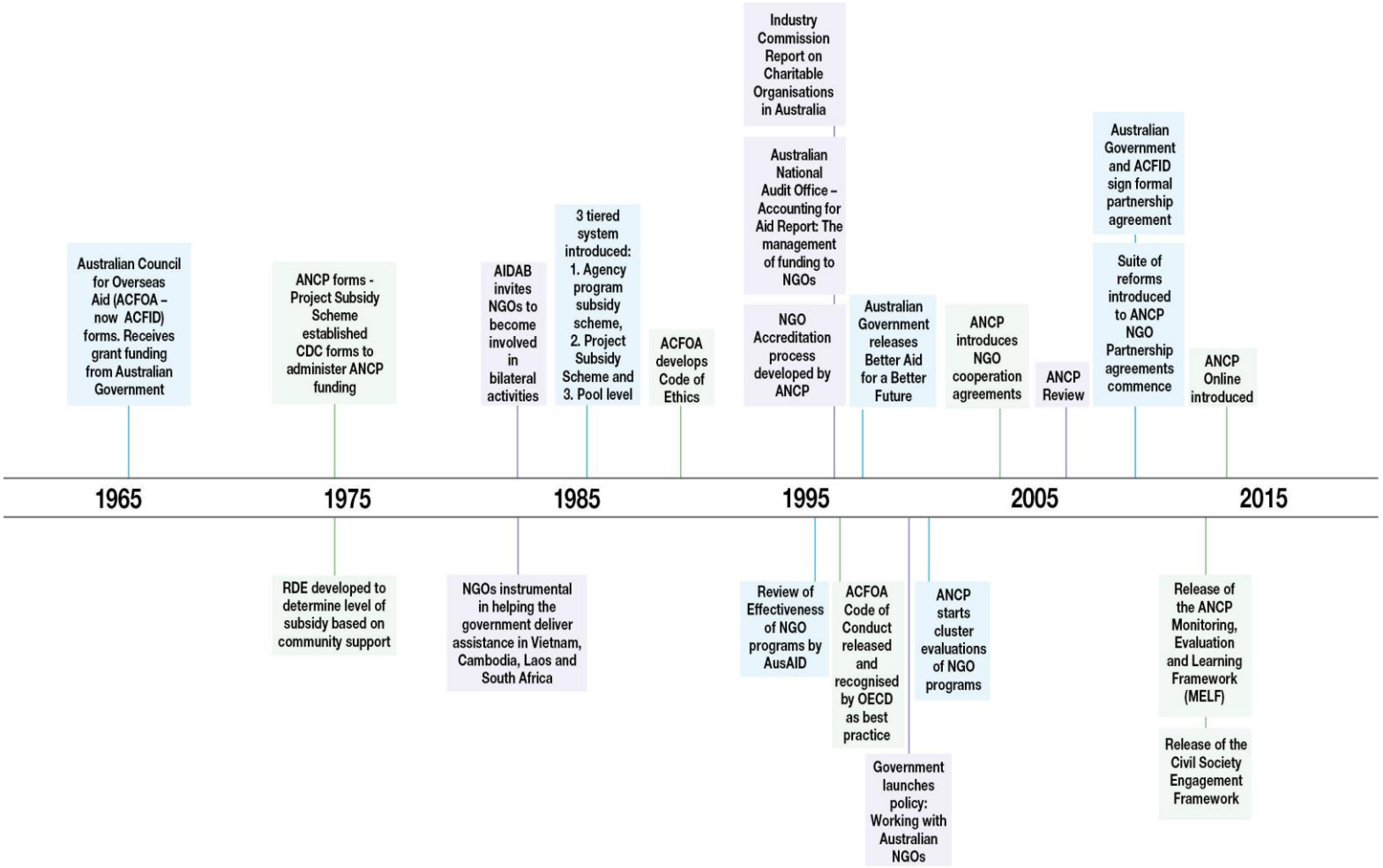
[49] Must have raised at least 5 million kronor during the previous year. For organisations with sub-granting assignments, funds raised by partner organisations can count towards this sum

[50] However, there is a focus on the cross-cutting issues of gender equality, good governance, HIV and AIDS, and environmental sustainability

