Mapping civil society self-regulation

Context, challenges and opportunities to strengthen independence and role of NGOs in governance

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Issues to cover

• Drivers of the debate – why be accountable?
  – External
  – Internal
  – Normative
  – Instrumental
• Accountability – c’est quoi?
  – Defining a nebulous term
  – Stakeholder web
  – Core principles
  – Components
• How are NGOs responding: results from the One World Trust project
  – At individual level
  – At sector level
  – Regionally
• Types of Self Regulation Initiatives and the question of strength
• Challenges & opportunities for organisational and sector wide reform
Why be accountable? Drivers of the debate

- **NGOs thrive on value and mission ethos**
- **National chapters of federated organisations based in developing countries and emerging economies claim stronger participation rights**
- **Increasing scrutiny due to growth in size and influence**
- **Boomerang effects: NGO pressure on others to be accountable generates backlash**
- **Pressure on civil society space and role in governance**
- **Increasing scrutiny due to growth in size and influence**
- **New philanthropists introduce new / stronger logic of RoI**
- **Security concerns regarding traceability of donor funds**
- **Limited consistency of “Partnership” and “client/beneficiary” approaches and policies hampers accountability and fundraising capacity of intermediary donor NGOs**
- **Pressure on statutory, bi- and multilateral donors to demonstrate results is passed down the food chain**
- **Internal concerns about quality assurance and contract fulfilment / renewal**
- **Self inflicted wounds: scandals and negative media coverage**

**Key Points:**
- **Normative Drivers:**
  - Increasing scrutiny due to growth in size and influence
  - Boomerang effects: NGO pressure on others to be accountable generates backlash
  - Pressure on civil society space and role in governance

- **External Drivers:**
  - New philanthropists introduce new / stronger logic of RoI
  - Security concerns regarding traceability of donor funds

- **Instrumental Drivers:**
  - Limited consistency of “Partnership” and “client/beneficiary” approaches and policies hampers accountability and fundraising capacity of intermediary donor NGOs
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- **Internal Drivers:**
  - Increasing scrutiny due to growth in size and influence
  - New philanthropists introduce new / stronger logic of RoI
What is accountability?

“the processes through which an organisation makes a commitment to respond to and balance the needs of its stakeholders in its decision-making processes and activities, and delivers against this commitment”

From the One World Trust Global Accountability Framework & Reports
Multiple stakeholders of NGOs

Mission & Values

- Peer NGOs
- Staff / Volunteers
- General public
- Companies
- The board
- Beneficiaries
- Private donors / supporters
- Politicians
- Partners
- Institutional donors
- Regulators / Self regulators
- Advocacy targets

- General public
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- Institutional donors
- Regulators / Self regulators
- Advocacy targets
Core principles of accountability

- Mutually reinforcing principles
- Developed and tested with organisations from across all sectors
- Proactive rather than reactive accountability
- Accountability as learning, not just compliance
Key components of accountability

Accountability Capabilities
Structures, mechanisms, policies, and systems of accountability

Accountability Culture
Attitudes, values and beliefs of staff that support accountable behaviour

Accountability Practices
Activities and interactions between an organisation and its stakeholders
How are NGOs responding to the accountability challenge?

- Organisational and sector initiatives
  - Humanitarian sector

- Self-regulation as a preventative and protective tool
  - Civil society space and role in governance

- Search for integrity and establishing ‘good’ performance as a sector
  - Key results from the One World Trust Global Accountability Report

- A typology of self regulation

- The role of compliance
How are NGOs responding to challenges to their accountability?

**Sector initiatives**
- Third party certification
- Self-certification
- Peer reviews
- Learning groups
- Codes of Conduct / ethics
- Transparency policies
- Operational standards
- Partnership principles
- Reporting frameworks
- Rating agencies
- Information Services
- Awards
- Staff Immersions

**Organisational initiatives**
- Monitoring & Evaluation Systems
- Senior and public leadership initiatives
- Stakeholder panels
- Performance reporting
- Planning frameworks
- Whistleblower policies
- Impact assessment
- Complaint mechanisms
- Award agencies
- Development frameworks
Results from the Global Accountability Reports – a cross-sector perspective
What is self-regulation?

