



## GUIDELINES FOR THE DEVELOPMENT OF PROJECT PROPOSALS<sup>1</sup>

### 1 Background

ACIAR is part of Australia's international development cooperation program and works toward the program's objective of advancing Australia's national interest by assisting developing countries to reduce poverty and achieve sustainable development. It does this by encouraging Australian agricultural scientists to use their skills for the benefit of developing countries as well as Australia, through international agricultural research and development (R&D) partnerships.

ACIAR's principal goals are to reduce food insecurity, improve livelihoods, and care for the natural resource base for agriculture. To attain these goals, ACIAR facilitates and funds R&D projects aimed at achieving more productive and sustainable agricultural systems. The projects cover a broad range of agricultural areas, including crop production and protection, animal health and animal production, fisheries, forestry, land and water resources management and horticulture. ACIAR also commissions studies of the economic and policy issues concerned with the management of agricultural systems and natural resources, and helps partner countries build their capacity to engage with the increasingly global market economy.

ACIAR does not undertake R&D activities itself. It plans, funds and manages R&D projects that are carried out by Australian public sector groups (including universities, state departments and other research providers such as CSIRO), NGOs and private sector groups, in partnership with their counterparts in developing countries.

ACIAR also administers the Australian government's contribution to the International Agricultural Research Centres (IARCs), and links the Centres through multilateral projects with Australian research organisations and counterparts in developing countries.

ACIAR allocates its bilateral R&D resources to developing countries in Australia's area of interest on a regional basis. In developing projects for these regions, we place emphasis on priorities determined in consultation with partner countries, balancing this against Australia's comparative advantage and capacity to assist. Details of these priorities and resource allocation in individual countries and regions are published annually in ACIAR's Annual Operational Plan, which is accessible on the ACIAR website, [www.aciar.gov.au](http://www.aciar.gov.au).

### 2 Designing projects to make a difference

ACIAR's project development, monitoring and evaluation processes are aimed at ensuring that a majority of its projects deliver tangible benefits to target end-user groups in a reasonable timeframe. ACIAR is investing more in evaluating the impacts of its past projects, and incorporating lessons learned into development of new projects.

ACIAR defines an impact as a *change* that has occurred at the community level, in research or development/extension capacity, and/or at the scientific level.

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<sup>1</sup> Revised August 2007.

These guidelines should be read in conjunction with ACIAR's Project Proposal template and instructions, and Project Budget template and instructions. These and related documents are available on ACIAR's website, [www.aciar.gov.au](http://www.aciar.gov.au).

A **community impact** should be interpreted as an impact beyond the scientific sphere. It refers to any *change* in social, economic, or environmental conditions due to the uptake of information or technology by individuals or groups (including government) as a result of the project. Social impacts refer to changes in: equity; culture; gender roles; and the religious, political, ethnic or demographic status of an individual or community. Economic impacts refer to changes in an individual's, a community's or a country's monetary wellbeing while environmental impacts refer to changes in natural resources. These changes may be positive or negative and could either be anticipated or unanticipated.

A **capacity-building impact** is a *change* in the knowledge and skills of individuals (particularly those in the partner country) that has occurred through their participation in the project and its training elements. For the impact to be fully realised, the participants would use the new knowledge and skills in areas outside the scope of the project. Capacity building also refers to equipment (hardware and software), buildings and infrastructure provided through the project that enables participants to continue R&D outside the scope of the project.

A **scientific impact** is the *change* in scientific practices that have occurred *outside* the project because of the findings of the project.

**Emphasis:** All of these are important, but do not carry equal weight in decision-making. ACIAR places greatest weight on economic impacts, recognising that the other community impacts (social and environmental) are more likely to occur or even be dependent upon financial gains. For instance, benefits from 'environmental' projects, such as reducing erosion or groundwater pollution, are usually derived from financial gains at the individual or group level, and the broader impacts (such as reduced siltation of reservoirs) are also usually quantified in economic terms. Likewise, many social benefits are derived from enhanced income generation, particularly if they are targeted towards the poor.