	Danida	Norad	Dutch MFA (MSF II)	Irish Aid	SIDA	DfID (PPA)	DFAT (ANCP)
		costs (overhead/indirect costs)					and evaluation costs
Stated priority areas for civil society	Yes (thematic)	Yes (thematic)	No	Yes	Yes, partly (geographic, by sector)		Yes (geographic, sector, thematic)
Basis and format of reporting	Results-framework	Results-framework and contract	Results-framework and contract	Results-framework and contract	Results-framework and contract		MELF, annual performance reporting, contract and partnership agreement
Consultations and dialogue with civil society	Yes (regularly)	Yes (as needed, ad hoc)	Yes (regularly and scheduled in advance)	Yes (ad hoc)	Yes (ad hoc)		Yes (regularly and scheduled in advance)

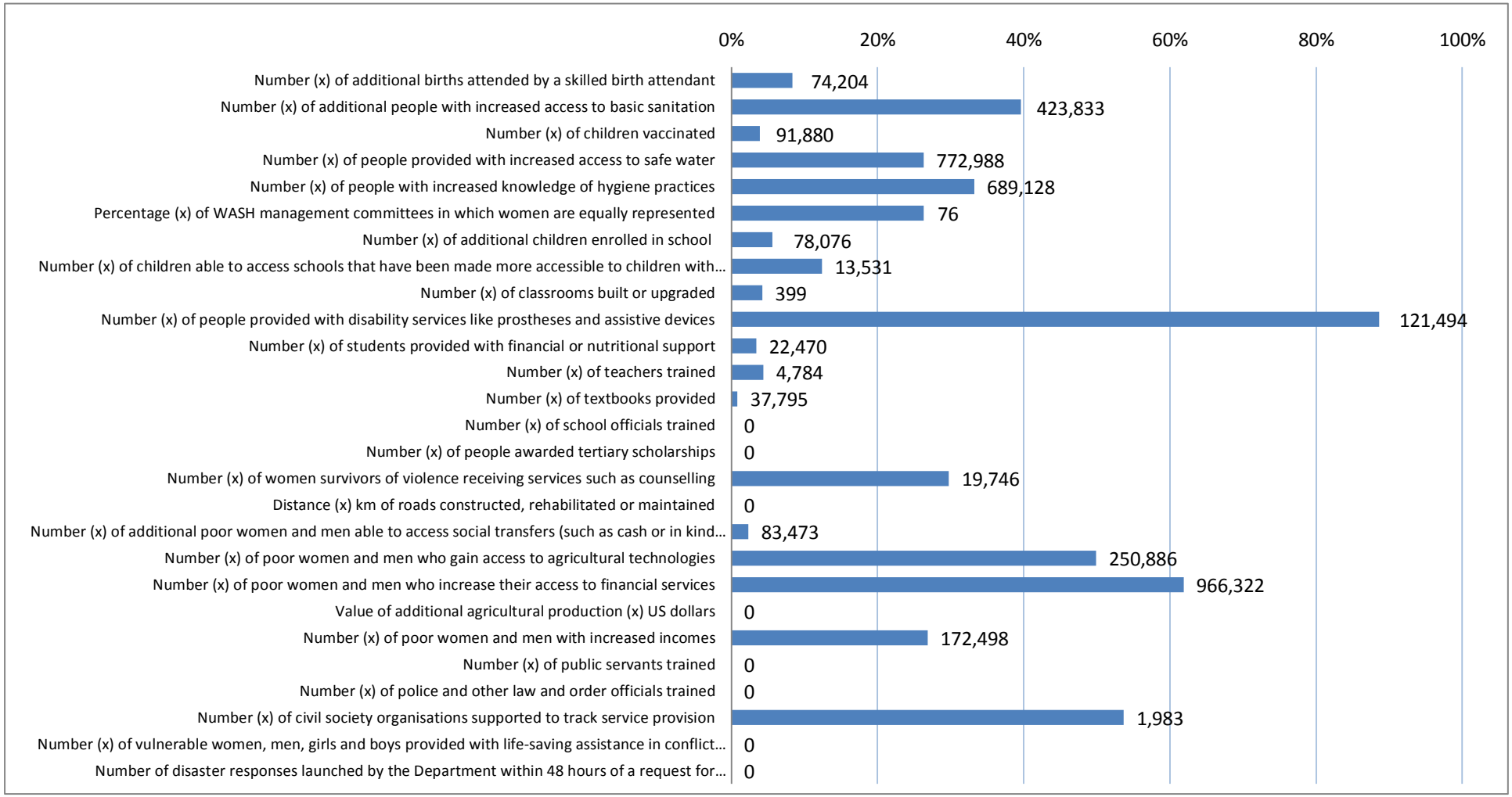
Source: INTRACT 2014; Nijs and Renard, 2009; OECD, 2011

