



Australian Government

AusAID

AusAID / NGO Committee for Development Cooperation

A Joint Committee of the Australian Agency for International Development and Australian Non Government Organisations

Notes from the CDC - Newsletter No 55

This Newsletter reports on the highlights of the 104th CDC meeting held on 9 October 2003.

Attendance:

NGO Representatives

Wendy Rose
John Deane
Margaret Winn
Jo Thomson
Sheldon Rankin

AusAID Representatives

Cilla Ballard
Melinda Johnston
Peter Ellis
Laury McCulloch

Observers

Rhonda Chapman, ACFOA
Trish McEwan, ACFOA
Rosemary Cassidy, AusAID
David Gower, AusAID

Apologies

Alan March
Alison Sudrajat
David Syme
Judith Robinson

Chair

Ian Millar/
Cilla Ballard

Secretary

Dianne Matters, AusAID

Welcome and Introductory Remarks

Ian Millar, Acting ADG/HMC, and Chair, welcomed members to the meeting.

Cilla Ballard, Acting Director of CPS, introduced Rosemary Cassidy, the new EL1 in the Volunteer section of CPS. Priorities of the meeting concern significant issues around the role of the CDC and a greater engagement at a policy level between CPS and the NGO sector. CPS and ACFOA will be commencing contract negotiations in the near future on ACFOA's new contract with AusAID.

POLICY AND STRATEGIC ISSUES

CDC

The current and future CDC meetings will have an increased focus on policy and strategic issues and streamlining of administrative and routine matters.

CDC-NGO members considered that the implications of the new strategic direction of AusAID and proposed changes to accreditation administration, required wide consultation with the NGO community on the future role of the CDC. A Sub-committee with representation from CDC, ACFOA, and AusAID, is to be established to review the role of the CDC and report back to CDC 105 in March 2004. CDC-NGO members will consult with the NGO sector as part of the review.

Proposed changes to accreditation administration

The mid-term review of accreditation, scheduled for early 2004, and the review of the role of the CDC, will elucidate the benefits or concerns relating to the current and proposed changes to accreditation administration. For an **interim** period of 12 months, however, agreement has been reached on the following changes to accreditation:

- AusAID-appointed consultants will replace AusAID reviewers on accreditation reviews, although AusAID may participate as observers on some reviews.
- CDC-NGO members self-select the reviews they will undertake in the 12-month schedule for 2004.
- A Team leader identified for each review will have responsibility for coordination, management and liaison tasks, including contacting agencies and confirming dates for each stage of the review.

Mid-term review of accreditation

A CDC sub-committee will develop the TORs and assist in managing the review process and outcomes. Peter Ellis, Director Evaluations, AusAID and a CDC-NGO nominee will undertake the review in the first half of 2004.

The following objectives for the Review were agreed:

- Review the relevance, efficiency and effectiveness of accreditation and make recommendations for both its improvement and to streamline and simplify the process
- To assess how best to incorporate considerations of development impact into AusAID's relations with NGOs.

However, no fundamental changes to accreditation will take place until the end of 2006, when the current round of accreditations is completed. The need to effectively consult with the NGO community was acknowledged.

Base Funding

Following discussion regarding the extent to which Base accredited NGOs have to go to access AusAID funding, the recommendation was put to the delegate and approved, that ***Base agencies receive 3-1 funding***. This will not affect the \$100,000 per year upper limit to which base accredited agencies have access but will reduce the Base agencies' required match. This will apply to activities approved from 2004/05

Revision of the Base Panel Process

With a view to simplifying the process for Base Agencies and AusAID, the base project proposal format and assessment criteria for base proposals, will be reviewed by a consultant engaged by CPS, and submitted out of session to CDC for comment. There will continue to be two selection rounds each year and a two-person panel consisting of a CDC-NGO member and an AusAID nominated consultant will consider proposals.

ANCP MANAGEMENT

Proposals

Base proposals and reporting have been generally of a satisfactory standard, but some agencies are still having difficulties with environmental markers. CDC reiterated that the Panel feedback is final and any requests for further feedback will be refused.

Although the quality of 2003/04 ADPlans was better than last year, many agencies still don't identify the specific location of their projects within each country.

Advocacy

Where a development project/program has an advocacy component, CPS will agree to that component if it is considered 'not contrary to the interests of Australia' in accordance with ANCP Guidelines.

Statistics

In addition to compiling statistics on 2002/03 ANCP funding for the AusAID web site, CPS plans to compile an historical list of currently accredited NGOs, which shows total funding and countries of ANCP operation.

RDE

RDE workshops have been prepared and will take place after the MIFs, in Sydney on Tuesday 2 December and in Melbourne on Wednesday, 3 December. The workshops will take approximately 2 hours with another hour for questions.

From July 2004, NGOs will incur penalties for incorrect RDE calculations. These are:

Underestimation by NGOs of their RDE will incur loss of the underestimated amount.

Overestimation of RDE will result in the following year's IPF being reduced by the overestimated subsidy amount plus 10% of that amount.

Late submissions of RDE sheets, received later than 1 April, will not be accepted. NGOs which submit a late RDE sheet will not receive an RDE figure for the coming financial year. The RDE average will be taken from the previous two financial years but divided by three. **(Please note that this will affect the agency's IPF for 3 years, as IPF is calculated on the average of 3 years' RDE).**

Information regarding these penalties will be circulated at MIFs, RDE Workshops and in the ACFOA newsletter.

Draw Down Requirement for Base Agencies

Following a CDC recommendation, the delegate has approved an amendment to the draw down requirement, which now states:

"Base accredited agencies are required to have one proposal approved within a two-year period to maintain accreditation. If an agency fails to meet this requirement, the agency is advised that the

matter will be referred to the CDC. The agency has the right to write to the CDC explaining the reasons for its failure to draw down. The CDC will consider the matter and recommend a decision to the delegate.”

ACCREDITATION REVIEW REPORTS

Credit Union Fund of Australia (CUFA), The Leprosy Mission (TLM) and Family Planning Australia (FPA) were reaccredited at the Full level.

Marie Stopes International Australia (MSIA) was accredited at Base level.

The accreditation review of Australian Conservation Foundation (ACF) will proceed to Organisation Review in Australia (ORA).

Update on Cooperation Agreements

CDC-NGO members and ACFOA commended AusAID on the production of this report and requested that they receive an update before ACFOA MIFs.

AusAID Logo

From October 2003 all government departments will bear the Commonwealth of Australia Coat of Arms. The AusAID Logo has been removed from all AusAID property, correspondence, promotional material, etc.

The AusAID Logo should not be used by NGOs and the Coat of Arms should be used where NGOs would normally place the AusAID Logo. Gift of Australia stickers may still be used.

Acquitting NGO payments

CPS announced that Base agencies with multi year projects and NGOs receiving funds through cooperation agreements now only require 75% (as opposed to 100%) of the previous year's funding tranche to be acquitted, before receipt of the next tranche. For single year projects and program, the current rule of providing 100% acquittal within three months of the agreed project completion date remains.