

THE AUSTRALIAN DEVELOPMENT ACCELERATOR (ADA)

Information & FAQs

(for DFAT Officers and Potential Grant Recipients)

WHAT IS THE AUSTRALIAN DEVELOPMENT ACCELERATOR?

The Australian Development Accelerator is an AUD 12M pilot program designed by the innovationXchange to support development innovations of the broader Australian Aid Program. The ADA aims to strengthen the culture of innovation within DFAT by equipping DFAT staff with additional resources and support required to trial new development activity to help improve the overall effectiveness of Australia's aid and development activity.

The ADA will provide implementing partner organisations with resources (flexible funding, mentoring and technical advisory services) to trial new ideas with potentially transformational development impact that DFAT posts would like to see trialled. The ADA comprises an open funding window (not fixed windows) available to support new project proposals in every sector. Funding is generally limited to \$500,000 per activity, although iXc may consider exceptions on a case by case basis.

The ADA also includes a second funding window - the "Innovative Practice Fund" (discussed separately at the end of this document) which seeks to support DFAT development teams in piloting new internal practices with potential to benefit the broader aid program.

WHAT ARE THE ELIGIBILITY CRITERIA?

Please consider the following eligibility criteria when trying to determine if your idea is a good fit for ADA funding:

- The idea is implemented in the Indo-Pacific region, in countries where Australia has a bilateral development program;
- The idea is supported by the respective DFAT Post;
- The idea is new, or new to the context in which it will be applied;
- The idea has potential to improve a development problem more effectively, efficiently or inclusively (cheaper, faster, better);
- The idea has a strategy for future funding, once ADA funding has ended, demonstrating sustainability; and
- The idea has a path to scale if the testing or pilot stage demonstrates success.

WHO IS ELIGIBLE FOR FUNDING FROM THE ADA?

ADA funding is generally intended for DFAT partner organisations (established or entirely new partners) looking to test, refine, and grow an innovative development idea.

NOTE: It is essential that DFAT Post representatives are aware of and support the idea for it to be considered eligible for ADA funding.

Organisations and individuals of any kind are eligible to apply (non-profit organisations, for-profit companies, social enterprises, government agencies, international organisations, and academics/researchers). Due diligence will be undertaken on all new partners.

Prospective applicants uncertain about whether their idea meets the eligibility criteria above or uncertain about the fit of their idea with the ADA's objectives are welcome to contact IRF@aecom.com at any time to request a brief, preliminary consultation. We especially encourage teams with any such questions to reach out before beginning work on their Expression of Interest (discussed below).

WHAT SORTS OF INNOVATION ACTIVITIES IS THE ADA LOOKING TO SUPPORT? WHAT "COUNTS" AS INNOVATION?

The ADA seeks to support development innovations in any sector that are new to their country context and have the potential to improve the lives of people in poor and vulnerable communities in developing countries by achieving measurably better impact or more cost-efficiently than conventional approaches.

Innovation ideas could include a new product, technology, distribution method, financing model, program design, etc., that reaches a significantly larger beneficiary group or poorer market segment and/or achieves greater impact at significantly lower cost than current approaches.

The iXc will consider providing ADA funds for activities across any sector in which DFAT works. Our only requirement in this respect is that the proposed innovation must show a link to the relevant post's country development strategy and has the support of the relevant DFAT Post.

WHAT WON'T THE ADA FUND?

While there are many good ideas out there, there are limitations on what the ADA can fund.

While exceptions may apply in some limited circumstances, the following list provides examples of activities the ADA generally will not fund:

- Traditional international development projects or activities that use conventional practices or have no likelihood of scale or sustainability beyond the initial ADA grant;
- "Top-ups" of established development projects that represent incremental steps in their development (activities that likely would have been undertaken if additional funds had been available, e.g. expansion to another area/region, expansion to serve a new population/customer base, etc.);
- Early-stage or basic scientific research. Some research-based proposals may be considered, but they must be applied approaches to the problem and should involve field trials/testing. The research phase must show a clear link to the subsequent development of the innovation.
- Expansion or growth of private businesses that does not entail a clear, measureable development impact;
- The following types of activities or expenditure are unlikely to be supported within an otherwise allowable ADA grant: charitable activities or donations, land purchases, scholarships, and vehicle purchases.
- While the ADA intends to support posts in trialling new projects with more inherent development risk, the ADA is not intended to fund projects that increase safeguard risk (environmental protection, child protection, resettlement risk, etc). iXc will work closely with safeguards areas to address any potential safeguard risks on a case by case basis.

This list is not exhaustive and there may be other activities or items that iXc consider unsuitable for funding.