- **Involves two or more organisations coming together to either define common norms and standards to which they can be held to account or share good practices so as to improve their accountability and effectiveness.**

- **The common thread to all forms of CSO self-regulation is that it is not fully mandated by government regulation; and that at least some aspects of each CSO self-regulatory initiative are the result of voluntary participation by the sector in developing and administering common norms and standards of behaviour.**

- **Self-regulation can involve external assessment or even control by a third party such as a peer CSO or watchdog, or a sufficiently independent state accredited umbrella organisation, or a governmental but arms-length body.**
Examples of self regulation initiatives in the NGO field: the humanitarian sector

Active Learning Network for Accountability and Performance (ALNAP)

Steering Committee for Humanitarian Response (SCHR)

SPHERE

Code of Conduct for the International Red Cross and Red Crescent Movement and Non-Governmental Organizations (NGOs) in Disaster Relief

Synergie Qualite - Coordination SUD

Humanitarian Accountability Partnership International

Emergency Capacity Building Project (ECB)

Global Humanitarian Platform - Principles of Partnership


Interagency network for education in emergencies - Minimum standards

Quality COMPASS - Group URD

People in Aid - Code of Good Practice in the Management and Support of Aid Personnel
The OWT CSO self-regulation project

• Strengthen and protect the credibility and legitimacy of CSOs as actors in governance and public policy by encouraging the development and implementation of sector level self-regulation
  • Raise awareness of existing self-regulatory initiatives worldwide
  • Facilitate the sharing of experiences and learning on self-regulation, internationally
  • Identify and increase understanding of best practice
  • Increase understanding of complementarities, overlaps and tensions between initiatives

• Tools
  • Online database of CSO self-regulatory initiatives
  • Interactive map indicating levels of CSO self-regulation worldwide
  • Thematic and issue specific briefing papers

• Future plans: toolkits and expansion of the analytical function of the database
CSO self-regulation is more widespread than we previously thought.

- Past studies only looked at particular sectors or regions.
- CSO self-regulation has not permeated the sector evenly, neither regionally, nor thematically.

- 343 initiatives identified worldwide:
  - 309 at the national level
  - 34 at international and regional level

...and we know there is more out there!

http://www.oneworldtrust.org/csoproject/
CSO self-regulation in Europe and Central Asia

144 initiatives identified within the region

- Austrian Seal of Quality for Donations
- Ethical Guidelines for North / South Information in Norway
- Le Comite de la Chartre – France
- Trademark of Trust – Hungry
- Guidestar Netherlands
- NCO Coorinates – Russia
- Social Actions Commitment to Quality in the Third Sector – Spain

http://www.oneworldtrust.org/csoproject/
CSO self-regulation in the Americas

85 initiatives identified within the region, including:

- Transparency Standards for NGOs - Chile
- NGOs for Transparency Network - Colombia
- Evaluation of Organisational Development System - Paraguay
- Interaction PVO Standards - USA
- Governance & Transparency Indicators - Mexican Center for Philanthropy
- Code of Ethics of CSOs - Honduras
- Letter of Principles Brazilian NGO Association

http://www.oneworldtrust.org/csoproject/
CSO self-regulation in Asia and the Pacific

37 initiatives identified within the region, including:

- NPO Certification - Pakistan
- PCNC NGO certification - Philippines
- GuideStar Korea
- 10 Point Accountability Agenda – Bangladesh
- Credibility Alliance Norms and Good Standards – India
- ACFID Code of Conduct – Australia
- NGO Good Practice Project Certification System – Cambodia

http://www.oneworldtrust.org/csoproject/
43 initiatives identified within the region, including:

- Palestinian NGO Code of Conduct
- NGO Quality Assurance Mechanism - Uganda
- GuideStar Israel
- NGO Code of Ethics Self-Assessment Program - Tanzania
- Greater Good South Africa
- Code of Conduct for NGOs in Nigeria
- Database of Malian CSOs
- Ghana CSO/NGO Standards for Excellence Project

http://www.oneworldtrust.org/csoproject/
How to search the online database

- **By location**
  - International and region-wide, Cultural, political and regional groups, country
- **By type of initiative Certification scheme**
  - Code of Conduct/Ethics, Information Service, Self-Assessment, Working Group, Awards scheme
- **By areas addressed by initiative**
  - Communications / advocacy / fundraising, Governance and Management, Human resources, Beneficiary / client / supporter participation, Monitoring and Evaluation
- **By targeted activity sector**
  - General, Advocacy / lobbying, Agriculture / food / nutrition, Arts / culture / sport, Development, Education, Environmental and social impact, Fundraising, Health, Humanitarian / emergency relief, Human rights, Infrastructure, Microfinance, Philanthropy, Research, Social care and services, Water / sanitation, Other

- **Additional resources and services**
  - Regional and thematic analytical papers
  - Advisory services: research, review, consulting, training
NGO Good Practice Project Certification System

Basic information
Host or sponsor: Umbrella organisation
Type: Certification scheme
Year established: 2007
Status: Active
Thematic area: Development, Humanitarian / emergency relief

Summary: The NGO GPP Certification System is based on the Code of Ethical Principles and Minimum Standards for NGOs in Cambodia. NGOs wishing to obtain a Code of Compliance Certificate are assessed against the principles and standards of this code.

