



Irish Aid

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Contents

1. Purpose of Paper and Introduction
2. The Broader Irish Aid Policy Context
3. The Objectives of Irish Aid’s Civil Society Policy
4. The Strategic Intent of Programme Funding
5. Programme Funding – Core Approaches and Strategies
 - The Programme Approach
 - The Analytical Framework
 - Partnership
 - Strategising for better coherence across the development programme
 - Performance Based Funding

1. Purpose of Paper and Introduction

The purpose of this document is to locate the partnership between Irish Aid and NGOs applying for programme funding in the broader policy context and within the priorities of Ireland's development cooperation programme. It is to be read in tandem with the Application Guidance Note and the Programme Funding Application Form.

The 2006 Irish Aid White Paper establishes development cooperation as an integral part of Ireland's foreign policy. The development cooperation programme is guided by the principles of partnership, public ownership and transparency, effectiveness and quality assurance, coherence and long-term sustainability. Irish Aid is the key interlocutor in the State's engagement with NGOs or civil society organisations¹ working in developing countries. Irish NGO partners have a critical role in addressing poverty and human rights in developing countries. Funding provided to NGO partners by Irish Aid supports the policies and priorities of the Irish Aid programme, while respecting the autonomy and independence of non-governmental partners.

2. The Broader Irish Aid Policy Context

The White Paper on Irish Aid² sets out the overall objective of Ireland's aid programme as '*poverty reduction, to reduce vulnerability and increase opportunity*'. The programme continues to be guided by a strong focus on the fight against poverty and hunger, particularly in sub-Saharan Africa. Progress on achieving MDG 1 is increasingly at the core of the development cooperation programme though there is recognition that Irish Aid needs to continue to invest in programmes that contribute to the other MDGs. Irish Aid maintains its focus on the cross-cutting issues of gender equality, good governance, HIV and AIDS and environmental sustainability.

The White Paper refers to the Irish non-governmental sector as a key partner for the Irish Aid programme recognising that poverty reduction is a shared goal that development partners can work towards in both separate and complementary ways. The Irish Government perceives clear advantages in working with the NGO sector. These advantages include their access to the household and community level, and to particularly vulnerable or excluded groups, and their ability to provide a valuable alternative means of assistance when circumstances in a country make structured inter-governmental relationships difficult. Support to NGOs is also seen as an important complement to

¹ In this document civil society organisations and non-governmental organisations (NGO) are used interchangeably. However, Civil Society is generally understood as a broader term which includes NGOs and other community based organisations and institutions such as the media, trade unions and other professional representative organisations.

² The White Paper on Irish Aid, Department of Foreign Affairs, 2006. A review of the 2006 White Paper commenced in July 2011 and will be completed by July 2012.

the bilateral support that the Irish Government provides to partner Governments. Reference is made in the White Paper to the important role that development NGOs in Ireland play in helping to keep development issues on the public policy and media agenda³.

The Programme for Government commits to a review of the White Paper to ensure that the development programme remains relevant, effective and focussed. Notwithstanding such a review, accountability and the ability to demonstrate real improvements in the lives of poor and vulnerable communities in developing countries will remain at the core of the development programme.

3. The Objectives of Irish Aid's Civil Society Policy

“Partnership is the cornerstone of Irish Aid’s civil society policy. Partnership between Irish Aid and civil society organisations is built on a shared commitment to sustainable development, gender equality, human rights and good governance. At present, Irish Aid has many examples of such partnerships with Irish NGOs and other civil society groups and current funding mechanisms are intended to deepen this partnership and enhance its impact in the developing world through dialogue and shared learning.”⁴

The White Paper on the Government’s aid programme sets out how Irish Aid engages with Civil Society. The Civil Society Policy <http://www.irishaid.gov.ie/article.asp?article=1344> published in April 2008 further outlines the objectives and principles of Irish Aid’s approach. It clearly sets out Irish Aid’s commitment to working with civil society partners, including Irish NGOs. The policy also highlights the important role civil society in Ireland plays in building domestic support for international development and global human rights.

