

Feedback from the Independent Review Panel Review Round April 2014

Berlin, 11 June 2014

Dear Adriano Campolina,

Thank you for submitting your accountability report to the Charter's Independent Review Panel for assessment. As in previous years we found that the quality of reports is generally improving, demonstrating greater institutional commitment and more evidence that mechanisms are working in practice. Before providing individual feedback on your organisation's report, allow us however to highlight three areas of general concern:

1.) *Accountability is a pro-active tool to develop and deliver on key value propositions of an organisation (3.5)*

Accountability is all too often perceived as a defensive tool, when it is really a mechanism to pro-actively define what an organisation wants to be held accountable for i.e. delineating key parameter of its identity and drive organisational development accordingly. The profile disclosure 3.5 looks like a rather technical question on how the report is compiled; but it covers a lot more by asking: how do you use the report as an opportunity for a cross functional systematic and critical reflection on how accountability is best implemented and underpins the legitimacy and quality of your organisation's work. Please describe under 3.5 how you use the reporting process to embed accountability into your organisation. Against this background Members are also strongly encouraged to place the Charter logo prominently on their website and to further link to the Charter website, so that stakeholders know what to hold you accountable against.

2.) *Complaints Handling Mechanisms (NGO2)*

Having a fully functioning complaints handling mechanism in place is the only Minimum Standard for Charter Members so far. The Panel is very concerned about rather slow progress by many Charter Members to comply with this. We have therefore decided to ask the Charter Board to look into implementing a timeline policy for compliance. In our view the leeway should be no longer than two to maximum three years after a Minimum Standard has been adopted. You find examples of well-functioning complaints handling mechanisms in the Good Practice document on the Charter website, capturing good examples from this and previous reporting rounds.

3.) *Succinctness and communication quality*

There is a danger that accountability standards develop a life of their own and become increasingly complex and detached. We have noted that Charter reports tend to get longer without necessarily providing more relevant information. It is important however to use these reports to actively communicate internally and externally how accountability is an integral part of your organisation and strengthens the quality of your work. In order for these reports to be read, we suggest that they should have a maximum of 40 pages. For each GRI indicator it is sufficient to report three things:

- a) Do you have policies and processes in place to address the issue?
- b) Do you have evidence that it is embedded in systematic practice?
- c) Is there evidence to show that this has led to improved quality of work?

Sometimes the Panel asks for more information. We are aware of this and try to limit it. But with all questions we encourage you strongly to be as succinct as possible, and take the above three parameters as guidance. Also try to avoid repetition and where illustrations are given, please keep these brief. Plain language and a minimum of acronyms are also welcome. Organisations who wish to merge their accountability report with the annual report are

encouraged to additionally provide a separate and more reflective addendum relating to the Charter if the annual reports do not embrace that due to a desire to be more promotional.

Organisation-specific feedback to ActionAid International:

*The Panel highlights that ActionAid International's reports have always been very good, including this one. It acknowledges great **institutional commitment** to accountability. Starting with a strong CEO statement on why accountability is critical to achieving ActionAid's objective of empowering people. It is further supported through strong policies and practices of stakeholder engagement at all stages of the design, implementation and evaluation of ActionAid's work. 1.1, NGO1 and NGO2 are regarded as **Good Practice**. To further improve ActionAid's accountability, the Panel recommends placing the Charter logo on the organisation's website and also encourages ActionAid to improve the readability of the Charter report to reach a broader audience.*

ActionAid is commended for beginning to strengthen the harmonisation of planning and reporting at the international level. The organisation acknowledges further development needs with regard to strong, results-based and coherent Monitoring, Evaluation and Learning process. The Panel looks forward to hearing about progress achieved in this regard in the next report. In general, ActionAid seems to have good policies in place. It would be important, however, to provide links to these policies and give a very brief explanation on their key provisions to the reader. The report would further profit from a clear indication of measurements used to arrive at impact claims e.g. on people reached (p.9). Evidencing that policies work well in practice, and have led to positive management response also needs to be improved.

