

PARTNERSHIP MEMORANDUM OF UNDERSTANDING

Between the Department of Foreign Affairs and Trade (DFAT) and the
Australian Council for International Development (ACFID)

November 2019

1. Background

- 1.1 This Partnership Memorandum of Understanding (MoU) builds on over fifty years of engagement between the Department of Foreign Affairs and Trade (DFAT) and the Australian Council for International Development (ACFID) (each a Partner, collectively the Partners). This has included funding since the 1970s and a formal partnership since 2009. This Partnership seeks to deepen and strengthen engagement.
- 1.2 DFAT funding to ACFID occurs through a separate grant agreement, operating under the principles of this MoU, to undertake work on mutually determined focus areas and activities set out in an annually reviewed and accepted workplan.
- 1.3 DFAT manages Australia's international development program. The Australian Government's development policy is outlined in *Australian aid: promoting prosperity, reducing poverty, enhancing stability*, with the accompanying performance framework *Making Performance Count: enhancing the accountability and effectiveness of Australian aid*. The purpose of Australia's development cooperation program is to promote Australia's national interests by contributing to sustainable economic growth and poverty reduction. DFAT works with non-government organisations (NGOs) every day. *DFAT and NGOs: Effective Development Partners*, outlines the Australian Government's approach to working with NGOs to support the Government's development activities.
- 1.4 NGOs, as civil society actors, can be powerful agents for change, and the emergence of an informed, engaged and effective civil society is an important development outcome in its own right. It enables communities to play an active role in the development process – from helping shape policy and partnerships to ensuring that programs are inclusive, relevant and effective for the community.
- 1.5 ACFID is the peak body for around 120 member Australian NGOs and 24 affiliates¹ working in international development and humanitarian action. DFAT's partnership with ACFID is a key mechanism for pursuing DFAT's objective of working with NGOs to achieve the goals of the Australian aid program. ACFID's members range between large Australian multi-sectoral organisations that are linked to international federations of NGOs, to agencies with specialised thematic expertise, and smaller community-based groups, with a mix of secular and faith-based organisations. In 2017, the total revenue

¹ Figures correct as at July 2019

raised by ACFID's membership from all sources amounts to \$1.6 billion, \$889 million of which was raised from over 1.6 million Australians. ACFID operates a secretariat in Canberra, which leads, supports, coordinates and communicates with members and mobilises members in pursuance of ACFID's Strategic Plan.

1.6 ACFID members are all signatories to the Code of Conduct, a voluntary, self-regulatory sector code of good practice that aims to improve international development and humanitarian action outcomes and increase stakeholder trust by enhancing the transparency, accountability and effectiveness of signatory organisations. The Code covers 9 Quality Principles, which translate into 33 Commitments and 91 compliance indicators, setting standards for program effectiveness, fundraising, governance and financial reporting. Compliance includes a triennial self-assessment, exceptions reporting, and annual financial reporting provided to the Code Secretariat within ACFID. The Code has an independent complaint handling process.

2. Purpose of this document

2.1 This MoU will guide collaboration between DFAT and ACFID from signing through to November 2024. It expresses the enduring shared interests that are the foundation of the Partnership, and the objectives the Partnership seeks to achieve.

3. Rationale

3.1 Multi-stakeholder partnerships are vital for tackling international development challenges. The 2030 Agenda for Sustainable Development emphasises that the knowledge, expertise and finance of all development actors must be harnessed to address complex development challenges.

3.2 This Partnership between DFAT and ACFID expresses a commitment to bring together the capabilities of government and Australian NGOs to enhance effectiveness and impact in their international development activities.

3.3 The Partnership reflects the shared interest of both Partners in constructive, transparent and independent dialogue between Government and the sector: understanding and influencing each other's strategy and direction setting to improve development cooperation effectiveness and performance; fostering an effective and accountable Australian NGO sector; and informing and engaging with the Australian public around Australia's development efforts.

4. Objectives of the Partnership

4.1 The purpose of this Partnership is to support collaboration between DFAT and ACFID that assists DFAT, ACFID, and the Australian NGO development sector to contribute to inclusive and sustainable economic development, poverty reduction, gender equality and empowerment of women and girls, and human rights for all. This Partnership also advances Australia's commitment to government, business, civil society and academia

working together to advance the SDGs and their corresponding targets in the Australian context.

4.2 Both DFAT and ACFID benefit from a relationship based on mutual trust and respect that provides a foundation for open and honest communication, and for collaboration to deliver mutual benefits.

