



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

### Highlights of the 110th CDC meeting held on 13th October 2005

Attendance:

#### NGO Representatives

Ms Wendy Rose  
Ms Karen Hill  
Mr Jamie Isbister  
Ms Margaret Winn  
Rev John Deane

#### AusAID Representatives

Mr Dereck Rookan-Smith  
Ms Sue Connell  
**Chair**  
Ms Ellen Shipley

#### CPS Representatives

Ms Jessica Hoverman  
Mr Conrad Bulenda  
Ms Rhonda Bobbin  
Ms Lisa Staruszkiewicz

#### Observers

Ms Trish McEwan, ACFID  
Ms Cecily Dignan, ACFID

#### Apologies

Mr David Syme

### Welcome and Introductory Remarks

Ms Ellen Shipley, Chair of the meeting welcomed members to CDC 110.

### ITEM 1 CDC 109 MEETING

#### 1.1 Minutes of 109 Meeting

##### Information Item:

Minutes of the meeting held at AusAID on 9 June 2005 as circulated and approved were accepted. Any outstanding issues have been incorporated into the current agenda.

### ITEM 2 POLICY AND STRATEGIC ISSUES

#### 2.1 AusAID issues and priorities

**Information and discussion items:** Mr Dereck Rookan-Smith provided an update on AusAID issues and priorities.

##### Aid White Paper

The six preliminary analytical papers had been released and were available on the AusAID internet site. There were numerous themes emerging including:

- pandemics, especially the current focus on avian influenza;
- clean energy, as reflected by the Prime Minister's recent statement;

- encouraging leadership in the region, as shown by the 600 scholarships to Indonesia and the Prime Minister's announcement of 500 extra scholarships to Pakistan. This reflected an interest in greater linkages between Australia and the region through a range of methods. Ms Shipley noted the focus on political governance, both supply-side and demand-side (engagement with civil society);
- the Prime Minister's New York announcement of a doubling in aid by 2010. This was an important development as it was the first multi-year commitment to the aid program and a clear sign that the government was committed to the aid program. It allowed AusAID to develop long term planning rather than rely on annual appropriations.
- the importance of broad based growth to poverty reduction and the cross referencing of all other issues to growth. Ms Shipley noted that there was strong support from the public for poverty alleviation but less understanding of the linkages between growth and poverty and this was an issue AusAID would have to deal with.

Ms Shipley gave an overview of the current White Paper process. The Core Group was bringing together all the discussion papers and drafting the final report with a view to presenting it to the Minister in mid-December.

There would be a workshop on the 19<sup>th</sup> of October where NGOs would have an opportunity to provide feedback on the White Paper to senior AusAID management and members of the Core Group.

*Key issues in the Community Engagement paper.*

The core theme of the paper was that if the aid program wanted to broaden its community engagement it will have to better target elements of the community and make decisions about the type and quality of the engagement it wanted.

In summary:

- there needs to be a clearer link made between community expectations and the Australian government's aid approaches being taken;
- the aid program was perceived to be a closed shop by some players in the community and expectations of community groups regarding their interaction with the aid program need to be managed;
- there was an opportunity to differentiate between professional development NGOs and community groups;
- the importance of the ANCP was reaffirmed;
- AusAID could get more out of the relationship with contractors;
- AusAID needs to think of better ways to engage with the media;
- the corporate sector was not that interested in engaging with AusAID at the moment however there were ways of building links here such as demonstrated by NGO/corporate partnerships;
- there is a lot of potential in selectively utilising further universities/think tanks/educational institutions and there should be more open forums, conferences and workshops to build on knowledge management;
- State and local governments have expertise in service delivery, for example health, education and waste that could be utilised;
- the idea of a development brokerage service was mooted.

Overall, there needed to be a Community Engagement strategy developed by AusAID to allow a more structured approach to the subject.

There was a brief discussion about the untying of aid. Ms Shipley noted that most contracts went to several larger players and that the financial requirements and size of activities worked against new players to the market. One way to approach this issue was to open the program to international competition. Mr Rooker-Smith noted that there was wider debate about untying going on and from January this year aid had been untied to Least Developed Countries.

Mr Isbister noted that untying may affect the work in strengthening Australian community linkages with the aid program as well as the Australia identity of the program. Ms Shipley remarked that untying was not covered too broadly in the Community Engagement paper as the focus was on “engagement” of the Australian community.

Ms Shipley stated that the relationship with professional development NGOs was still central because of the importance of quality outcomes. A future challenge would be the way AusAID engaged with community based organisations that had broad community support but not the same demonstrated capacity to deliver long term development programs.