*ActionAid is commended for great efforts in well managing their environmental impacts. With regard to inclusion, ActionAid reports they "celebrate diversity", but all information given is just related to gender mainstreaming. Potential discrimination based on e.g. age, disability, ethnicity etc. are not mentioned. ActionAid did not include the **GAP Analysis Table** as required in the new reporting guide. This table is supposed to give a very brief overview on improvements ActionAid focuses on in the coming years and any progress that has been achieved so far. The organisation is therefore asked to fill it in for the next report. The Panel noted nevertheless that progress on promises made in earlier reports, e.g. developing an anti-corruption policy, has been achieved (see GAP Analysis Table at the end of this document).*

Our intention is that this letter, and any response you may wish to provide, is made publicly available on the Charter website, along with your report. You can find the reports that were previously reviewed on the Charter website. However, should there be errors of fact in the feedback above or in the note below we would of course wish to correct these before publication. Please share these comments or corrections by 10 July 2014.

If you have any other feedback or comments on our work, please share with us by sending them to the Charter Secretariat. We would very much like to hear your views.

Yours sincerely,



Richard Manning · Louise James · Wambui Kimathi · Michael Röskau · Janet Kiragu · Rhonda Chapman

**Review Round April 2014
Cover Note on Accountability Report**

ActionAid International

Reporting period: Calendar year 2012

PROFILE DISCLOSURES	
I. Strategy and Analysis	
1.1	<p>Statement from the most senior decision-maker <i>Fully addressed</i></p> <p>The CEO gives a strong statement on why accountability is of key strategic importance to achieving ActionAid’s objectives. Harnessing people’s ability to claim their rights, taking their demands into account and being accountable for what ActionAid delivers is central for their theory of change to work. In this regard it is a Good Practice.</p> <p>The statement provides very good examples of specific improvements like harmonising planning and reporting systems globally, introducing a greater result focus in their MEL, and conducting an external review of the governance model. The section could profit from a more plain language and less acronyms as well as giving concrete examples as to what will be improved in regard to the governance model in 2013.</p>
II. Organisational Profile	
2.1	<p>Name of organisation <i>Fully addressed</i></p>
2.2	<p>Primary activities <i>Fully addressed</i></p> <p>The answer given provides very succinct examples and a good overview on ActionAid International’s primary activities.</p>
2.3	<p>Operational structure <i>Partially addressed</i></p> <p>A very good overview is provided on the operational structure of ActionAid Affiliates, Associates and the Country Programmes directed by the International Secretariat (IS). It would be interesting to have more information on the exact distribution of power between the IS and the Affiliates and Associates. How does ActionAid bridge the tension of devolving meaningful power to the national/subordinate level, while remaining agile and effective at the global level? This is all the more important as the CEO statement refers to “creating an international NGO by devolving powers to countries”.</p>
2.4 – 2.6	<p>Headquarter location / Nature of ownership <i>Fully addressed</i></p>
2.7	<p>People served <i>Fully addressed</i></p> <p>In the new reporting requirements disclosure on 2.7 (people you serve) will be</p>

	merged with disclosure under 4.14 (key stakeholders) as there is significant overlap.
2.8	<p>Scale of organisation <i>Fully addressed</i></p> <p>The organisation is commended for its attempt to analyse impact but further refinement is encouraged. ActionAid provides a useful diagram in 2.8. However, the overly exact figures of “people reached” and “people experiencing change” are probably generated by some kind of formula (as indicated in the footnote), and it would seem more appropriate to round the figures to reflect this.</p> <p>It would be interesting to know about ActionAid’s annual budget. This might also explain how the gap between funding of 218 million € and expenditure of 230 million € is closed. How was the total funding distributed between the International Secretariat and national units?</p>
2.9 – 2.10	<p>Significant changes / Awards received <i>Fully addressed</i></p>
III. Report Parameters	
3.1 – 3.4	<p>Reporting period / Date of most recent report / Contact person <i>Fully addressed</i></p>
3.5	<p>Reporting process <i>Fully addressed</i></p> <p>ActionAid can be commended for including the GRI indicators in progress reporting against their international strategy. This supports acceptance for accountability as a cross functional, cross regional and highly strategic practice for ActionAid. It would be interesting to also know who within ActionAid is involved in which way to collate and edit the report and how the feedback is used to further mainstream accountability across all functions in the organisation. How does ActionAid ensure the report is read by the designated target audience?</p>
3.6 – 3.7	<p>Report boundary / Specific limitations <i>Fully addressed</i></p>
3.8	<p>Basis for reporting <i>Not addressed</i></p> <p>This indicator asks for the level of information that has been contributed to the report from entities at the national level as well as potentially joint ventures etc. From the answer under 3.7 the Panel assumes that national level information is only provided on an anecdotal basis in this report. Against this background it would be important to know how ActionAid ensures that Charter accountability commitments are also kept at the national level.</p>
3.10 – 3.12	<p>Reporting parameters <i>Fully addressed</i></p>
IV. Mission, Values, Governance, and Stakeholder Engagement	
4.1	<p>Governance structure <i>Fully addressed</i></p>