The two principal objectives of the policy are:

1. To support an enabling environment for civil society to organise and engage with government and its own broader constituencies; and
2. To support the role of civil society:
 - (i) in promoting participation and good governance;
 - (ii) in ensuring pro-poor service delivery and pro-poor growth; and
 - (iii) globally and nationally, to build a constituency for development, human rights and social justice.

³ White Paper on Irish Aid, Department of Foreign Affairs, 2006, Page 75

⁴ Irish Aid Civil Society Policy, 2008, Page 6

As the policy states, Irish Aid seeks to achieve these policy objectives in partnership with a wide range of civil society organisations across its programme. Funding to civil society organisations is a central element to this partnership.

4. The Strategic Intent of Programme Funding

Irish Aid has a track record in providing funding support to Irish NGOs through a variety of schemes including MAPS I, MAPS II, Block Grants and Civil Society Fund. While the Civil Society Fund provides support exclusively for project implementation, the Block Grant and MAPS schemes were designed to promote a programme approach. This was more explicit in the case of MAPS, where the stated intention was: *“to provide a supportive framework of funding that enables organisations and their partners to work effectively and programmatically in pursuit of poverty focused development outcomes and impacts.”*⁵

Irish Aid engages in a set of programme funding partnerships in order to further its policy objectives – both the broader policy context of the White Paper as well as the Irish Aid Civil Society Policy (2008). Programme funding is provided to those partners which have a funding track record with Irish Aid, which are of a particular size, and which are able to demonstrate their capacity to operate on a strategic and policy basis. These partnerships clearly contribute to the priorities of Irish Aid’s development programme which include a commitment to reducing poverty, hunger and social exclusion and the promotion of human rights, particularly in Sub-Saharan Africa. All partnerships should demonstrate a commitment to results, with strong accountable relationships with communities.

During the current programme cycle of MAPS (MAPS II 2007 – 2011) and the Block Grant Scheme (2008 – 2011), partners received approximately €370 million from Irish Aid for development programmes. Irish Aid and partners have engaged in monitoring, reporting and dialogue which led to extensive learning around development effectiveness and how quality standards can be applied in development programmes. The new round of programme funding (2012 – 2015) seeks to build on the strengths of previous funding arrangements while further deepening the focus on quality standards and best practice principles for development effectiveness. It is in this context that Irish Aid is now setting out a clear basis for eligibility, appraisal and allocation of funds.

5. Programme Funding – Core Approaches and Strategies

⁵ Multi-Annual Programme Scheme II, (MAPS II), Final Working Guidelines, 2006, Page 4

There are a number of approaches and strategies that remain at the core of Irish Aid's programme funding to civil society, as set out below. These reflect international best practice, are influenced by the emerging findings of the MAPS evaluation and are coherent with the key messages communicated to partners during the current programme cycle (2007-2011).

5.1 The Programme Approach

In the MAPS II Guidelines, Irish Aid provided a definition of programme approach which still holds valid and remains relevant for this programme funding round:

"A programme is defined as a set of long-term coherent strategies that work at a variety of levels (micro, meso and macro)⁶ to contribute to a set of high-level objectives that result in real and strategic change for poor and marginalised communities.

The elements of a programme approach include:

- *Clear organisational policy level goals and objectives based on a global analysis of the development context*
- *Coherent and synergistic strategies based on organisational policy*
- *A clear results framework with programme-level objectives, indicators and baselines*
- *Strategic partnerships with actors committed to common goals*
- *Institutional capacity building to strengthen partners and interventions*
- *Relationships with a wide range of institutional actors*
- *Mechanisms to create vertical and horizontal linkages between partners for lesson-learning and alliance-building towards meeting programme objectives*
- *Capacity to adapt overall programme level strategies to a country or regional context*
- *Demonstrated linkages between country-level strategic objectives and overall programme-level objectives*
- *Linkages to policy and the wider institutional environment (e.g. poverty reduction strategy papers) with a view to advocacy for pro-poor outcomes".⁷*

⁶ *As a guide, the following can be used as definition of different levels of change:*

Realising a set of immediate and direct benefits for targeted groups (**micro** level changes),

Partnership with the responsible local authorities and /or other relevant structures to bring systemic change within an area to widen the reach of benefits (**meso** level changes)

Strengthening institutional arrangements (policies, legislation, institutions, programming) at regional and/or national level in ways that can sustain improvements (**macro** level changes).