4.3 In addition to the shared Partnership interests identified above, DFAT and ACFID are pursuing objectives specific to each agency through the Partnership as below:

a) DFAT objectives:

To make Australia stronger, safer and more prosperous by promoting and protecting Australia's interests internationally and contributing to global stability and economic growth, specifically in the Indo-Pacific region. DFAT manages Australia's development cooperation program to promote Australia's national interests by contributing to sustainable economic growth and poverty reduction. To achieve the goals of the Australian aid program, DFAT works with local, international and Australian partners, including NGOs and civil society organisations, that support the Government's development cooperation activities.

b) ACFID objectives:

To realise ACFID's vision of a just, equitable and sustainable world through the collective efforts of civil society actors, governments, businesses and people concerned for our common humanity, and the work of the Australian Development Cooperation Program within that. ACFID's particular focuses are on building a strong and effective civil society, and leading and uniting our members in action for: a world where all people are free from extreme poverty, injustice and inequality; a world where the earth's finite resources are managed sustainably; and a compassionate Australia.

4.4 The Partnership will support collaboration on the following objectives:

- a) Enhanced policy and practice dialogue between DFAT and the Australian NGO development sector through ACFID, facilitating exchange of knowledge and ideas to increase development effectiveness; and
- b) Increased capability, effectiveness and accountability of the Australian NGO development sector, through standard setting and organisational development.

Collaboration on these objectives may focus on several thematic areas over the life of the Partnership. Thematic areas include but are not limited to:

- a) The 2030 Agenda for Sustainable Development, including the Addis Ababa Action Agenda;
- b) Gender equality and empowerment of women and girls;

- c) Humanitarian response and policy;
- d) Disaster Risk Reduction (DRR);
- e) NGO performance and effectiveness;
- f) Dialogue on development cooperation, policy performance and effectiveness;
- g) Engaging in the Pacific region;
- h) Climate Change;
- i) Other issues of significance to the Australian Development Cooperation Program as may emerge.

4.5 The Partners are also committed to dialogue on each other's approaches to communicating the development cooperation program, and its impacts and benefits to the Australian public, including sharing successes, lessons learnt and effective sector practice. Opportunities for cooperation may be explored.

5. Guiding Principles

5.1 The Partnership will be guided by the following principles:

- a) Respect for the accountabilities of DFAT as a government agency, and ACFID as an independent civil society actor accountable to its members and Board;
- b) A shared commitment to open communication at all levels and to professional relationships characterised by respect, trust and goodwill;
- c) A focus on engagement at a strategic level, on the strategic relationship between DFAT and the Australian NGO sector, and on strategic issues across the development cooperation program;
- d) An emphasis on pursuing collaboration opportunities and on achieving outcomes that are more beneficial than either DFAT or ACFID could achieve working alone;
- e) A shared commitment to sharing ideas and lessons learnt to strengthen the capability and impact of both Partners and of the Australian NGO sector;
- f) A shared commitment to transparency and to accountability for the Partnership delivering clear results;
- g) A shared recognition of the importance of building a culture that fosters long-term innovation and adopting processes to drive innovative engagement in development issues;
- h) A shared commitment to the pursuit of a strong and effective civil society, both in Australia and in developing countries, including regular engagement with civil

society actors and the private sector, supporting their work to overcome poverty and injustice;

- i) A shared commitment to promote the visibility of the Partnership, its work and its achievements to respective constituencies.

6. Contributions

6.1 DFAT brings:

- a) understanding of Australian Government development policy and processes, and access to policy makers;
- b) understanding of development issues in the context of Australia's foreign policy objectives, and of global development policy frameworks;
- c) knowledge of developing countries and development issues in the Indo-Pacific region;
- d) development expertise, including in sectoral areas, geographic locations, and program and performance management and accountability frameworks;
- e) well established networks and relationships with a broad range of development actors including partner governments, other donor governments, the private sector, multilateral organisations, managing contractors, and Australian and in-country civil society;
- f) funding to support the Australian NGO sector to deliver outcomes of value to DFAT and the Australian NGO sector against this Partnership's objectives and priority areas.

