



Australian Government
AusAID

COOPERATION AGREEMENT (CA) POLICY

Australian Agency for International Development

Cooperation Agreement Policy

Cooperation Agreements (CAs) are one of AusAID's primary mechanisms for partnering with Australian Non-Government Organisations (NGOs). CAs enable Country/Sector Programs to partner with NGOs to deliver objectives of AusAID's Country/Sector strategy. Through CAs AusAID seeks to maximise collaborative, strategic engagement at both a program and policy level with selected fully accredited NGOs. Accreditation ensures the NGO is a professional, well managed, community based organisation capable of delivering quality development outcomes. There are two kinds of Cooperation Agreements – Cooperation Agreements and Periodic Funding Agreements (PFAs).

A **Cooperation Agreement (CA)** is a partnership between AusAID and one or more Australian NGOs to deliver specific outcomes, through policy engagement and program implementation, for the broader Country/Sector strategy. The partnership aims to build on and maximise the unique strengths of NGOs, particularly in relation to their long term experience, capacity and linkages with partner organisations and communities in specific countries. CAs are the key mechanism to manage the relationship between the NGO community and AusAID's bilateral programs. Each CA is unique to individual Country/Sector requirements but the same principles and process of engagement apply to all.

A **Periodic Funding Agreement (PFA)** is a partnership that has similar policies and practices to a Cooperation Agreement, but can be utilised through a period offer arrangement, or in countries where there is no bilateral relationship.

Cooperation Agreements focus on one or more sectors highlighted under the Country/Sector strategy and seek to engage with Australian NGOs with specific technical or in-country knowledge of the identified sectors or regions. A core aspect of CAs is the focus on a program approach, with activities implemented under the CA supporting the achievement of broader Country/Sector goals. Key to CAs program approach is the emphasis on collaboration, both between the implementing NGOs and AusAID, as well as between the participating NGOs. The structure of CAs' ensures NGOs individual activities under CAs are inter-linked, each individual activity contributing to the broader CA program objectives. NGOs are required to work collaboratively throughout the CA project cycle to facilitate the achievement of the CAs program level objectives, alongside individual NGO activity level objectives, and to share lessons learnt.

Each Country/Sector is responsible for the development of its CA, in consultation with the selected Australian NGOs. This will usually include consultation during the development of the Country/Sector CA concept and the agreement of mutual priorities under the Country/Sector strategy; as well as details of the planning, design and implementation phases; mechanisms for strategic and policy dialogue; timelines and other management issues. Opportunities for innovation, adaptation and collaboration will be outlined within each specific CA as it is developed, and Australian NGOs are encouraged to proactively identify such opportunities.

Implementation of CAs is a dynamic process with inherent flexibility to accommodate changing conditions and mutual learning. The joint AusAID/NGO identification and planning of programs is a central characteristic of CAs.

CAs are implemented over 3-5 years and are contracted under the NGO Head Agreement, linked to detailed Services Orders for each specific CA.

Consortia are encouraged to apply for CAs. The membership of consortia is not limited to fully accredited NGOs and may include universities, private enterprise and international organisations. However, the identified lead organisation must be an Australian NGO with full AusAID Accreditation. AusAID recognises consortia can enhance collaboration, coordination and partnership, support niche or smaller NGOs, and encourage the sharing of information and lessons learned.

CAs use flexible approaches to achieve AusAID's and NGOs' mutual goals of poverty reduction and sustainable development. AusAID engages with Australian NGOs in recognition of the development expertise that NGOs bring to development cooperation and the importance of supporting and promoting the interests of the Australian community. The CA model has been created through extensive consultation with the Australian Council for International Development (ACFID) and the Australian NGO community. The model is based on five fundamental principles of cooperation:

- (i) **Transparent and consistent criteria.**
- (ii) **There is no “one size fits all” approach** - the experience and capacity of Australian NGOs and their international partners vary from country to country as does the political and social context for civil society organisations within each country. The mix of larger and smaller Australian NGOs best placed to contribute toward achieving effective policy and program outcomes will vary according to specific country needs and the country strategy adopted by AusAID.
- (iii) **Based on mutual respect** - AusAID is the government agency responsible for management of the Australian aid program within the Foreign Affairs and Trade portfolio. Australian NGOs are recognised as independent organisations, which act as a significant channel of the interest and direct voluntary support of the Australian community in international aid and development programs.
- (iv) **There is recognition of accountabilities** – Cooperation Agreements recognise the multiple accountabilities of NGOs to Australian donors and supporters, to developing country partners, the communities they work with in Australia and internationally, and to AusAID for AusAID-provided funding. AusAID is accountable to the Australian public through the Parliament for the management and reporting of Australia's Official Development Assistance (ODA). The Australian Government is also

accountable to beneficiaries through its relationship with partner governments

- (v) **Provide for mutual learning and policy dialogue** - AusAID and Australian NGOs are committed to open and ongoing dialogue on development policy and practice. This includes processes for mutual learning to improve the effectiveness and sustainable impact of policy and program interventions for activities funded by AusAID, and through the experience of NGOs in other programs supported with funds from the Australian community or from other international sources.

If you would like further information regarding Cooperation Agreements please contact the Community and Business Partnerships section (CBP) on (02) 6206 4000.