5.2 The Analytical Framework

Irish Aid maintains its focus on the cross-cutting issues of gender equality, good governance, HIV and AIDS, and environmental sustainability. Experience and evidence from the application of the mainstreaming approach indicates that these issues need to be firmly embedded in a robust analysis of the operating context, particularly the underlying causes of poverty and vulnerability. There are many other potential drivers of poverty and vulnerability; a comprehensive analysis of these drivers and underlying causes is necessary to constantly sharpen and refocus programme interventions throughout the programme cycle. Partners in receipt of programme funding must demonstrate capacity to generate this level of analysis.

5.3 Partnership

For Irish Aid, partnership remains at the core of programme funding. In line with international best practice and its principles of sustainability and ownership, Irish Aid continues to place the emphasis on partnership with Southern civil society and/or government, as appropriate. Irish Aid expects its programme partners to continue to:

- Develop a dynamic two-way relationship with Southern partners that is based on dialogue, which enables partners to influence and contribute to the identification of programme priorities and strategies. These partnership relationships should be based on a strong downward accountable relationship with communities at grassroots level.
- Have a focus on building the institutional capacity of their partners with a view to building local ownership and capacity to influence public policies at local, national, regional and international levels.

As partnership becomes more deeply embedded as a mode of operating, there should be a consequent change in the role and possibly the number (depending on the context) of international staff as the focus moves towards greater local ownership and sustainability.

Irish Aid is also firmly committed to furthering its partnership with Irish NGOs. The elements of this partnership include open dialogue and mutual learning that will strengthen the aid programme as a whole, the development sector in Ireland, and the Irish public's awareness and understanding of development. Irish Aid will continue to support Dóchas in its role in setting quality standards for the sector and in facilitating lesson learning and sharing. Irish Aid encourages all recipients of programme funding to actively engage with the Dóchas network to share and promote best practice.

⁷ MAPS II Guidelines, 2006, Page 5

Evidence emerging from programmes should be used to influence national and international policy and practice.

5.4 Strategising for better coherence across the development programme

Irish Aid continues to strive for improved coherence across its development programme and the broader policy context. In some cases, partners will submit programmes that are directly coherent with Irish Aid's development programme, sectorally or geographically. In these cases, Irish Aid will explore the possibility of defining joint results (between the partner's programme and Irish Aid's own programme) where this might yield greater impact. This will be a matter of dialogue with partners following the appraisal process, when detailed results frameworks are being agreed.

5.5 Performance Based Funding

Irish Aid is seeking to establish a consistent and transparent approach of allocating NGO programme funding. A model has been developed that reflects the commitment to performance based funding as set out in the Programme for Government. The resource allocation model operates by calculating a base amount through a combination of average organisational income and previous grant history with Irish Aid. Performance is then assessed against a set of appraisal areas (see Application Guidance Note for more detail).

The base amount is allocated following a positive appraisal against the first appraisal criterion – evidence that the organisation operates from a sound strategic and policy basis. Applicants that meet the base criterion will be allocated the minimum base amount and will then be appraised under five additional performance areas. These appraisal areas are based on international best practice and have been shaped following consultation with Irish Aid NGO partners. Each of these five areas will be scored and the total score will translate into an additional performance allocation. The base amount and performance amount will translate into a percentage allocation for each NGO. The weighting between the base amount and the performance allocation is at 2:3.

When the 2012 budget is allocated, the percentage will translate into a grant amount for each of the successful candidates. Detailed budgets and results frameworks will be agreed at this point for the four year period. An organisation's multi-annual funding stream will be based on this percentage over the programme period. If organisations do not succeed in meeting the required standard for programme funding, they will be encouraged to access the next round of CSF project funding, scheduled for March 2012.