A new system of engagement was needed with these groups that was not based on long term relationships supported by the accreditation process. One idea was to fund individual 3-5 year programs, perhaps through open competition with different checks and balances than those used currently. Ms Rose believed that it was possible to have basic levels of accountability without the full accreditation process.

Mr Isbister noted that the town hall meetings were seen as very useful and interesting. NGOs had learned a lot from the tsunami experience and constituents were saying that they wanted to see evidence of collaboration between Australian NGOs, especially in the context of disasters. The joint reporting and press conferences were useful in this regard. There currently was also ongoing collaboration in development work, such as NGO peer reviews, and this trend will continue.

### **Cooperation Agreements (CAs)**

Ms Ellen Shipley provided an update on the CA process and schedule. CDC members were referred to the document provided, containing the schedule of current and future CAs.

Important developments include:

Laos – the CA guidelines had been approved and the request for capacity statement would be put forward by the end of October.

Palestinian Territories – the 3 ANGOs participated in an AMENCA Peer Review on 23 September in Canberra, resulting in a revision of the PDDs. The Implementation Phase Contracts were due to be signed soon.

Burma – discussions will occur with NGOs in Oct/Nov 2005 to confirm areas of focus for CAs.

Vietnam – all designs have completed the GoA appraisal process. Two projects have commenced implementation. The remaining four expect to achieve GoV approval shortly with implementation commencing shortly thereafter.

**Action item:** AusAID agreed to investigate whether a CA was being considered for Sri Lanka.

## **Role of CDC**

Ms Shipley presented a paper outlining a framework for NGO engagement and the future of the CDC. There was vigorous discussion around the main issues of the paper.

Overall, the recommendation was for the CDC to be revamped and considerably streamlined. In future, CDC would primarily be a review panel for accreditation, with its key function in making accreditation recommendations to the delegate. Although the proposal was to rationalise the CDC, AusAID nevertheless reaffirmed its commitment to joint AusAID/NGO standards and to continuous improvement of accreditation and ANCP policies.

Ms Rose began by acknowledging that the AusAID-NGO relationship needed to change as AusAID and the aid program were changing. The new relationship may not be as intense as it previously was but AusAID needed to decide how much time would be given to it. She stated there was a need to keep ongoing dialogue as it benefited both parties and most of the functions of the CDC as outlined in the original terms of reference were still valid.

Ms McEwan noted that the ACFID Council reaffirmed the role of the CDC and did not want to downscale the linkages between the NGO community and AusAID.

Rev Deane observed that the NGOs view of the CDC presented during the MIFs was positive and that they appreciated what the CDC had done for the NGO sector. He also proposed that the number of NGO members on the proposed CDC be raised from 2 to 3 to better reflect NGO diversity.

Mr Isbister noted that the CDC was valued as it provided a mechanism for dialogue and a forum for discussions on the ANCP and accreditation. He suggested that a downgrading of this relationship could lead to more direct approaches by NGOs to AusAID as the CDC currently acts as a gateway. He added that there could be a problem finding members to nominate for a new CDC if the CDC work was narrowed to only consideration of accreditation reviews.

Ms Winn asked that if the new CDC's role was just to manage accreditation then where would the critical role of oversight of ANCP occur? Ms Shipley replied that the new CDC would become one of three players that would be looking at ANCP, including a greater role for ACFID. She noted that historically the CDC was expanded because of the increased role of CDC members in accreditation however with the move to professional reviewers this requirement had decreased. Currently there was also a duplication in consultative processes with the CDC, Member Information Sessions (MIFs) and separate meetings for topics such as particular themes and CAs.

Ms Dignan noted that members were keen to retain the CDC however ACFID was worried about the potential shifting of workload to ACFID following a downgrading of the CDC. ACFID generally supported streamlining of the CDC but not towards too minimalistic a model.

Rev Deane stated that the CDC would look at the role of the MIFs and their reactive relationship with the CDC with a view to making them more proactive.

In summary there was broad acceptance of the need to streamline the CDC but the open question was to what degree and exactly what the CDC would have oversight of.

Ms Shipley raised the question of having ACFID as a member of the CDC but this was not supported by the NGO members.

**Decision item:** AusAID will consider a modification of the approach outlined in the paper and present it to the Executive on 18 November for their consideration. The outcome will be communicated to the CDC.

**Action items:**

- CDC to articulate the feeling of the NGO community by providing a short statement showing their views on CDC.
- ACFID to provide to AusAID a copy of the Council resolution on the CDC.

## 2.2 NGO priorities

**Information item:** Ms Trish McEwan provided an update on the recent Member Information Sessions (MIFs) on behalf of ACFID and its members.