Most ACIAR projects generate scientific and/or capacity-building outputs. However, the impacts anticipated from application of these results are rarely the sole 'drivers' of ACIAR projects, and where they are prominent they will be targeted towards the achievement of community impacts in the longer term. For projects primarily concerned with generating new scientific knowledge and/or building capacity, you should provide more information in the relevant sections to justify this emphasis.

**Time to impact:** In 2004 the then ACIAR Board of Management decided that the balance of ACIAR's investments be shifted such that a greater proportion of projects deliver tangible benefits to end-users (farmers, natural resource managers or policymakers) within the near-to-medium term. This includes supporting development and extension of the results of earlier research projects, and funding more projects with a strong applied or adaptive research and extension emphasis. ACIAR will continue to support activities across the full R, D and E spectrum, including those of a medium-long term nature where the potential impacts are high.

The investment balancing measure is '**expected time for the project results to impact on groups outside those directly involved in the research**', because this integrates the many factors that must be considered when assessing the chances of achieving impact. There are three categories:

- Category 1: impact likely within 5 years of conclusion of the investment;
- Category 2: impact within 5-10 years of conclusion; and
- Category 3: impact >10 years.

ACIAR is investing in the three areas on a 40:40:20 percentage basis, which places greater emphasis on the development of projects that will deliver near-to-medium term impacts than in the past. Investments within each of these categories have certain characteristics, which are listed in [Appendix 1](#).

### 3 Project identification

ACIAR priorities are specified in three documents (available in hard copy or on the website). The *ACIAR Corporate Plan 2001–06* and *R&D Focus Areas* provide a broad framework, while the *Annual Operational Plan* (AOP) provides specific priorities on a regional, country and program basis.

Research Program Managers (RPMs) have identified priority areas within these frameworks and are the first point of contact with ACIAR for consideration of new project proposals. RPMs initially facilitate, in an informal process, the development of concepts, taking into account issues such as:

- the alignment of the proposed objectives with the priorities expressed in the documents mentioned above, particularly the AOP;
- whether an agricultural research or development problem is identified and defined, and whether that problem can be resolved within the specified timeframe;
- whether interested, capable and suitably equipped R&D institutes are available to undertake the activities in both Australia and the relevant partner country or countries;
- the comparative advantage that Australian and/or IARC researchers offer;
- the potential mutual benefits likely to accrue to both the partner country and Australia, including consideration of 'spillover' benefits;
- the likely time until impacts are achieved through the adaptation and adoption of project outputs.

Where the project has a significant Australian component, the alignment of that work with Australian industry priorities will be taken into account.

When the RPM decides that the proposal is to be progressed, the project leader in Australia or in the IARC is confirmed, and that person's institution becomes the proposed **commissioned organisation**, or contracted executing agency. ACIAR considers any additional Australian collaborating agencies to be subcontractors of the commissioned organisation. It is therefore the responsibility of the commissioned organisation to put in place agreements with the Australian collaborators for the operation of the project (including, but not limited to, intellectual property ownership agreements). These agreements are to be put in place prior to project commencement and require prior approval from ACIAR. They must be subject to, and give effect to, the project agreement between ACIAR and the commissioned organisation.

From this point on, it is the responsibility of the proposed commissioned organisation to submit and manage the project proposal through the ACIAR approval process, interacting with the RPM. Provided the new idea is not rejected on further examination by the RPM or the proponents, the next step is the preparation of a formal project proposal.

### 4 ACIAR project types

ACIAR supports **bilateral** projects that involve Australian and developing country partners, with Australian leadership. These projects may involve the IARCs in a collaborating role. **Multilateral** projects are led by the IARCs and may include developing country and Australian partners.