6.2 ACFID brings:

- a) deep understanding of the Australian development sector, Australian NGO's and civil society and advice on an enabling environment to leverage the value the sector can bring to Australia's development efforts;
- b) convening power and the ability to consolidate sector views, supporting efficient and effective policy and practice dialogue between Australian development NGOs and DFAT;
- c) a robust [Code of Conduct](#) and associated compliance and public complaints mechanisms, including the training and resources produced in conjunction with the Code and compliance with the Code, recognised by Government regulatory authorities ([The Australian Charities and Not for Profit Commission, AUSTRAC](#)) as best practice in NGO self-regulation, driving member accountability and effectiveness and creating an enabling regulatory, policy and funding environment

for civil society in general and for Australian development and humanitarian NGOs in particular;

- d) access to Australian NGO and academic development expertise, including through ACFID communities of practice, the [ACFID Development Practice Committee](#), the NGO representatives of the DFAT Committee for Development Cooperation, the Humanitarian Reference Group, and partnership with the [Research for Development Impact Network](#);
- e) effective communication capability, supporting timely and efficient communication with ACFID members (and their supporter base of 1.5 million Australians) and wider civil society organisation networks;
- f) a parliamentary presence that is multi-partisan, recognised, mature and active;
- g) member funding and in-kind support to deliver concrete outcomes of value to DFAT and the Australian NGO sector against this Partnership's objectives; and leveraged philanthropic, private sector and civil society funds contributing towards development cooperation policy and delivery.

7. Governance

7.1 Ways of Working

- a) Partners practice regular communication and flexible and adaptive planning processes to take advantage of new opportunities for collaboration as they arise; consider the implications of changes in Partners' organisational priorities; and identify and manage risks.
- b) The strategic relationship between partners is open and mature and facilitates productive advancement of mutually determined thematic areas.
- c) Partners recognise the importance of encouraging the views, and respecting the independence, of ACFID and its member agencies, including their right to comment on government policy and advocate for policy change and the right of ACFID to maintain the confidentiality of information as appropriate.

7.2 Partnership meetings

- a) The Partnership is governed through a schedule of meetings including one meeting between the DFAT Secretary and ACFID Board, one meeting between the DFAT Deputy Secretary and the ACFID Board, and up to three triannual meetings per year alternately led by the DFAT Assistant Secretary, NGOs and Volunteers Branch and the CEO of ACFID.
- b) Triannual meetings will focus on strategic high-level exchange of information supporting the achievement of Partnership objectives, including the exchange of

information of strategic relevance to the Partnership, and planning and accountability under the Partnership and associated funding arrangements.

- c) DFAT's NGOs and Volunteers Branch and the ACFID Secretariat, as the operational managers of the Partnership, will develop a schedule of regular meetings. The Partners are committed to regular communication to build and maintain professional relationships characterised by respect, trust and goodwill.

7.3 Joint Accountability and Review

- a) Triannual meetings will provide for regular joint accountability discussions. They will monitor the Partnership's implementation of Guiding Principles and monitor progress in activities towards the Partnership's objectives.
- b) The Partnership will discuss the health of the relationship on an annual basis. Discussions could include assessing Partnership governance; risks to the Partnership including those related to succession planning and identify opportunities; and the practical tools that support the Partnership.

7.4 Succession planning and induction

- a) Partners recognise the importance of managing the transitions of key individuals in the Partnership. To minimise potential disruptions, Partners will undertake co-briefing of key new individuals on the history and state of the Partnership. This will include a new ACFID President or CEO, and new managers and executive with direct responsibility for the Partnership within DFAT.

7.5 Risks

- a) Careful management of potential risks is an essential part of the Partnership. A Risk Register for the Partnership is revised and reviewed at the Triannual meetings, or more regularly if required.

7.6 Settlement of Differences

- a) The Partners will consult together at any time upon request of either Partner regarding any matter in relation to this Partnership MOU. If a grievance arises regarding any matter under the Partnership, the Partners will endeavour in the spirit of cooperation, good faith and mutual trust to work on any difficulties or misunderstandings that may arise, until the issue is resolved.

8. Legal Status of Partnership Memorandum of Understanding

8.1 The Partners understand that this MoU, while expressing their goodwill and intention to cooperate and collaborate on issues of mutual interest, does not create any legal relations and does not create a partnership in law between the Partners in any jurisdiction. The MoU does not represent any commitment regarding funding on the part of the Partners. Funding arrangements will be set out in separate grant arrangements.

9. Amendments

9.1 This MoU may be amended at any time in writing by the Partners with revisions enacted via an exchange of letters between the Partners.

10. Duration

10.1 The MoU will take effect on the signature of both Partners and will remain in effect until November 2024.

SIGNED on behalf of the **DEPARTMENT OF FOREIGN AFFAIRS AND TRADE**

A handwritten signature in black ink, appearing to read 'Tony Sheehan', written in a cursive style.

Tony Sheehan
Deputy Secretary, Department of Foreign Affairs and Trade
5 December 2019

SIGNED on behalf of the **AUSTRALIAN COUNCIL FOR INTERNATIONAL DEVELOPMENT**

A handwritten signature in black ink, appearing to read 'Susan Pascoe', written in a cursive style.

Ms Susan Pascoe
President of ACFID
5 December 2019