

**Australian Embassy**

**Kabul**

# Direct Aid Program (DAP)

The Direct Aid Program (DAP) is a flexible, small grants program funded by the Australian Government and managed by the Department of Foreign Affairs and Trade. The goal of DAP is to advance developmental objectives and address humanitarian hardship in developing countries, while at the same time fulfilling Australia’s international relations and public diplomacy objectives.

DAP is available on a not-for-profit basis to individuals, community groups and NGOs engaged in development activities in countries that are eligible for overseas development assistance. The program focuses on supporting small-scale development projects and activities that involve the beneficiaries in the identification, design and management of the projects.

General Guidelines

**Administration**

The day-to-day administration of the Direct Aid Program (DAP) is the responsibility of Australia's overseas Posts. The program coordination function is located within the Executive Branch of the Australian Department of Foreign Affairs and Trade (DFAT).

At each post a DAP Committee is formed to consider applications and to agree on the post's strategic DAP plan. The Committee would normally be chaired by a DFAT officer at the post, and may include other Australia-based staff at the post, locally engaged staff, or members of the local community. The Committee makes recommendations to the Head of Mission, who makes the final decision on funding.

There are a range of approaches for sourcing applications, according to local circumstances. Some Posts may conduct annual application rounds, while other Posts may respond to requests on a case-by-case basis. On occasion, Posts may invite particular communities to identify a project.

The Canberra DAP Committee is chaired by the Assistant Secretary, Executive Branch (AS EXB) who consults with posts, geographic divisions and the Senior Executive. It convenes each year soon after the Budget announcement to prepare draft Post DAP allocations for the coming financial year. The regional breakdown of DAP allocations is approved by the Minister for Foreign Affairs. The AS, EXB is authorised to make ad hoc reallocation decisions throughout the year.

**Eligibility for funding**

In selecting projects to fund, post DAP Committees need to ensure that projects have developmental outcomes, and are consistent with the foreign and trade policy, and public diplomacy objectives of the Post. All projects funded by DAP must qualify as Official Development Assistance (ODA) as defined by the [OECD comprehensive guidance](http://www.oecd.org/dac/stats/), including the “Is it ODA?” factsheet.

Attention should be given to projects providing direct benefits to those most in need in the local community, including vulnerable or disadvantaged groups, children and youth.

DAP projects should be aimed primarily at achieving practical and tangible outcomes, such as on poverty alleviation, community health; schools/education; small-scale infrastructure; rural development; youth; gender equality, the environment and ad hoc humanitarian relief.

Projects that support people with disability to improve the quality of their lives through accessing the same opportunities for participation, contribution, decision-making, and social and economic well-being as others are strongly encouraged.

As a general rule, the following activities and inputs are **not** funded:

* payment of salaries or fees for consultants and advisors, where they constitute a major cost component;
* grants programs run by other governments or organisations;
* micro-credit schemes or any other project that involves return of money
* international travel as part of a project;
* routine, recurring and/or running costs including: office rental and utility costs; routine maintenance and repairs (including equipment such as photocopiers, computers, stoves, fridges etc.) and the purchase of major assets such as property or vehicles; or
* commercial ventures.

The focus should be on activities that have a direct, practical, immediate impact, including capacity building projects, particularly in the areas of governance and human rights engagement.

Consideration may at times be given to small-scale community activities that have prospects of eventually generating commercial benefits where the community can demonstrate to the satisfaction of post that proceeds from the activity will be reinvested in the project.

**Project proposals**

Applications should be directed to, and are considered at, Australia's overseas posts.

Prospective applicants should send through their application to the Australian Embassy in Kabul. The email address to send applications through to is KabulDAP@dfat.gov.au

Proposals must be clearly defined with specific outputs. Where the proposed activity has been submitted to other possible funding sources, or is being implemented in conjunction with activities funded through other sources, this must be clearly stated in the application.

**Selection Process**

The Kabul DAP Committee has agreed it will focus support in 2017-18 on support for small non-government organisations, local communities and individuals that may lack the sophistication or size to attract large donor funding, and which can achieve practical outcomes related to community health and infrastructure, economic empowerment, youth, gender equality and poverty alleviation.

This is in line with Australia’s wider development goals in Afghanistan, which look to promote opportunities for all Afghans. The DAP committee will also consider strong proposals focused on other development sectors.

The DAP committee will look to fund projects with a value between
AUD 10,000 –AUD 40,000. Projects up to AUD 60,000 may be considered if they are of exceptional quality.

Assessments of applications by post DAP Committees are made primarily on the basis of the supporting information supplied by applicants.

