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Project Proposal Conditions

Simply put a project proposal is a document that outlines the project, its context and background, the needs it is trying to address and the financial budget. The project proposal also outlines the objectives that have been set by which the effectiveness of the project can be assessed.

Overseas Projects

Essentially the emphasis on an overseas project proposal is development and sustainability because that is where the tax deductibility lies. The Australian government has set in place a framework that needs to be adhered to is we are receive and distribute tax deductible funds for overseas projects. This framework will not allow donated tax deductible funds to be used for provision of benefits that are political, religious, or welfare focussed.

The AUSAID - NGO COOPERATION PROGRAM (ANCP) GUIDELINES state;

Evangelical Activities

AusAID and NGOs recognise and agree that AusAID funds are not to be used for programming that is designed to convert people from one religious faith or denomination to another or from one political persuasion to another. Nor should AusAID funds be used to build up church, ecclesiastical or political structures except in circumstances where those structures are specifically designed to provide relief and/or development assistance. In this context, church, ecclesiastical and political structures include not just infrastructure, but could also extend to training or organisational activities.

Political Activities

Activities that could be construed as being political are those that involve "party" politics or partisanship. General support for political participation does not fall within this definition of "political"; examples of such general support could include civic awareness campaigns or activities that promote the participation of women as political candidates (without promoting specific parties).

Welfare Activities

Welfare means assistance to maintain individuals in a particular condition on a long term basis such as institutionalised care programs as provided by orphanages, child sponsorship (i.e. funds given

directly to children or their families, and not funds drawn from child sponsorship used for community development purposes), hospital care programs, hospices, and costs for the maintenance of structures for institutionalised care programs (e.g. schools, orphanages).

Welfare is implemented independently of other sustainable community development activities;

*Welfare has no strategy for integration into a broader, community development program;
Welfare is provided on an individual or family basis, rather than on a community basis, and is unconnected to emergency needs;*

Welfare activities are implemented on an ongoing, long-term basis with no clear exit strategy.

Activities that conform to the approved definition of welfare are not eligible for funding and may not be counted by agencies in their Recognized Development Expenditure.

This does not imply any AusAID or Committee for Development Cooperation opinion about the value of welfare activities. The Australian Government provides matching grants under the ANCP for community development purposes only, and not for ongoing care and maintenance activities. NGOs are, of course, free to fund such activities using their own resources.

Education Costs

Education is recognised globally by governments, the World Bank and NGOs as the single most important key to development and to poverty alleviation. It is considered development's most basic building block and a vital contributing factor to the alleviation of poverty. Basic education, in particular, is seen as a priority area of the Australian Aid Program.

http://www.ausaid.gov.au/ngos/pdfs/ancp_guidelines.pdf

In some cases such as disaster response or with issues such as HIV / AIDS there is some wavering on the need for sustainability and there is a greater understanding of the need for immediate welfare based projects but generally speaking development based proposals need to be set apart from welfare, political and religious activities and show that they are working towards sustainability.

Projects within Australia

The tax deductibility for Australian based projects can be more welfare based, as a Public Benevolent Institution (PBI) Australian Mercy is able to do welfare based work in the community within Australia.

The Australian Tax Office (ATO) defines a PBI as:

A public benevolent institution (PBI) is a non-profit institution organised for the direct relief of poverty, sickness, suffering, distress, misfortune, disability or helplessness. The characteristics of a PBI are:

*it is set up for needs that require benevolent relief
it relieves those needs by directly providing services to people suffering them
it is carried on for the public benefit
it is non-profit
it is an institution, and
its dominant purpose is providing benevolent relief.*

<http://www.ato.gov.au/content/34322.htm>

Project proposals for Australian based projects are necessary as they help us to show due diligence in managing the tax deductibility we have been granted as a PBI by the ATO.

Australian project proposals must not only describe the project but also discuss how the project is for the public benefit; how it brings relief to those who are in need. Australian projects can be heavily weighted towards welfare but should be working towards a long term exit strategy.

All Australian Mercy projects submit a project proposal that will be assessed by a project officer who makes sure that the project fulfils proper criteria. The project officer will then negotiate with the project proposer until all basic criteria are met and the project can be approved. Only then can the project be registered as an Australian Mercy project.

Both National and International project proposals need to be re-submitted every three years.

Needs assessment

Before a project proposal is put together an assessment of the needs that are being addressed is carried out. This *needs assessment* focuses on the onsite situation and the extent of the need identified there. It takes into consideration all aspects of the situation seeking to be addressed.

The *needs assessment* does not provide the idea of what needs to happen in order for the need to be addressed; that is done in the project proposal. The *needs assessment* just looks at the facts of the situation. A *needs assessment* can be focussed solely on one need or look at a group of needs and then prioritize them.

The *needs assessment* should measure the extent of the issue needing to be addressed within the context of the community. It should take into consideration the availability of other options which could also address the need before making its recommendations.

Some *needs assessments* are done in great detail with lengthy studies used to formulate the project; other needs assessments are less complicated. However once the needs assessment is carried out and the need demonstrated, the project proposal should be the outcome.

Australian Mercy does not have a *needs assessment* template.

Questions

Besides providing information about the structure of the project; the project proposal seeks to answer the question; how will the findings of the needs assessment be addressed in this project? In order to do this it asks a series of questions of the person putting up the project such as;

What is the background to the situation?

What are the development/welfare issues that the project seeks to address?

How will the project address these?

What is the project design.

What are the projects goals and purposes?

What are the project outputs?

Who are the direct and indirect beneficiaries?

What activities will the project have?

Is the project sustainable?

What is the financial budget projected over a three year period?

How will this project bring relief to those who are in need?

How will the project benefit the wider community?

Once the project proposal is submitted, examined by the project officer and eventually accepted it becomes the measure by which the project is assessed.

Amendments to the project proposal

Amendments and changes to the project proposal are made via the 6 monthly reports. Each 6 monthly report illustrates how the project is going. If the project needs to change in order to better address the need then this is discussed in the 6 monthly report and the proposed changes mentioned there.

Example: A project proposal outlines a project that establishes preschool 2 days a week in a poor community. As the project proceeds it becomes apparent that more classes are needed, this is discussed in the 6 monthly reports and the proposal amended as needed. The project officer examines the proposed amendment to make sure that they keep the project true its original objectives.

