

## The Five Years Strategy

### A. Overview

In order to fully establish the Charter as the sector's overarching accountability framework, three primary aims (1 – 3) and two supporting aims (4 – 5) should be achieved:

- 1. All leading international NGOs sign the Charter.*
- 2. Donors and other key stakeholders of strategic importance recognize the Charter / GRI reporting as the premier quality assurance mechanism for INGOs.*
- 3. Smaller international organisations and larger national ones use the Charter as a basis for their own accountability.*
- 4. The Charter positions itself as the authoritative voice on NGO accountability; by communicating extensively with internal and external stakeholders, engaging in public debate, and building the Charter as an effective brand.*
- 5. The Charter has sufficient funding available to attain above priorities.*

### B. The Charter's Rationale

On 15 September 2004, the global CEOs of Amnesty International, Greenpeace, Oxfam and Save the Children got together to discuss how their organisations' accountability could be improved. In analysing the task at hand, they listed three different accountability challenges their organisations faced:

#### **1. The challenge from media, business and governments to be more accountable**

As they successfully challenged business and governments to be more transparent and accountable, they were coming under increasing pressure to be more transparent and accountable themselves. Some of this pressure was purely political from groups like NGO Watch, and others critical of the role of NGOs, but there was/is also mainstream media interested in the increasing size and power of 'unelected' INGOs in public debate.

#### **2. The challenge to identify one global cross-sectoral accountability framework**

The CEOs were concerned with the plethora of accountability systems being developed across the sector both internationally (Sphere, HAP-I, One World Trust, AccountAbility) and at the national level (ACFID, CCIC, Bond, Interaction) none of which adequately addressed global cross-sectoral issues.

They felt it was important for the INGOs to shape a global cross-sectoral code of conduct which reflected *their* values and priorities and asserted the rights of NGOs to freedom of association and free speech.

They reviewed the existing accountability frameworks and found that none of these fulfilled their need for a text which was broad enough to cover the requirements of human rights, environmental, development and childrens' organisations and which, at the same time, was specific enough to sufficiently improve the quality of their accountability.

Therefore, they decided to work on "a general text covering the major areas of our work" which would bring these interests together and be compatible and complementary to existing codes.

### 3. The challenge to improve their internal accountability

As CEOs they recognized the need to lead their organisations more effectively, by improving transparency and accountability. They also felt that the best way to respond to challenges around accountability was to strive for excellence. The choice of a sustainable reporting instrument – the Global Reporting Initiative (GRI) – was partly to drive internal improvement.

### C. Process and Stakeholder Engagement

The CEOs hired a consultant, Paul Hohnen, to draft the INGO Accountability Charter. In a series of meetings in 2005, the CEOs discussed several drafts and the required steps towards a final text. The Charter was publicly launched at the International Advocacy NGOs (IANGO) meeting on 06 June 2006 by its founding signatories: 11 international organisations from across the sector.

At each step, including drafting, the CEOs consulted with IANGO at their annual meeting, which brought in a wider set of stakeholders, large INGOs, small national NGOs and CIVICUS (representing a wide range of NGOs and CSOs). IANGO provided the mandate to proceed to establish the Charter Company, to fund and develop the GRI NGO Sector Supplement and to establish the Independent Review Panel. The ongoing mandate now sits with the Members of the Charter Company who meet annually at the Charter Company AGM. The secretariat role was passed to the Berlin Civil Society Center from CIVICUS in 2010.

All Charter Signatories are required to submit an annual report against the standards set by the Charter. Since May 2010 the reporting format is the GRI NGO Sector Supplement, which has been developed through a multi-stakeholder process funded by the Signatories. As the Charter enters the fifth year of its existence, it needs to develop a more systematic and strategic approach in its guidance of the sector's accountability. This Five Year Plan 2011 – 2015 aims at providing a framework for the Charter's longer-term development.

### D. Overall Objective for the Next Five Years

As accountability is increasingly seen as a key requirement every reputable INGO needs to fulfil and as the number of competing accountability frameworks mushrooms, it is important to establish one quality accountability framework as the standard of the sector's reporting. The INGO Accountability Charter aims at fulfilling this role. Over the next five years the Charter aims **to become international NGO's accountability framework of choice, accepted by their key stakeholders**, namely;

- by all major international NGOs as the standard reporting basis every organisation should apply,
- as a model for national NGO codes of conduct especially where there is limited political space,
- by the donor community as the basis for quality assurance,
- by project partners as the basis for mutual accountability,
- by business and governments as equivalent to their own reporting standards,
- by charity watch dogs as the basis for their own assessment of NGOs,
- by the media and the public at large as the appropriate basis for assessing a NGO's performance.

## **E. Strategic Priorities**

The next five years will be decisive in establishing the Charter as our sector's accountability standard. Becoming the standard does not mean replacing all other accountability frameworks. On the contrary, specific frameworks for various sub-sectors (e.g. humanitarian aid) should be seen as complementary to the Charter rather than as competing. The Charter as the sector-wide overarching accountability framework will make every effort to coordinate with different accountability initiatives and to encourage ambitious standards of accountability throughout the sector.