	The answer provides a very good and comprehensively visualised overview of ActionAid International's governance structure. The Panel would appreciate some information on the outcome of the organisation's external governance review here as well as some information on the governance structure at the national level.
4.2	<i>Division of power between the governance body and management</i> <i>Fully addressed</i>
4.3	<i>Independence of Board Members</i> <i>Fully addressed</i>
4.4	<i>Feedback from internal stakeholders</i> <i>Fully addressed</i> ActionAid provides a very comprehensive set of processes and mechanisms by which internal stakeholders can provide feedback to the Highest Governance body. In the next report, it would be good to present some evidence that these processes work well in practice and assurance that they have led to positive management response.
4.14	<i>List of stakeholders</i> <i>Fully addressed</i> The list provided gives a broad overview of stakeholder groups engaged by the organisation. However, the list is rather generic in nature and would benefit from some concrete examples.
4.15	<i>Basis for identification of stakeholders</i> <i>Fully addressed</i> The answer provides good information about several policies and practices on how stakeholders are selected and prioritised. It would be good to provide a link in particular to the Partnership Policy. Overall the section would profit from being shorter and more focused on the <i>criteria</i> for selecting priority stakeholders and on evidence that this works well in practice.

PERFORMANCE INDICATORS

I. Programme Effectiveness	
NGO1	<i>Involvement of affected stakeholder groups</i> <i>Fully addressed</i> ActionAid provides a very good description of meaningful stakeholder involvement in strategic planning, budgeting, programming, monitoring and evaluation. Mechanisms allow not only for consultation but also for active participation and decision making at the local, national and international level. ActionAid is asked to provide a link to policies which are mentioned, so that readers of the report can easily be informed. Several country examples provide good evidence how feedback from stakeholders affected the decision making process within ActionAid. The whole section can be seen as Good Practice for the third year in a row.
NGO2	<i>Mechanisms for feedback and complaints</i> <i>Fully addressed</i>

	<p>The organisation reports having received the total number of 7.830 external complaints in 2012. ActionAid is commended for providing these figures and for being clearly very open to having its programmes and activities constantly scrutinised through internal and external feedback/complaints in order to develop it further. Country examples show that this feedback is meaningfully taken into account and potentially changes programmes and policies accordingly. This can be seen as Good Practice. The Panel welcomes ActionAid's commitment to sort complaints according to broad categories and would be interested to know which formal process is followed upon receipt of a complaint and if all formal complaints could be resolved.</p>
NGO3	<p>Programme monitoring, evaluation and learning <i>Fully addressed</i> ActionAid can be commended for improving its M&E frameworks at the member/country level. ActionAid states that it “will continue to strengthen and refine country level M&E frameworks, and to enhance local and national capacity in documentation, information gathering and reporting” in 2013. The Panel looks forward to further progress report in the coming year. What evidence does the organisation have that MEL processes work well in practice?</p>
NGO4	<p>Gender and diversity <i>Partially addressed</i> The answer provides excellent information and examples on how ActionAid promotes and actively supports the empowerment of women in their programmes and among staff. The organisation's approach of targeting (all) “people living in poverty” represents an inclusive approach. However, “celebrating diversity”, as explained by ActionAid, should include more than just gender equality. It needs a systematic identification of who is potentially excluded from ActionAid programmes due to e.g. age, disability or race and a plan on how to progress towards inclusion in more specific terms.</p>
NGO5	<p>Advocacy positions and public awareness campaigns <i>Fully addressed</i> ActionAid describes a very thorough and clear process on how it arrives at policy positions. Campaigns are planned with input at all levels from local to global, internal to external sources. Annual review and reflection through steering groups identify if shifts become necessary at any point. Further information for the exit strategy is provided under SO1.</p>
NGO6	<p>Coordination with other actors <i>Fully addressed</i> Good information is provided about ActionAid's coalition and partnering approach. Before entering into any new area of work ActionAid systematically assesses the added value it can bring to the work that is already conducted by other actors in the field. Some more information on the process e.g. who are the key stakeholders in such situational analysis, what is the role of governments, local CSOs etc. would be interesting. It would also be important to provide evidence that these processes work well in practice.</p>
II. Financial Management	
NGO7	Resource allocation