**Bilateral** projects are restricted to the ACIAR-mandated regions: Southeast Asia, North Asia, South Asia (specifically India and Pakistan), Papua New Guinea and South Pacific Island countries (specifically Solomon Islands, Vanuatu, Fiji, Samoa, Tonga and Kiribati), and Southern Africa (specifically the Republic of South Africa). **Multilateral** projects must also primarily engage or benefit these regions.

ACIAR projects are classified as **small**, **medium** or **large** according to the following criteria:

Project type	Development time	Financial limit	Usual duration	Preliminary proposal required?	Development visit required?	Referees
Small	Approximately 4 months	< \$150,000	Under 2 years	No	Rarely	No
Medium	Approximately 6 months	\$150,000–\$400,000	2–3 years	Yes	Usually	Sometimes
Large	Approximately 12 months	> \$400,000	3–5 years	Yes	Usually	Usually

In all projects, it is expected that the commitment of the collaborating institutions will be reflected in 'in kind' contributions to the total budget. ACIAR also encourages projects that include co-funding contributions from other agencies in Australia (for example, Rural Research and Development Corporations) or in the partner countries, private sector organisations or international donors. Project duration may range from one to five years and ACIAR's contribution may range from A\$50,000 to over A\$1 million.

## 5 Project development

### 5.1 Development cycle

Proposals can be submitted at any time. Projects can also commence at any convenient date after approval. However, project budgets are required to be prepared to cover six-monthly payment periods, e.g. 1 January to 30 June and 1 July to 31 December.

The development of an ACIAR project proposal is an interactive process involving the proposed project leader, collaborators and the relevant ACIAR RPM. All potential collaborators should be involved in the planning discussions and the project development process from the outset to ensure commitment and that the proposal addresses ACIAR's criteria and priorities. For large or medium project proposals, the RPM may allocate funds to enable project proponents to meet, usually in the partner country, in order to discuss the research more fully and prepare the full proposal.

ACIAR's project development processes and the approvals required vary, depending on the project type. A phased approach to project development is used, to ensure that the proposal is refined and shaped as it develops and that it has the benefit of review at each phase. Less meritorious project ideas are successively culled at each phase, so that the proposals eventually implemented are a subset of the proposals originally received by ACIAR.

The progression of project proposals through the ACIAR project cycle is subject to various approvals by the ACIAR In-House Review (IHR) and Chief Executive Officer/Deputy CEO/Regional Coordinator. At its discretion, ACIAR may withdraw the project from further development at any time throughout this process.

All proposals are considered by the IHR at least once: generally at the Preliminary stage for medium and large projects and at the Full stage for small projects (see sections 5.2 and 5.3 below for details). RPMs are responsible for the submission of project proposals for evaluation by the IHR and must be present during deliberation. The IHR comprises all ACIAR senior scientific staff and is chaired by the CEO. Proposals are thereby exposed to multidisciplinary scrutiny and benefit from the collective experience of ACIAR staff.

The requirement of a signed agreement from the developing country partner/s adds to complexity and may require a lead time of 1 to 10 months after the project is formally approved by ACIAR.

## 5.2 Medium and large projects

The development procedure for both *medium* and *large* projects comprises three consecutive steps. (*Medium projects* are intended for research that meets newly identified, high-priority needs, and often arise from efforts by RPMs to open up new areas of research or development.)

- 1 A **preliminary proposal** is developed in consultation with the appropriate RPM, and after deliberation, IHR will either:
  - endorse the project and recommend that a **full proposal** be developed;
  - request resubmission of the proposal;
  - place a hold on further development pending additional deliberation by ACIAR; or
  - reject the proposal.

In all cases the outcome of this deliberation will be communicated to the Project Leader. When further development is approved, a record of the recommendations and comments made by IHR will also be provided.