Activities must be consistent with the post’s foreign and trade policy and public diplomacy objectives for the country. In addition, consideration is given to the following issues:

* applications should clearly detail the expected developmental impact of the project, for example in terms of promoting community development, education, health, gender equality, disadvantaged groups, and environmental sustainability;
* DAP projects must be sustainable, oriented towards self-help and should not rely on future DAP grants. Submissions should demonstrate a commitment on the part of the local community to implement the activities and sustain them;
* appropriate institutional support arrangements must be described, for example, the level of recurrent costs generated and evidence of capacity to sustain these costs in the longer term;
* details of the extent to which the DAP activity might act as a catalyst for further development of the target community or a model for similar projects elsewhere;
* preference is given to innovative and creative projects, particularly those using low technology solutions.

Posts are required to advise applicants in writing of the project approvals and of the conditions relating to the grant as soon as possible after the completion of a selection round. If recipients are unable to commence and/or complete projects in the agreed timeframe, they should not proceed with the application. If the agreed terms and conditions of the grant are not met, DAP recipients may be required to repay the grant to the post.

**Conflict of interest**

To maintain the integrity of the program, post DAP Committee members have certain obligations in relation to their individual conduct. On joining the DAP Committee members must report any potential conflict of interest affecting their participation and remove themselves from involvement in any assessment of that particular project.

Posts may consider implementing a code of conduct for Committee members to sign on to ensure conflicts of interests are managed appropriately.

Posts should ensure that DAP documentation and the conditions contained therein are in accordance with local legal requirements and adequately protect the post’s interests. Where necessary, Posts should consult their local legal advisers. The extent to which local legal advice is required will depend on the post’s risk assessment of both the project and the legal environment.

**Risk management**

A key test for the DAP Committee and Head of Mission when approving projects is whether the proposed expenditure is an appropriate use of Australian Government funds and conforms with the DAP guidelines. Each post must have in place an appropriate and transparent accountability process and be able to justify its selection process when reporting on its annual DAP allocation expenditure. In the event that a post is audited on its DAP processes, it may be required to defend a funding decision.

All project recipients are required to complete acquittal reports within two months of conclusion of the DAP project. This includes evidence of expenditure, such as receipts, and written reports on tangible outcomes.

Project acquittals should focus on the outcomes and outputs, and not just inputs.

Applicants are required to demonstrate their bona fides at the outset through referrals or references and detailed proposals. When providing funds to successful applicants, Post DAP Committees will issue letters of acceptance, which outline the responsibilities of the applicants (for example, progress reports, acquittals, liability in case of accidents, returning funds if the project does not go ahead). The acceptance letters may also include a paragraph outlining counter-terrorism laws and policies and where relevant, reference to child protection policies in line with post's risk management strategy. The DAP Committee may also consider making payments in several tranches.

Posts will endeavour to ascertain whether the project has been completed as proposed. A report will be kept with other project papers at the post. A "best endeavours" approach recognises that site visits are neither practical nor cost-effective in many circumstances. In such cases, posts are asked to seek feedback from regional governments, local councils, NGOs, Australian volunteers, business people or local cooperatives to vouch that a project has been completed.

Preference is given to low risk, low cost, comparatively low technology projects (for example building wells, other construction activities or purchasing school furniture).

**Badging and promotion of projects**

The Department of Foreign Affairs and Trade requires that DAP projects are branded as Australian Government sponsored. However, for projects in Afghanistan, the DAP committee will defer to the judgement of the project owner as to whether branding would be appropriate for each particular project.

**Work Health and Safety for Building and Construction projects**

Post DAP Committees are asked to consider appropriate environmental, construction, and work health and safety standards in assessing projects that involve construction. This may include assessing the effectiveness of the administering organisation in its management of safe work practices and application of environmental and building code standards. Building and construction related projects should meet or exceed Australian standards wherever reasonable practicable to do so. Departure from Australian WHS standards on the basis that meeting such standards is not “reasonably practicable” should only be accepted where it is defensible to do so, supported by a clear, persuasive and documented explanation. Post DAP Committees should observe Australian Government guidelines, which do not allow the use of asbestos as a building material.

**Acquittal Reports**

As outlined above, all recipients of DAP funds are required to submit an acquittal report within two months of completion of the project that provides an accurate assessment of the actual outcomes of the activities (compared with the anticipated outcomes stated in the application), as well as financial information. The Acquittal Report is the major vehicle posts have for ensuring that recipients comply with accountability and evaluation requirements. For projects over three months, a progress report (interim acquittal) should be provided half way through the project which gives a brief overview of progress achieved against identified milestones. Posts will provide recipients with details of the requirements for financial accountability and acquittals.