Annex 12: ANCP event timeline



Annex 13: ANCP aggregate development results 2013–14

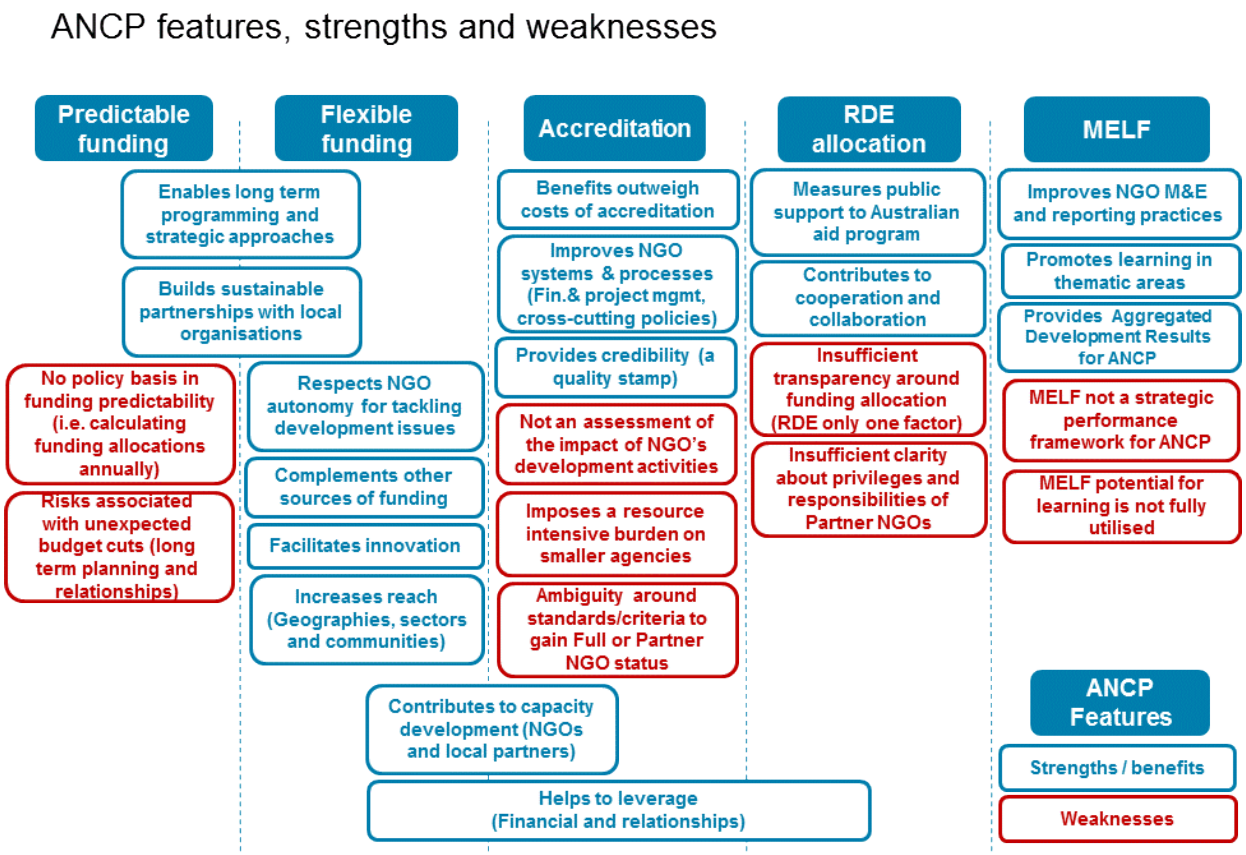
ANCP reported aggregate development results as a percentage of DFAT total reporting 2013–14



