07 December 2011

Dear Allan Foster,

We are writing to you as members of the Independent Review Panel of the INGO Accountability Charter, in order to give you feedback on the Report which you submitted in time for the reporting deadline in September 2011.

We would like first of all to thank you for your participation in this exercise and to recognise the commitment to accountability that this demonstrates.

Our approach to assessing the reports which we have received has been to focus on three dimensions in particular:

- How **complete** is the report in relation to the guidelines used?
- How strong is the **evidence** given for the self-assessment that each organisation has conducted?
- What evidence is there of **institutional commitment** to greater accountability and to using the reporting process to advance it?

On **completeness**, we want to recognise the demanding nature of many of GRI's requirements. Many organisations find it difficult to respond to some of the more detailed requests for information. We attach a note by the Secretariat that goes through the shortfalls against the reporting template in detail. While you may find this of value, we should like to emphasise that we do not consider that, at least at this stage of the exercise, it is essential to meet every element of the template – which we recognise may in some cases be overly demanding, particularly for smaller institutions. We have however noted below areas where we felt that your organisation might wish to invest more attention in your next report.

On **evidence**, we looked in particular for references not only to relevant policy documents, but also to examples where the self-assessment was supported by specific action (for example, drawn from operational activities, whether successful or unsuccessful).

On **institutional commitment**, we looked for evidence of top-level ownership of the report (for example an opening statement signed by the Chief Executive); of using the report as a means of identifying areas of relative strengths and weaknesses in the organisation (as opposed to a box-ticking exercise); and of a systematic concern with accountability, including recognition of areas for further work. We would hope that progress in such areas would be high-lighted in future reports.

Please note that as a Panel we feel that part of our role is to encourage improved reporting. To that end we are enclosing for your information some examples of what seemed to us Good Practice in responding to some individual indicators, based on the GRI framework. This document consists of examples from all reports reviewed in 2011.

Organisation-specific feedback to CBM
We believe that your report covers all indicators rather well. Especially considering that this is your first report using the GRI framework, we think that you have done a good job. The report is **complete** and with regards to **evidence**, there is a great deal of detail to be found. We appreciate for example the break down you provide on categories of disabilities and on gender. However, we would have appreciated a comment on your intentions on how to deal with the relative imbalance of gender. We also see good signs of **institutional commitment** in your report. We consider the fact that one of your vice presidents is responsible for the report as one such sign. Some areas need further development, for instance the report on your environmental performance. We appreciate however that you raise this as an area for improvement.

We see your answers on the following components as **Good Practice** for other organisations (see "Good practice on GRI Reporting II" attached to this letter):
- _"LA13: Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity."_

Our intention is that this letter, and any response that you may wish to provide, should be made publicly available on the Charter website, along with your organisation's report. You can find the reports that were reviewed in the beginning of this year on the Charter website under the section Charter Members/Member Reports. However, should there be errors of fact in the feedback above or in the more detailed Secretariat note below on conformity with the reporting framework, we would of course wish to correct these before publication.

Should you have any comments we would appreciate a response _by 16 January 2012_.

Yours sincerely,
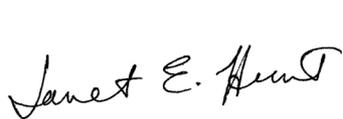
| Janet Hunt | Wambui Kimathi | Richard Manning | Gavin Neath |
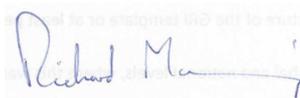
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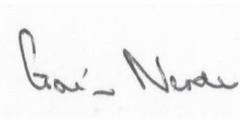
Note on accountability report, reviewed in October 2011

Organisation: CBM International
Reporting period: Calendar year 2010

Reporting framework used
☒ GRI Reporting Framework
☐ Interim Reporting Framework

On the GRI Reporting Framework
What GRI reporting level did the organisation report on?
☐ A
☐ B
☒ C

Did the Secretariat contact the organisation for further information before forwarding the report to the panel?
☒ Yes
☐ No
Comment: In the first version of the report submitted to the Secretariat, the organisation had included other indicators than the ones recommended by the Charter Company and did not report on any indicator within the area Program Effectiveness. After the Secretariat having highlighted this to the organisation, the organisation submitted a second version of the report including the indicators NGO1-6 and EN16+18.

