

# ICFO's Mission and new Challenges in Charity Certification

**Burkhard Wilke**  
Secretary General ICFO

Engaging Donors' Trust – ICFO AGM 2008  
Berlin, 16 May 2008



# ICFO - the association of national monitoring bodies

## International Committee on Fundraising Organizations



- Founded 1958
- **Members** in Austria, Canada, France, Germany, Italy, the Netherlands, Norway, Sweden, Switzerland, UK, USA,
- Independent Monitoring Agencies, not yet ICFO members, in: India, Indonesia, Philippines, Spain, ...



# ICFO's Mission

## ICFO and its members are building BRIDGES OF TRUST

- Donors' trust – a decisive factor
- Informed Trust instead of "Blind Trust"
- Independent Monitoring Agencies are "Partners" of reliable Charities

### ICFO's Key Activities

- Exchange of Information – internally and externally
- ICFO International Standards and ICFO Assessment
- Strengthening and disseminating the Independent Monitoring of charities worldwide



# International Examples

## ICFO and its members are building BRIDGES OF TRUST

- **Comité de la Charte, France** (founded 1989)  
(Volunteers + staff, membership based, independent  
Commission d'agrément et de surveillance, seal)
- **Stiftelsen för Insamlingskontroll, Sweden** (founded 1943)  
(90 account (accreditation), staff, auditors)
- **Stiftung ZEWO, Switzerland** (founded 1934)  
(Seal, staff, official "Swiss Collection Schedule",  
donor advisory service)



# International Examples

## DZI Seal-of-Approval



- Fundraising: truthful, accurate, not misleading, no pressure to donors
- Finances: >250,000 € audited by CPA, salary = public service, 35% admin+fundr.
- Governance: well functioning planning and supervision, extra control body if family links or paid board member



# International Examples

## What about the Newcomers?

- Spain (Fundacion Lealtad successful)
- Czech Republic (TI Initiative failed)
- Slovak Republic (Donors' Forum, not monitoring)
- Philippines (Philippine Council for NPO Certification PCNC)
- India (Credibility Alliance)



# Independent Monitoring?

## Independent Monitoring of Charities – the “Third Way”

- 1 - State Regulation via
  - Registration,
  - Fiscal Oversight
- 2 - Self Regulation via
  - Code of Conducts, issued by umbrella bodies
  - Capacity Building
  - Direct Transparency
- 3 - Independent Monitoring via
  - Seals-of-Approval (Accreditation)
  - Donor Advice



# Future Development

## New Challenges in Charity Certification

- **Quality measurement:** Outcome and effectiveness of the charitable activities
- **Administration and Fundraising costs:** more detailed rules (maybe, more ceilings); discussion in UK, Norway, Netherlands
- **New Financial Sources:** e.g. emission of bonds (create new stakeholders and accountabilities)





# Future Development

## New Challenges in Charity Certification

- Dominance of numbers? Benchmarking and Rating
- “Inflation” of new Certifications?
- The States’ role: regulation, support, and competition
- Independent Monitoring and Self Regulation:  
Combination, not Amalgamation



# Conclusion

## Independent Monitoring ...

- enhances trust and expertise in NPO
- needs expertise and independence to be effective and trustworthy itself.

Thanks !