Participation
Reasons for participation
- Certificate / seal of approval
- Enhancing credibility, quality or reputation

Contact details
Host organisation: Cooperation Committee for Cambodia
Acronym: CCC
Website: www.ccc-cambodia.org
Email: info@ccc-cambodia.org; ngogpp@ccc-cambodia.org
Phone: (855-23) 214-152

Compliance
Evidence base: Desk & Field/site
Description of monitoring mechanism: The NGO Code Working Group reviews the documents submitted by the applicant and upon its recommendation a field visit and review is organised by NGO GPP staff. The reviews are then submitted to the NGO Code Compliance Committee for final approval. The certification is valid for three years.

Has sanctioning mechanism: Yes
Description of sanctioning mechanism: Complaints board reviews complaints
Can removal be enforced?: Yes
Has removal ever been used?: No
### Search results

You searched by 'Thematic area: Fundraising'

25 results

<table>
<thead>
<tr>
<th>Name</th>
<th>Host</th>
<th>Location</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>EFA Certification</td>
<td>European Fundraising Association</td>
<td>Europe</td>
<td>The EFA seeks to develop common standards for fundraising across Europe. The EFA certifies fundraising training programmes. This certification sets minimum content standards to ensure consistency across all National Fundraising Organisations that are members of EFA. National Fundraising Organisations are responsible for recognising programmes which comply with the EFA training syllabus and standards, then and making recommendations to the EFA Certification Board. The EFA Certification Board ratifies local recognition, validates programmes. Successful programmes carry the mark &quot;EFA Certified&quot;.</td>
</tr>
<tr>
<td>European Fundraising Award</td>
<td>European Fundraising Association</td>
<td>International</td>
<td>No details are currently available.</td>
</tr>
<tr>
<td>IFCO International Standards</td>
<td>International Committee of Fundraising Organizations</td>
<td>International</td>
<td>The IFCO International Standards address good governance and management for international non-governmental, or not-for-profit, private organisations that directly, or indirectly through subsidiary bodies, raise funds from the public for charitable or public benefit purposes.</td>
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</tbody>
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Types of Self-Regulation

Formalised structure:
- Codes of conduct / ethics
- Third party certification
- Peer / assessment certification
- Self / assessment certification

Informal structure:
- Information services
- Awards schemes
- Working groups

Light compliance

Heavy compliance
What makes a “strong or effective” self-regulation initiative?

- Difficult to establish firm criteria for measuring this, but research literature suggests that effectiveness is strongly related to the design and structure of the initiative, in particular to the following aspects:
  - the authority of the scheme to grant and withdraw accreditation
  - the level of stringency and the potential for enforcement by a third party
  - the imposition of high standards on applicants
  - strong verification mechanisms.

→ A key role for compliance mechanisms across a range of operational aspects of a self regulation initiative
So what about compliance mechanisms?

<table>
<thead>
<tr>
<th>Monitoring mechanism</th>
<th>Sanctioning mechanism</th>
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<tbody>
<tr>
<td>Proactive</td>
<td></td>
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<tr>
<td>Self assessment</td>
<td>• Desk assessment</td>
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<tr>
<td></td>
<td>• Field assessment</td>
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<tr>
<td>Peer assessment</td>
<td>• Both</td>
</tr>
<tr>
<td></td>
<td>Recommendations for improvement</td>
</tr>
<tr>
<td>Third party assessment</td>
<td>Disclose of complaint and corrective action taken</td>
</tr>
<tr>
<td></td>
<td>Financial penalty</td>
</tr>
<tr>
<td>Reactive</td>
<td></td>
</tr>
<tr>
<td>Complaints procedures</td>
<td>Removal from initiative</td>
</tr>
</tbody>
</table>

- No compliance mechanism is inherently better than another, and adaptation to context is key

- Yet surprisingly, most initiatives do not have them
CSO self-regulation: key operational findings

- CSO self-regulation is growing but has not permeated the sector evenly, neither regionally, nor thematically.
- There is no one size fits all approach to CSO self-regulation.
  - Social, political and regulatory context is very important.
  - Detailed standards need to be balanced with wide participation.
- Right entry levels need to be found so that raising sector standards does not become prohibitive to smaller CSOs.
- Important to prevent self-regulation from becoming a tiresome tick box exercise rather than a tool for improving performance.
- Compliance mechanisms are weakly developed but deserve more attention to make initiatives effective.
- Leadership in organisations and sector ownership is essential for reform.
CSO self-regulation: key political findings

- Self-regulation is an emancipation tool, not one of control: there are risks of making the debate and their development subservient to interests which are alien or not congruent to the values of the sector.

- The relationship of self-regulation with formal regulation at state level, and their complementarity needs to be better understood.
  - Formal regulation can be detrimental to strengthening accountability when used repressively to limit the space for CSOs in public policy and governance.
  - Self regulation has large potentials, but cannot answer all questions and regulatory needs.

- There are other areas in which CSO self regulation has a natural area of expansion for instance at global level where formal regulators are per se often absent.
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Many thanks