Annex 14: ANCP strengths and weaknesses

The evaluation examined the extent to which the ANCP model helps or hinders NGOs and their partners. The figure below summarises the features of the ANCP funding model and captures the strengths and weaknesses associated with each. Further detail on each of the strengths and weaknesses is provided in the narrative that follows.

Strengths and weaknesses of ANCP Model



Annual (predictable) funding (S)

Enables long-term programming: Annual funding (which has been predictable in recent years) serves as a tool for good development practice as it allows NGOs to plan long term and focus on longer term development outcomes including partnerships with their primary beneficiaries. With predictable funding, NGOs are able to plan strategically and maximise their potential impact in a given thematic area and/or geography.

'The certainty in funding has helped us improve quality and coherence of our programming and has enabled greater investment in the areas of design, monitoring, evaluation, learning, quality and effectiveness'
(Partner NGO, Online Survey, 2015)

Helps build sustainable relationships with local partners: NGOs are able to establish long-term partnerships with local NGOs. ANCP's focus on capacity building leads to stronger in-country partners and contributes to a stronger civil society.

Annual (predictable) funding (W)

No policy basis in funding predictability: Precedent and the reality of a growing aid program has led NGOs to come to rely on existing levels of ANCP funding. However, the ANCP is subject to annual budget allocations like all other programs and year-on-year stability cannot be assured.

Issues and risks resulting from budget cuts: Unexpected budget cuts can be disruptive and can affect established relationships built up over time as well as the ability plan long term.

'The current government has made the ANCP funding somewhat less reliable. A fairly reliable and predictable funding like ANCP has become uncertain with continuing budget cuts. As funding becomes less predictable designing longer-term programs becomes more difficult.'
(Full NGO, Online Survey, 2015)

'ANCP has been largely protected from significant cuts to the Australian aid program in the recent years but the future seems very unclear. Aid appears to be increasingly directed toward supporting Australian interests, impacting many of the world's poorest particularly in Africa.
(Base NGO, Online Survey, 2015)

Flexible funding (S)

Respects organisational autonomy: The fact that ANCP does not prescribe where funding should go respects organisational autonomy and allows NGOs to pursue their own strategies for how best to tackle development issues.

Complements other sources of funding: ANCP funds can be used to fill gaps in areas where existing sources of funds can't be used or are limited.

Enables programmatic focus: NGOs are able to be more strategic about their programming and invest in areas such as design, M&E, capacity building and learning. They can focus on partnerships and improve the process of aid delivery.

Facilitates innovation: Eighty-eight per cent of the NGOs reported that ANCP allows them to be more innovative in aid delivery. NGOs cite pilot projects, the development and testing of new models, and replicating and scaling-up as examples of innovation

'Scale in funding from ANCP has also allowed for innovation which has resulted in breakthrough approaches that have increased effectiveness and broadened impact in more than 20 projects. None of this would have occurred without ANCP funding.'
(Full NGO, Online Survey, 2015)

Accreditation (S)

Provides an opportunity for improving organisational systems: Accreditation provides NGOs an incentive to review and make genuine improvements to their systems and processes. For many NGOs, accreditation is not a three-day process but a year-long exercise of examining, refining and making changes to their systems and processes to meet the necessary quality standard. One hundred per cent of Base, Full and Partner NGOs stated that accreditation was a worthwhile process in helping them improve their organisations.

Serves as a quality stamp and a source of genuine credibility: NGOs consider accreditation to set best practice standards. Accreditation leads to professionalisation of the organisation and the sector itself. Seventy-eight per cent of non-ANCP NGOs that responded to the online survey believe that accreditation would boost perceptions about the effectiveness and professionalism of their organisation. There is a general view that accreditation improves the credibility of an NGO in the eyes of the public and private sector as well as partner governments and international donors. There is significant evidence of other areas of DFAT and other donors recognising ANCP accreditation.