- 2 The **full proposal** is developed by the project team with more impact, methodological and operational detail and budget information. For Large projects, a **draft full proposal** will be sent to 2-4 external referees appointed by ACIAR. Medium projects may be subject to external review at the discretion of the RPM. Project proponents are required to respond to the referees' comments, and to adjust the proposal accordingly. The revised draft of the proposal will be submitted to a small group of RPMs, accompanied by written responses to (i) the IHR comments on the preliminary proposal, and (ii) the referees' reports. The small group will consider the proposal and either:
  - endorse the full proposal. This endorsement will be subject to attention to some residual recommendations to enhance and/or refine the project.
  - request resubmission of the full proposal. A detailed strategy will be proposed by ACIAR for the further development of the proposal. This could include issues such as redesign of the experimental program, inclusion/exclusion of particular partners, significant adjustment of the budget, enhancing the delivery pathway. Resubmission of the proposal will be accompanied by a written response to the ACIAR recommendations.
  - reject the full proposal.
- 3 The final **full proposal** is then submitted to the Regional Coordinator (medium project) or CEO/Deputy CEO (large project) for **approval for implementation**.

### 5.3 Small projects

**Small projects** are pieces of research and/or development discrete in time or scope, or feasibility or sectoral studies with narrow objectives to be completed within a short time frame. Small project proposals use the same project proforma as for full medium and large proposals, but less detail is usually required.

IHR normally considers small project proposals only **once**, in **fully developed** form. The outcomes of IHR deliberations are as for step 2 above, i.e. endorsement, resubmission or rejection.

In some cases, at the discretion of the RPM, small projects may be considered as for medium projects, i.e. in a two-stage manner, without external referees.

In either case the final **full proposal** is **approved for implementation** by the RPM.

### 5.4 Project proposal formats

ACIAR requires that project proposals and associated budgets be submitted in standardised electronic form. The Project Proposal template and instructions (Word<sup>®</sup> documents), and Project Budget template and instructions (an Excel<sup>®</sup> spreadsheet) are all accessed from the ACIAR website. The documents provide clear instructions which we recommend are read, understood and followed.

The Project Proposal template is used for all types of projects at both the **preliminary** and **full** stages. The main difference between stages is the level of detail required. The instructions indicate what information is required at both stages.

A detailed budget using the Project Budget template is only required at the **full** proposal stage. **Preliminary** proposals require a small table indicating the breakdown of indicative expenditures across years and partners.

## 6 Other information and documentation

### 6.1 Letters of support

Project proponents need to obtain written support for project participation from the relevant authorised agency for each project partner and, depending on the country, from the appropriate planning agency in the partner country. RPMs will advise proponents of the best way to proceed, as there is variation between countries. We recommend that the authorities of each project partner are contacted as early as possible to ensure the alignment of priorities, to build institutional support and to potentially streamline the signing of the project agreement.

Letters of support are **desirable** at the preliminary stage, and **must** accompany **full proposals**.

### 6.2 Other issues

It is important that the relevant legal or administrative area within the proposed commissioned organisation is consulted and internal approval procedures complied with. This includes obtaining relevant approvals to the ACIAR standard agreements that the commissioned organisation will be required to sign.

ACIAR, the commissioned organisation, and the collaborators must fulfil all relevant obligations under international arrangements to which Australia is a signatory, or under relevant Australian legislation. Examples include international arrangements on **intellectual property** (IP), **biological resources** (for example, the **Convention on Biological Diversity**), and, in Australia, the **Environment Protection and Biodiversity Conservation Act 1999** and the **Privacy Act 1988**. ACIAR has a firm policy on IP in its projects, available at <http://www.aciar.gov.au/web.nsf/doc/ACIA-5K32WH>, and maintains an IP register.

Requirements for documentation addressing these considerations are outlined in the Project Proposal instructions. Other required attachments and declarations are similarly listed in the instructions.