WHAT KIND OF SUPPORT WILL THE ADA PROVIDE? WHAT CAN AN ADA MENTOR HELP ME DO?

The ADA has been designed recognising that financial support is only one isolated factor in the overall success of emerging development innovations. Experience shows that just as often, factors like critical gaps in capabilities or expertise, insufficient network connections or links to potential partners stand in the way of an innovation reaching its next stage of growth. As a result, ADA funding may also be used to provide non-cash support in the form of a formal mentor or other technical support to each grantee as required. This is a key way to reduce our exposure to development risk.

HOW DOES THE APPLICATION PROCESS WORK?

The application process has been designed to reduce the burden on posts as much as possible and provide flexible finance to a range of new ideas:

- **Expression of Interest (EOI)** – The applicant completes an EOI, which outlines the basic details of the innovation concept. The form is brief (requiring about 2-3 pages of text) and should take the applicant only a few hours to complete. The IRF team will assess the EOI and recommend to iXc whether the concept: a) is potentially a good fit for the ADA and should proceed with a full proposal; b) requires further refinement/discussion; or c) is not a good fit for the ADA at this time. Note: IRF will commence the due diligence process at this time and will assist in strengthening the EOI/ concept as needed.
- **Full Proposal** – With the guidance and support of a newly assigned mentor (where requested), the applicant develops a full proposal (about 5 pages) in response to Full Proposal Guidelines to be provided to applicants who have successfully passed the EOI stage. A small evaluation panel will form to rapidly evaluate the proposal for completeness and fit, working iteratively with the applicant if further clarification is needed. Note: IRF will continue the more detailed due diligence checks at this time.
- **Recommendation, Approval and Contracting** – Subject to the evaluation panel's recommendation and satisfactory due diligence, a recommendation is then made to iXc whether or not to fund the activity. The final funding approval decision is then made by the First Assistant Secretary, iXc. Contracting for a grant award begins once IRF, iXc and Post have confirmed the proposal is adequate.

WHAT ARE THE EVALUATION CRITERIA FOR EOIS AND FULL PROPOSALS?

The IRF will evaluate EOIs for completeness and soundness of the case presented in support of the development innovation. Applicants who submit EOIs satisfying all six ADA eligibility criteria (see box on Page 1 of this document) may then be invited to submit full proposals. Detailed evaluation criteria for the full proposal will be furnished to applicants who have proceeded to that stage as part of the Full Proposal Guidelines. Please note that IRF can provide support to applicants during the full proposal stage to develop responses to proposal areas where they are uncertain or need additional support.

HOW WILL FUNDING WORK?

ADA funding is issued primarily in the form of flexible grants. The ADA will also provide mentorship and other forms of technical support as required to grant recipients.

Grants are made in tranches with each tranche size and proportion of total funding decided on a case by case basis by the IRF. Tranche payments are subject to acquittal of the previous tranche and may also be tied to the achievement of specific milestones, depending on the activity and the contract negotiated with each recipient.

Grants will be issued under a Grant Agreement with AECOM Services Pty Ltd (AECOM), the managing contractor of the Innovation Resource Facility (IRF) supporting the innovationXchange to implement the ADA.

Although the ADA projects are to 'remain post's', to reduce the burden of managing more small development activity, the Innovation Resource Facility (IRF) will provide day-to-day project management support of the ADA projects.

In addition to IRF's grant management role, a DFAT officer at post will have an ongoing role to oversee the implementation of the activity, which will vary on a case by case basis but would ordinarily include occasional in-person monitoring. Post and IRF will work out monitoring plans together, to give posts maximum flexibility.

WHAT WILL GRANT RECIPIENTS NEED TO DO THROUGHOUT THE LIFE OF THE GRANT?

As with all donor-funded grants, grant recipients will have some critical obligations that will be specified within their grant agreement. These will include:

- Maintaining detailed financial records, including copies of all receipts and invoices;
- Providing regular financial expenditure reports and acquittals of funding tranches;
- Undertaking basic monitoring and evaluation of progress and outcomes;
- Reporting progress (frequency and content will be negotiated with each recipient, depending on the size and nature of the grant); and
- Developing 'knowledge products' that communicate lessons learned and key achievements – these are considered critical outputs as increasing knowledge is a fundamental objective of the ADA. Your mentor and staff at IRF will be able to assist you in preparing these.

MORE QUESTIONS?

Please contact Megan Frail (megan.a.frail@dfat.gov.au) and/or IRF@aecom.com with any enquiries and we will be happy to answer your questions.

INNOVATIVE PRACTICE FUND

WHAT IS THE INNOVATIVE PRACTICE FUND WINDOW?