Helps with leveraging: Accreditation provides NGOs with leverage for accessing additional funding and establishing relationships with other parts of DFAT, partner governments and other donors (further discussion in Section 4.3). In relation to attracting additional funding, evidence suggests that other areas of DFAT are particularly keen to work with accredited NGOs when dispersing other funding. For example, accreditation is sought as a prerequisite in the tendering process for Australia Africa Community Engagement Scheme (AACES) and only accredited NGOs are funded under the Humanitarian Partnership Agreement (HPA). Moreover, for the majority of the competitive processes, the rigour involved in the accreditation process seems to put accredited NGOs a step ahead in many areas including compliance with the government policy requirements. Having passed the Australian Government benchmark, NGOs also manage to secure additional funds from the private sector, foundations and other donors. ANCP NGOs mentioned accreditation helping their relationships with partner governments and other donors as much as it helps with the DFAT Canberra and post relations.

Serves as a capacity-building tool: ANCP NGOs mentioned that accreditation serves as a capacity-building tool, particularly around cross-cutting themes. It ensures that the organisation consistently complies with government policies. It also prompts ANCP NGOs to ensure that their partners have systems in place for fraud control, child protection and gender and disability inclusion for instance, which translates into good development practice in the field.

Leads to efficiencies: While accreditation is a time- and expense-consuming exercise for NGOs, there was general agreement, particularly among Base and Full ANCP NGOs, that the costs associated with this exercise are lower than the costs associated with applying for numerous grants amounting to a similar level

Accreditation (W)

The accreditation process **imposes a resource-intensive burden on smaller agencies**: Thirty-three per cent of the Base NGOs, 26 per cent of Full and 22 per cent of Partner NGOs responded to the online survey stating that the costs of obtaining accreditation are excessive. Just over half of the Full NGOs consider the bureaucracy surrounding ANCP accreditation to be excessive and that it could be improved. Seven out of the eighteen (40 per cent) of the non-ANCP NGOs that responded to the online survey stated that they find accreditation too costly for the potential benefits. The cost and resource burden of accreditation presents a challenge for small-size non-ANCP NGOs, restricting their access to ANCP and other DFAT funds.

There is **some ambiguity around the standards/criteria needed to gain Full or Partner NGO status**: The criteria for moving from Base to Full or from Full to Partner status are not always transparent to the NGOs. NGOs would like to see clearer descriptions and an articulation of DFAT expectations in place.

Accreditation is **not an assessment of the quality or impact of an NGO's development activities:** Effective processes and systems are treated as a precondition (but not a guarantee) of development effectiveness. NVB modified the Accreditation framework in July 2014 to incorporate effectiveness principles based on consultation with the NGO sector on DFAT's draft Effectiveness Assessment Methodology in May 2013.

'Accreditation is good at answering "did this funding go where it was supposed to and are there appropriate systems in place?" It also assesses whether the systems are in operation. However, it assumes that the operation of these systems perhaps guarantee effectiveness, which I don't think is the case. I think the M&E systems provide more insight into effectiveness than accreditation does.'
(Online Survey, 2015)

Funding basis – RDE (S)

Increases the reach and impact through greater public support for aid: The 20 per cent co-funding requirement helps NGOs demonstrate Australian public support for aid. Increased funds lead to increased reach and impact. This is particularly so when additional funds enable NGOs to expand their work to reach more beneficiaries and/or operate in difficult areas, including places where DFAT might not be able operate.

> '*We can reach approximately 50 extra communities to do projects that support economic development, food security…some of these communities are in more poor and remote regions than we had previously been able to access.*' (Full NGO, Online Survey, 2015)

Helps assure the Australian Government that ANCP NGOs are sustainable: Through matched funding, ANCP NGOs are able to assure the government that the aid program is supporting organisations that are viable and have genuine support from the Australian community.

Helps with NGO autonomy: Co-funding requirement limits excessive dependence on government support.