Issues raised at the MIFs included:

- Positive feedback on the Cluster Evaluation and NGOs were keen to engage
- NGOs asked that CPS promote NGO visits to Posts as CPS had previously requested that NGOs keep the Posts apprised of their field visits. CPS undertook to provide Posts with a list of projects at the end of the ANCP process.
- The need for AusAID to clarify the issue of India and their attitude to bilateral aid and the implications this will have for ANCP/OAGDS.
- The future of over-programming. [Discussed at 4.1, below]

Mr Isbister noted that the Humanitarian Forum which occurred the previous week was a positive experience for attendees and it had raised key questions NGOs needed to address. Mr Isbister asked about the status of the HES CA. The HES CA was currently under review. CPS indicated it would flag with HES the NGO's interest in the topic.

Mr Isbister also raised the matter of avian influenza and its effect on NGO programs. Ms Shipley noted that while each agency is responsible for their own staff there was broad collaboration between all parties on these issues. Ms Hoverman mentioned that ACFID (in consultation with AusAID) would be organising a seminar on avian influenza.

Ms Rose discussed issues around the Child Protection policy and the way it was assessed in accreditations. Police checks were not the only, or most important, way to ensure risks were minimised. The culture, mechanisms and processes of organisations were also important and accreditation reviewers should try to tease this out. Ms Rose tabled a document outlining possible verifiers for reviewers to consider.

**Action Items:**

- AusAID will clarify the issue regarding India and ODA and inform ACFID.
- Ms Rose will provide a copy of her Child Protection issues to CPS.

## 2.3 Performance information

**Information item:** Ms Hoverman gave a brief summary of progress in the Cambodia Cluster Evaluation. The evaluation report had reached a first draft and had recently been through a Peer Review. While AusAID was generally comfortable with the findings of the evaluation the Peer Review noted some shortcomings in the report and a reworking was necessary. The most significant issues were related to providing evidence for the findings and justifying the conclusions.

The methodology of the evaluation was seen as useful however as three frameworks were used it was too complex and cumbersome. For the process to be used as a template for future Cluster Evaluations there needed to be a simplification and streamlining of the method.

## ITEM 3 ACCREDITATION

### 3.1 Accreditation Review Reports: WYI

**Decision item:** CDC discussed the report and made the following recommendation:

**CDC supported report recommendation for non accreditation of WYI.**

## ITEM 4 ANCP

### 4.1 Future treatment of over-programming

Ms Shipley outlined the new method for dealing with over-programming. The move by Base agencies to using ADPlans meant that the amount of funds available to be distributed as over-programming was decreasing. The system was also resource intensive for AusAID and NGOs for the often small amounts of money involved.

The new method would depend on the amount and timing of any funds available for over-programming. The four future options would be:

1. if there was a large amount of funds available early in the financial year then traditional over-programming could be considered;
2. the money could be used to fund newly accredited agencies that year;
3. there could be a competitive round for a specific project/topic; or
4. CPS would direct small amounts of money to ANCP related activities such as metaevaluations.

The CDC agreed to this approach on the provision that funds would not be spent outside the ANCP allocation.

Ms McEwan noted that during the MIFs the NGOs said they wanted over-programming to continue in the current format.

**Action Item:** AusAID would put a policy paper on the AusAID website outlining the new strategy for over-programming.

## **4.2 Tsunami funds and Recognised Development Expenditure (RDE)**

There were extensive discussions regarding the treatment of tsunami funds in RDE calculations. The issue was raised of excluding all humanitarian and emergency money from RDE calculations as it was meant to be “development” expenditure.

Ms Shipley noted that there are two ways to look at tsunami funds. They were either a reflection of the community’s support for a particular NGO or they were for emergency relief and not for development.

Ms Bobbin distributed detailed calculations modelling the effect of including or excluding tsunami funds. Given several assumptions, if funds were included then ARC and CARE would have large increases in IPFs for outyears. Although WVA raised a large amount of money for tsunami relief their IPF is capped so they would not receive extra funding under ANCP.

Ms Shipley noted that including tsunami funds would lead to larger peaks and troughs for NGO’s IPFs than would otherwise be the case and this would have implications for planning. Rev Deane noted that if tsunami funds were included NGOs which had raised large amounts of money would also then receive more funding under ANCP.

***Decision item:*** Tsunami funds will not be included in RDE calculations

***Action items:***

- AusAID will provide advice of the decision on the AusAID Internet site.
- AusAID will modify the RDE calculation sheet and draft advice to auditors informing them of the decision.
- AusAID to consider as part of a larger ANCP review whether to exclude all humanitarian and emergency money from RDE calculations.

## **ITEM 5 OTHER BUSINESS**

There was no other business.

## **ITEM 6 NEXT MEETING**

The timing of the next meeting will be decided following Executive consideration of the revised “Future of the CDC” paper. This would most likely occur before the end of the year.