The Innovative Practice Fund is a separate Australian Development Accelerator funding window dedicated to assisting DFAT posts and desks in experimenting with high-potential innovative practices that strengthen the management and delivery of the aid program. These activities are intended to be developed and executed by DFAT, in some cases with the support of a contracted partner organisation engaged for technical assistance, project management support or other support.

The Innovative Practice Fund is open to proposals for activities across the five broad areas described below. In these areas, we believe that new innovative practices and capabilities stand to make a significant impact on aid program quality. Officers with an Innovative Practice Fund idea that falls outside these areas are welcome to apply and should please contact IRF@aecom.com to discuss potential fit and seek guidance regarding their application.

- **Monitoring, Evaluation, and Research** - Improve the accuracy, efficiency, or coverage of a key monitoring and evaluation capability or function. (Example: Utilise a new mobile data collection capability to more rapidly and accurately collect performance data for a post's key programs.)
- **Knowledge Management** - Design and test new ways to better collect, organise and disseminate key knowledge and learning from the Department's experiences in delivering the aid program. (Example: Develop a set of more agile resources to better communicate program experience to colleagues and stakeholders in formats more accessible than traditional reports, e.g. blogs, podcasts, and "bite sized" learning modules.)
- **Flexible/Agile Implementation and Project Management** - Pilot techniques to more nimbly and efficiently manage the roll-out and ongoing project management of key projects and programs. (Example: Engage a Lean/Agile management "coach" to help teams adapt some of the startup world's most useful management precepts to your context, e.g. brief "scrum" style management meetings and iterative testing and adjustment of key program elements.)
- **Communication, Outreach, and Engagement** - Develop new ways to tell the story of the Australian aid program and/or to engage key beneficiaries or stakeholders in new, more effective ways. (Example: Develop data visualisation assets that visually explain the impact of a key program or that help a wider audience understand a priority development problem in its country context.)
- **Innovative Program Design, Research, or Problem Definition Processes** - Utilise a new design or management process like Human-Centered Design or Lean/Agile Management in order to understand and prototype approaches to a new program design or for a mid-course assessment and redesign of program components. (Example: Engage a human-centered design or other innovative process facilitator/expert to lead a field research enquiry to better understand the behavioural dimensions of a new program design.)

WHO IS ELIGIBLE?

All posts with bilateral aid programs and aid program areas are eligible to apply. Before submitting the EOI, the application's lead author must have received the formal support of their supervisor (EL2 or above) and should have identified a team of two or more staff responsible for overseeing the execution of the project.

HOW DOES THE APPLICATION PROCESS WORK?

DFAT officers should begin by filling out an Innovative Practice Fund EOI form (note there is a dedicated Innovative Practice Fund EOI form, separate from the general Australian Development Accelerator:

Expression of Interest form described earlier in this document). Officers are welcome to contact the IRF (IRF@aecom.com) while developing their idea or working on the EOI in order to discuss the likely “fit” of their idea, receive feedback on their concept, etc. EOI submissions will be assessed by an IRF/iXc panel, with a positive or negative funding recommendation provided to the First Assistant Secretary, iXc, who makes the final decision. In some cases, elaboration or clarification of various items from the EOI may be required before a final recommendation can be made.

Successful applicants will subsequently work with the IRF team to develop a lightweight project implementation/management plan and monitoring plan, which must be approved before project funds can be transferred and formal work can begin.

HOW DOES THE FUNDING WORK?

Funding requests for up to \$1M for individual Innovative Practice Fund projects will be considered, (Note: proposals greater than this amount will be considered by iXc, on a case by case basis). As required, funds may be released to posts via an internal transfer from iXc upon approval of the lightweight project implementation plan.

EVALUATION CRITERIA

The IRF/iXc panel reviewing Innovative Practice Fund EOIs will employ the following simple evaluation criteria in guiding their funding recommendations:

1. Potential impact across the country/regional program or thematic area

- The application shows clear potential for impact beyond the proposing team, with useful contributions across multiple aspects of a country/regional program or thematic area’s portfolio.

2. Innovation

- Is the idea new to its DFAT aid management context, creating the possibility of new value for the aid program beyond the original team/post proposing it?
- Does the application clearly describe a new practice that would increase the effectiveness or efficiency of the aid management practice in question?

3. Potential for adoption and replication

- The application describes a new practice feasibly replicable and adoptable across multiple posts and/or thematic areas in the aid program.

NOTE: Given the highly internal nature of these projects, more intensive support and ownership from post/desk is expected, compared to the ‘Trial and Test’ ADA window.