## **Characteristics of projects that define the categories of 'expected time for the project results to impact on groups outside those directly involved in the research'**

(Note that projects in a particular category are unlikely to satisfy all of the characteristics, and some characteristics are mutually exclusive)

### **Category 1: Projects likely to achieve impact within 5 years (40% of investments)**

- Likelihood of achieving the project's objectives is very high. The technologies or information outputs have been successful in like environments (including in developed countries) and the project is primarily concerned with local adaptation.
- There is a known strong demand-pull for the project outputs from the client audience. Market demand for the product, information or services is strong and the linkage between poverty alleviation and meeting that demand are well understood.
- The project is formally linked with a significant development activity funded and supported by the partner country government and/or a significant donor and/or the project is formally linked with an NGO or the private sector and the support of the national/regional/provincial governments.
- One or more strong extension services are partners in the project and they will make a significant co-investment in the project.
- The project is designed as a pre-development activity that primarily aims to identify the constraints to adoption on a wide scale (say 2,500 farmers or 25-50 villages) of technologies that have already proven successful on-farm on a smaller scale (say with 200 farmers or 2-3 villages). There is no suggestion that a follow-on project or extension will be required to take outputs to outcomes and/or for extension and communication of outputs.
- The project includes significant social science and economic skills and emphasis.
- Local policy and/or regulatory frameworks are favourable to the adoption of technologies and flow of benefits.
- Dissemination and communication activities are likely to be a major objective of the project, be well defined and articulated, but with sufficient flexibility to accommodate specific and changing needs of clients.
- The planned impacts on individual clients, e.g. increased income, will occur quickly (say within a year) and will be obvious to other potential adopters.
- Success of the technological intervention or information outputs will be self-sustaining, e.g. through biological processes (IPM), farmer-farmer exchange, private sector benefits, formation of farmer or village structures, etc.

### **Category 2: Projects likely to achieve impacts in 5-10 years (40% of investments)**

- The likelihood of achieving the project's objectives is high. The technologies or information outputs have been successful elsewhere, and/or are at an advanced stage of development, and/or are proven approaches to resolving the problem.
- A follow-on or extension of the project is likely to advance the project outputs to outcomes and/or extend information to a wider audience.
- If successful, wider extension of outputs will require instigation of a development activity. Donors, government agencies and/or NGOs have been involved in the development of the project and will be involved during the course of the project.
- The adoption of project outputs will strengthen the competitive capacity of our client audience to meet the market demand for the product or service. Given the timeframe, there is some uncertainty surrounding this issue.

- Strengthening of the extension or other elements of the service sectors is a significant component of the project in anticipation of their future role in dissemination of project outputs.
- The project involves both on-station and on-farm activities, with the latter aiming to test interventions and to become better informed about the social and economic circumstances of potential clients.
- Impacts at the client level may be less obvious and longer-term. This is likely to affect both uptake rate and reduce the number of clients able to adopt the new technologies.
- Partner country institutional strength is reasonable, with good infrastructure, financial support and skilled staff. Some capacity building will occur to sustain and further develop the institutions and individuals.
- Local policy and/or regulatory frameworks are not considered to be a constraint to the adoption of technologies and flow of benefits, but some work may be needed/ conducted to confirm this observation.
- The need for policy advice has been identified by agricultural practitioners, but the demand for such policies may not be coming directly from policy makers at this stage. Project outputs are anticipated to inform the development of policies sometime in the future.

### **Category 3: Projects where impacts are unlikely within 10 years (20% of investments)**

- Projects are more oriented to science-push than demand driven, but focussing on science underlying developing country constraints. Demand may be defined in a general sense rather than considering specifically how meeting this demand is linked with poverty reduction.
- The likelihood of achieving the scientific objectives is problematic in the near-term, but if the objectives are achieved the benefits are perceived to be very high.
- Partner country capacity for strategic research is strong.
- The political and social framework of the partner country is problematic. The policy and regulatory environment is not currently conducive to the adoption of project outputs. Avoiding policy regression can be important, and can occur with policy settings if research is not maintained over the long term. The capacity of agencies (private or public) providing services to end-users may be weak.
- Impacts are likely to be developed over a long period and may not be obvious and/or may involve some initial negative impacts for some individuals and/or communities.
- Benefit flows may be indirect such that a change is required at the start of a chain while the benefit is derived at the other end of the chain.