Basis for funding allocation (S)

Clear basis of funding allocation: ANCP NGOs see RDE as a clear principle on which to make funding-allocation decisions. ANCP NGOs view RDE as the key determinant in funding allocation (after the guaranteed allocation that comes with accreditation) and trust that an RDE formula is applied accordingly.

> '*We do not scrutinise the funding allocation because the RDE principle is clear and we trust that it is applied*' (Interview with Partner NGO)

Increases reach and impact: The majority of the NGOs and DFAT NVB support the fact that RDE contributes to the scale and impact that the Australian Government is getting through ANCP.

Leads to openness, sharing and learning between NGOs: There seems to be a very cooperative environment (characterised by openness and sharing) between NGOs because the funding is not competitive. This is particularly clear among APAC members.

Basis for funding allocation (W)

Contrasting views on the fairness of ANCP fund allocations among the three tiers of ANCP NGOs: While 88 per cent of the Partner NGOs agree that the funding allocation is fair, this rate declines to 33 per cent for Full NGOs and zero per cent for Base NGOs. Feedback from focus group discussions suggests that Full and Base NGOs consider the ANCP funding that goes to Partner NGOs to be somewhat disproportionate – while appreciating that if only the RDE principle (i.e. only RDE and no other factors taken into account) was applied, funding to Partner NGOs (particularly the largest Partner) would actually increase and there would be very little left for other agencies.

Insufficient transparency around ANCP funding allocation: Analysis carried out on ANCP funding over the last three years reveals that RDE does not play as a significant a role in determining allocations as might be commonly perceived. ANCP funding to Base, Full and Partner tiers is broadly proportionate to average RDE. However within each tier, some significant disparities exist. Particularly for Full and Partner NGOs there are a number of organisations whose allocations, relative to other agencies, are less than RDE figures would suggest. For a small number of NGOs these disparities equate to hundreds of thousands or even millions of dollars (see Section 4.3 for more discussion on the analysis of funding allocations).

Scope for more information about the privileges and the expected responsibilities that come with the Partner NGO status: There are benefits associated with being a Partner NGO, not only in terms of funding but also in terms of shared learning and influence on policy dialogue through the APAC group. It is also not clear on what basis the selection of Partner NGOs was initially made or how a Full NGO might go about becoming a Partner.

MELF (S)

The MELF facilitates Aggregate Development Results reporting which is utilised for performance reporting, briefing and communication purposes.

MELF leads to improvements in systems: Approximately 90 per cent of NGOs agreed that the MELF had led to improvements in their M&E systems and 80 per cent of NGOs said that the MELF had improved the way they report on results. The improvements in MELF have been acknowledged by many stakeholders who have used the system to improve their own practices and procedures while working within a common framework (see Section 6.1).

Thematic reviews make a solid contribution to the sector: In focus group discussions, NGOs repeatedly mentioned that thematic reviews have been particularly useful in driving learning and facilitating connections between ANCP NGOs and other parts of DFAT.

MELF (W)

MELF is not an integrated performance framework for supporting strategic improvement: There are criticisms of the MELF in that the focus of annual reporting is on the aggregation and use of headline indicators. Such metrics are considered too reductionist and not context specific. They do not adequately help judge the strength of programs and do not inform lessons learned. Less than 50 per cent of NGOs agree that the MELF effectively facilitates sharing of learning across the Australian NGO community (see Section 6.1).

MELF potential for driving learning is not utilised: From the NGO perspective there is a lack of understanding of how MELF information is used by the Australian Government. Over 50 per cent of NGOs suggested that DFAT should make more use of the information provided but recognise resource constraints may be a limiting factor. Many NGOs recognise that the learning that comes out of the MELF and ANCP can be facilitated better (see Section 6.5).

Annex 15: Evaluation Plan

Link to Evaluation Plan

The Evaluation Plan can be accessed on the ODE website at:

http://dfat.gov.au/aid/how-we-measure-performance/ode/Documents/ode-evaluation-australian-ngo-cooperation-program-2014-15.pdf

Note

It should be noted that the Evaluation Plan contains much of the information presented in the final Evaluation Report (e.g. ANCP background, purpose and objectives of the evaluation) and contained within this accompanying annex document (e.g. Key Issues Paper, methodology, evaluation framework, tools).