In order to fully establish the Charter as the sector's overarching accountability framework, three primary aims (1 – 3) and two supporting aims (4 – 5) should be achieved:

### **1. All leading international NGOs sign the Charter.**

In order to increase the Charter's attractiveness for those NGOs who have been hesitant to sign the Charter, a number of steps at different levels have to be undertaken:

1.1 The Charter Company has to support its existing members in their reporting against the new GRI NGO Sector Supplement guidelines. Only if the present members develop confidence and expertise in reporting in this new framework and only if it can be shown that the GRI reporting approach is viable and beneficial to NGOs' internal and external accountability, there will be sufficient pull to bring the remaining international NGOs on board. A key tool to secure quality reporting will be to establish a network of peers among Charter members supporting each other in producing meaningful reports.

If Charter members can jointly show that the reporting process is a learning exercise, helping them to improve the effectiveness and accountability of their own organisations, they will set convincing examples of best practice.

1.2 Another crucial step for bringing in new members more effectively (and for keeping undesirable ones out) is improving the process through which NGOs can become Charter signatories. Reviewing the Charter's membership criteria and policies, streamlining the application and decision process as well as upgrading the quality and reliability of application assessments are essential steps for bringing the remaining key organisations on board.

1.3 While undertaking these steps, the Charter should continue talking to those NGOs remaining outside that command great respect in the sector and own one of the top brands. Bringing those on board will enormously facilitate expanding the Charter to many of the second tier international NGOs.

### **2. Donors and other key stakeholders of strategic importance recognize the Charter / GRI reporting as the premier quality assurance mechanism for INGOs.**

2.1 The Charter should convene a small team of expert staff to continue the development of standards for the sector and discuss with the donors, watch-dogs and foundations. Critically, we want to demonstrate that INGOs are taking responsibility for their own accountability in the context of the wider aid effectiveness debate. Working on standards will give us the credibility to lobby and communicate on high standards of accountability.

2.2 On the basis of these proposals the Charter should enter into talks with donors and other stakeholders about how the Charter/GRI reporting can form the basis of quality assurance and be at least a component of accreditation for funding eligibility.

2.3 The Charter should develop the logo as a quality 'stamp' which can only be used legitimately with the permission of the Company.

### **3 Smaller international organisations and larger national ones use the Charter as a basis for their own accountability.**

In order to contribute significantly to improving the accountability of our sector, the Charter's standards should be applicable to – and applied by – smaller international and larger national organisations as well. Having been conceived by some of the largest global NGOs to serve their own specific requirements, the Charter should be adapted to meet the needs and capacities of smaller NGOs.

3.1 With the GRI reporting categories A, B and C different quality levels of reporting are available, allowing smaller organisations with limited capacities to report on fewer criteria and/or in less detail. Still, given the complexity of the GRI system, reporting under its criteria remains a challenge and smaller organisations should be provided with specific help guiding them through the reporting process. Integrating smaller NGOs in the peer network or establishing a separate peer network for smaller organisations or developing a peer-to-peer coaching mechanism are possible means to support smaller organisations through the reporting process.

3.2 In order to allow smaller NGOs to become members, the Charter will look into establishing an Associate Membership status.

### **4 The Charter positions itself as the authoritative voice on NGO accountability by communicating extensively with internal and external stakeholders, engaging in public debate, and building the Charter as an effective brand.**

Making the Charter better known is a basic precondition for its emergence as the sector's accountability framework of choice. A number of specific steps should be undertaken to strengthen and systematize the Charter's public appearance.

4.1 Maintaining and further upgrading the Charter's website is a key requirement, both for internal and external communications. Charter members should use the Charter's website to post their accountability reports, to publicise their experiences with overcoming specific reporting challenges and to advise each other how to advance their accounting setup and reporting techniques. Key stakeholders should have access to this information and be invited to contribute to the discussions. The public at large should be able to use the site to learn more about NGO accountability and how they can interpret the information they receive from NGOs reporting in the Charter / GRI framework.

4.2 The Charter should engage in media work, relevant conferences and other opportunities for promotion.

4.3 The Charter's Board and the Secretariat should develop and maintain an overview on other accountability initiatives, both inside and outside the sector. They should systematically communicate with these initiatives, offering cooperation and encouraging the development of joint standards wherever possible.

## **5 The Charter has sufficient funding available to attain above priorities**

The Charter's membership fees are sufficient to provide the agreed essential services to the members. In order to fulfil the more demanding plans laid out in this Five Year Plan, additional resources need to be found. In order to define more precisely how much additional funding is required, detailed work plans for all aims have to be developed. Once these have been produced and the exact costs have been established, three parallel approaches should be applied to raise the required additional resources.

5.1 With the endeavour to enlarge the Charter's membership additional fees will be raised. While this is highly welcome and will ease the Charter's financial strain, it has to be understood that additional members also mean additional work for the Review Panel and the Secretariat and thus additional costs.

5.2 The possibility of raising the membership fees to a level which will fully cover the services members expect needs to be explored. With the expected increasing success of the Charter a growing readiness of its old and new members to cover its costs is being expected.

5.3 Finally, external funders should be found who are ready to support a key strategic initiative such as the INGO Accountability Charter. A small task group consisting of institutional fundraisers of some of the Charter's members should be established with the aim of identifying potential funders for a five year process to achieve the above priorities. Once identified these funders should be approached systematically, making optimal use of existing contacts and funding cooperation.

ENDS

*This strategy was unanimously adopted by the Charter member organisations at the Annual General Meeting, taking place in Berlin on 13 April 2011.*