COMMENTS ON THE INFORMATION PROVIDED IN THE REPORT

Profile (recommended 28)
Number of Profile components the organisation reports on in total: ***28***
Number of the recommended Profile components the organisation reports on: ***28***
Number of additional Profile components the organisation reports on: ***none***
Number of Profile components commented on: ***3***

"1.1: Strategy and Analysis/ Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and its strategy."
Comment: The report does not include information on strategic priorities; key events; achievements/ failures; or views on performance with regards to goals/ objectives/ standards/ targets.

"4.2: Governance, Commitments, and Engagement/ Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement). Describe the division of responsibility between the highest governance body and the management and/or executives."

Comment: The report does not include information on the division of power/ responsibility between the highest governance body and the management.

"4.4: Governance, Commitments and Engagement/ Mechanisms for internal stakeholders (e.g., members), shareholders and employees to provide recommendations or direction to the highest governance body."
Comment: The report does not include information on topics raised through the mechanisms in place.

Indicators (recommended 18)
Number of indicators the organisation reports on <u>in total</u>: *21*
Number of the 18 <u>recommended</u> indicators the organisation reports on: *18*
Number of <u>additional</u> indicators the organisation reports on: *3*
Number of indicators <u>commented</u> on: *10*

"NGO1: Processes for involvement of affected stakeholder groups in the design, implementation, monitoring and evaluation of policies and programs."
Comment: It is not clear whether the organisation's mechanisms include procedures on how decisions and decision-making processes are communicated to stakeholders; on how stakeholders participated in each stage of the process; or on how feedback from stakeholders affected the decision making process or reshaped policies/ programmes. The organisation refers to its guidebook (48 page document) but does not provide references on where to find this information within this document.

"NGO2: Mechanisms for feedback and complaints in relation to programs and policies and for determining actions to take in response to breaches of policies."
Comment: The report does not include information on mechanisms for assessing complaints or for determining what actions are required in response.

"NGO5: Processes to formulate, communicate, implement, and change advocacy positions and public awareness campaigns."
Comment: The organisation states that due to organisational changes, it is currently not in a position to report on this indicator in a complete way and commits to improvement within this area.

"NGO6: Processes to take into account and coordinate with the activities of other actors."
Comment: The report does not include information on processes that promote learning from the work of others; or on the processes to identify opportunities for partnerships with other organisations.

"EC7: Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation."
Comment: The organisation states that it is not in a position to report on this indicator.

"EN16: Total direct and indirect greenhouse gas emissions by weight."
Comment: The organisation states that it is currently not in a position to report on this data but commits to improvement within this area.

"EN18: Initiatives to reduce greenhouse gas emissions and reductions achieved."
Comment: The organisation states that it is currently not in a position to report on this indicator but commits to improvement within this area.

"SO1: Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting."
Comment: The report does not include information on programmes in place for assessing impacts of operations on local communities; on the number/ percentage of operations to which these programmes apply; on whether they have been effective in mitigating negative/ maximising positive effects; or on how feedback have informed steps toward further community engagement.

"SO3: Percentage of employees trained in organization's anti-corruption policies and procedures."
Comment: The organisation states that it has not conducted specific anti-corruption training and commits to improvement within this area.

"PR6: Programs for adherence to laws, standards, and voluntary codes related to ethical fundraising and marketing communications, including advertising, promotion, and sponsorship."
Comment: The report does not include information on the frequency with which the organisation reviews its compliance with its standards; on the number of complaints of breaches of standards in relation to the rights of stakeholders or in relation to the rights of donors.

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