

Non-Approved Development Purposes Policy

January 2024

Board Ratification Date:	2011 2018	
Reaffirmation Date		
Revision Date	Nov 2021	2014, 2016, Nov 2018, Nov 2021 (reviewed against DFAT guidance, ANCP guidance, and the new 2018 ACFID Code of Conduct verifier (7.3.2), and ACFID’s example NADP policy template. No updates required. Reformatted to new requirements. Clarified what ‘humanitarian’ means in relation to development in a footnote.
	Jan 2024	Updated review date as per the approved Policy Review and Reporting Schedule Nov 2023. General and consistency formatting
Next Review Date	Oct 2024	Every 3 years from ratification date or from the last full review, unless required otherwise.

1. Policy statement

Act for Peace is the international humanitarian agency of the National Council of Churches in Australia, formed to provide humanitarian and development assistance. Act for Peace is committed to ensuring that our humanitarian and development work is consistent with our vision, mission, and values and informed by our development philosophy, humanitarian principles, including neutrality and impartiality, and our human rights-based approach. Act for Peace is not called to evangelise, provide welfare, or support political agendas and has no mandate to engage in such activities.

In the delivery of this mission, it is important to understand the distinction between ‘development activities’ and ‘non-development activities’ to ensure clear separation between the two and the appropriate treatment of each: ¹

- **‘Development activities’** are those which incorporate principles of participation, empowerment, equity, non-discrimination, accountability, and sustainability. These principles are embedded within Act for Peace’s policies and approach.
- **‘Non-development Activities’** include welfare, evangelistic and political activities and are prohibited within Act for Peace. These are defined below in the guidance notes. These activities are not in accordance with the development intentions of Act for Peace development programming and are not considered to be ‘Recognised Development Expenditure’ (RDE) or acceptable for receipt of funding derived from Tax Deductible gifts.²

2. Objectives:

The purpose of this policy is to ensure that:

- 1) Act for Peace calculates its registered development expenditure in strict compliance with the Department of Foreign Affairs and Trade (DFAT) guidelines for calculating Registered Development Expenditure (RDE),³ and no other guidance and/or policy, as per Act for Peace’s obligation under its DFAT Head Agreement and Grant Agreement. This includes, but is not limited to, ensuring that the three forms of non-development activities (welfare, evangelism, and politics) defined by DFAT are not calculated as RDE.⁴
- 2) Act for Peace does not provide any support for non-development purposes as defined by DFAT⁵ as per our long-standing commitment set out in this policy. This is an agency choice reflecting Act for Peace’s view that welfare, evangelism, and political support are not legitimate development purposes. Providing welfare does not accord with our rights-based approach or our sustainable development policy. As an ecumenical aid and development agency, which is not affiliated with a particular church, we have no mandate to support evangelical activities. We also subscribe to humanitarian principles, namely impartiality and neutrality, and as such are prohibited from supporting partisan political activities or taking

¹ Noting that humanitarian activities are designed to provide for short-term ‘emergency needs’ (i.e. the immediate humanitarian assistance and protection needs of crisis-affected communities) and as such are not considered ‘welfare’ under the DFAT definition of welfare below and so are eligible for RDE providing they do not breach this policy.

² [ACFID Code of Conduct Program Principles B1.5-Non-Development Activity](#)

³ Recognised Development Expenditure Explanatory Notes, Revised 2019, DFAT

⁴ See section 5. A., Recognised Development Expenditure Explanatory Notes, Revised 2019, DFAT

⁵ Recognised Development Expenditure Explanatory Notes, Revised 2019, DFAT

sides. In keeping, Act for Peace has prohibited funding these forms of non-development activities. Procedurally, Act for Peace ensures against funding non-development activities through various due diligence measures, such as ensuring the relevant clauses are contained in our Partnership and Grant Agreements, appraising project proposals against the appropriate non-development purposes criteria and through monitoring changing programs and activities. These preventative measures and our monitoring checks help Act for Peace ensure against unintentionally or inadvertently providing support for non-development activities.

- 3) To ensure clarity, transparency, and accountability regarding the two purposes outlined above to all our stakeholders.

3. Scope

Act for Peace's prohibition on funding 'non-development activities' applies to all of Act for Peace development and humanitarian programs both overseas and in Australia for the purpose of ensuring that funds provided to Act for Peace are used in a transparent manner congruent with the intent they were given and directed to development activities rather than non-development activities (politics, welfare, and evangelism).

4. Principles and Standards:

Principles and Standards are documented in Section 4.7 in our standard Grant Agreement with partners, which explicitly stipulates:

"Funds and other resources designated for the purposes of aid and sustainable development will be used only for those 'Approved Purposes' and will not be used to promote a particular religious adherence or to support a political party, to promote a candidate or organisation affiliated to a political party, or to fund welfare activities (as defined in section 4.8 of the Partnership Agreement).

Act for Peace Partnership Agreements also highlight what funds are for and these objectives and projects are confirmed during monitoring. The Partnership Agreement states that each partner will:

"Acknowledge that welfare, evangelism and political activities are not approved humanitarian and development purposes and agree to take all necessary measures to ensure that any financial, material or any other forms of in-kind assistance provided by Act for Peace will not be used to support such activities."

5. Definitions

The definitions of welfare, evangelism and political activities used by Act for Peace for both purposes outlined above are the same as the DFAT definitions.⁶ They are:

Welfare:

Welfare activities are defined by DFAT as assistance to maintain individuals in a particular condition on a long-term basis, such as institutionalised care programs provided by orphanages, child sponsorship (that is, funds given directly to children or their families, and not funds drawn from child sponsorship and used for development purposes), hospital care programs, hospices, and costs for the

⁶ Section 5) A., Recognised Development Expenditure Explanatory Notes, Revised 2019, DFAT

maintenance of structures for institutionalised care programs (for example, schools or orphanages). Please note:

- Welfare is implemented independently of other sustainable community development activities.
- Welfare includes 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; and
- Welfare activities are implemented on a long-term basis with no clear exit strategy.

Political:

Political activities are defined by DFAT as supporting a political party, candidate or organisation affiliated to a political party. Examples include:

- Agency staff being involved in party political activities.
- Agency staff using funds or resources to facilitate or support a specific political party, candidate, or party-political organisation in a local, regional, or general / national election.
- Agency staff using funds or resources to facilitate or support a particular politician or faction to gain power within a government or within a political party structure.

Evangelistic:

Evangelistic activities are defined by DFAT as promoting a particular religious adherence, such as activities undertaken with the intention of converting individuals or groups from one faith and/or denominational affiliation to another.

Annex 1: Act for Peace Objectives and Indicator table

OBJECTIVES	INDICATORS
<ul style="list-style-type: none"> ▪ Act for Peace calculates its registered development expenditure in strict compliance with DFAT’s Registered Development Expenditure Explanatory Notes. 	<ul style="list-style-type: none"> ▪ Act for Peace calculates its RDE in strict compliance with DFAT guidance. ▪ Act for Peace’s Finance Manual refers to DFAT’s Registered Development Expenditure Explanatory Notes (2019) for the calculation of RDE. ▪ Accreditation Finance Consultant Reviews Act for Peace RDE calculations during ‘Mock Accreditation’. ▪ DFAT reviews Act for Peace RDE calculations during Accreditation.
<ul style="list-style-type: none"> ▪ Act for Peace does not provide any support for non-development purposes (welfare, evangelism, and political activities) as defined by DFAT⁷ 	<ul style="list-style-type: none"> ▪ Relevant clauses are contained in our Partnership Agreements and Grant Agreements ▪ Project proposals are appraised against the appropriate non-development purposes criteria. ▪ Act for Peace supported programs are monitored to ensure against funding non-development activities.
<ul style="list-style-type: none"> ▪ To ensure clarity, transparency, and accountability regarding the two purposes outlined above to all our stakeholders. 	<ul style="list-style-type: none"> ▪ The purpose of this policy is known to relevant Act for Peace staff, program partners and other relevant stakeholders.⁸

Annex 2: References:

1. Head Agreement between Act for Peace and DFAT (on Sharepoint)
2. DFAT Registered Development Expenditure Guidance Note (2019) – check for latest updated guidance note before using.
3. DFAT Aid Programming Guide (September 2001):
<https://www.dfat.gov.au/sites/default/files/aid-programming-guide.pdf>
4. DFAT ANCP Manual, March 2020: <https://www.dfat.gov.au/sites/default/files/anpcp-manual-march-2020-v2.pdf>
5. ACFID Code of Conduct, Program Principles B1.5-Non-Development Activity

⁷ Recognised Development Expenditure Explanatory Notes, Revised 2019, DFAT

⁸ This is achieved through orientation of new staff, mentoring on proposal appraisals, discussions with partners, dissemination of partner policy guidance note etc.