	<p><i>Fully addressed</i></p> <p>ActionAid can be commended for a comprehensive set of resource allocation, financial management, tracking and auditing policies and practices. ActionAid further commits to improving coherence by implementing greater standardisation in a global financial system.</p>
NGO8	<p>Sources of funding</p> <p><i>Fully addressed</i></p>
III. Environmental Management	
<p>ActionAid is commended for reporting on several additional environmental indicators in the annex and for including more member countries in the measurements. However, these additional indicators are not within the scope of the Independent Review Panel's assessment.</p>	
EN16	<p>Greenhouse gas emission by weight</p> <p><i>Fully addressed</i></p>
EN18	<p>Initiatives to reduce greenhouse gas emission</p> <p><i>Fully addressed</i></p> <p>The organisation is commended for improving its CO2 emissions for a second year in a row. This has mainly been achieved due to reduced air travel and decreased paper use.</p>
EN26	<p>Initiatives to mitigate environmental impacts of products and services</p> <p><i>Partially addressed</i></p> <p>ActionAid only refers to a community programme in Vietnam.</p>
EN28	<p>Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations</p> <p><i>Fully addressed</i></p> <p>ActionAid has not been fined or sanctioned for non-compliance with environmental regulations in 2012.</p>
IV. Human Resource Management	
LA1	<p>Size and composition of workforce</p> <p><i>Partially addressed</i></p> <p>This information is intended to give a good insight of how an organisation allocates human resources to attain good results. As in previous reports, ActionAid only reports on the total number of staff divided into female and male staff. Information on where staff is located, the proportion of senior management to workforce, clusters of professions or how much work relies on volunteers would be interesting additional information to complete the picture.</p>
EC7	<p>Procedure for local hiring</p> <p><i>Fully addressed</i></p> <p>ActionAid is fully committed to working through local staff at all levels. Expatriates are the exception to the rule which is positively noted by the Panel.</p>
NGO9	<p>Mechanisms to raise grievances</p> <p><i>Fully addressed</i></p> <p>ActionAid can be commended for a broad range of meaningful policies for staff to</p>

	raise grievances to the management.
LA10	<p>Workforce training <i>Partially addressed</i></p> <p>The organisation indicates that it is not in position to report on the hours devoted to training per employee per year, but ActionAid aims at providing each staff member to spend at least 5 days on capacity development per year. 59% of staff has actually received training in 2012 and the organisation is encouraged to improve this number. Additionally it would be interesting to know how ActionAid identifies training needs, collects evidence of training taking place in practice and evaluates its effectiveness.</p>
LA12	<p>Performance and career development reviews <i>Fully addressed</i></p> <p>ActionAid reports that the number of the International Secretariat's staff having completed performance management reviews increased to 93% in 2012. The Panel would welcome more information for the rest of the federation in the future. It would further be interesting to know how ActionAid systematises these reviews.</p>
LA13	<p>Composition of workforce and governance bodies <i>Fully addressed</i></p> <p>ActionAid reports a good balance of gender and nationalities at board level. It further aspires that 50% of the members of the General Assembly should be women and at least 50% should be from poor and excluded communities. The percentage of employees per gender is provided under indicator LA1.</p>
V. Responsible Management of Impacts on Society	
SO1	<p>Impact of operations on communities <i>Fully addressed</i></p> <p>The Panel appreciates ActionAid's thorough reflections about the effect of its work at community level, leading to a federation wide Country Entry and Exit Policy adopted in 2012. It would be good to provide a link to this policy and explain very briefly its core provisions. Further information on the impact on communities is described under NGO1.</p>
SO3	<p>Anti-corruption training <i>Fully addressed</i></p> <p>ActionAid drafted an Anti-Corruption and Anti-Bribery policy in 2012. It will need to be formally approved by the General Assembly in 2013 and will then be operationalised. Training modules will be part of the roll-out process planned for 2014. It will be interesting to understand the core parameter of this policy and why it is included in the Financial Management Framework. Systematically assessing corruption and bribery risks and mitigating their negative effects is a task well beyond financial management.</p>
VI. Ethical Fundraising	
PR6	<p>Ethical fundraising and marketing communications <i>Partially addressed</i></p> <p>ActionAid has some fundraising and marketing policies in place at the international level that serve as a minimum standard only. Please indicate what they cover in the next report. At the national level Senior Management and</p>

	<p>national Boards ensure compliance with the multitude of regulations in different jurisdictions. ActionAid International audits compliance every two years. Please report the number of complaints for breaches of fundraising regulations and actions taken.</p>
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ActionAid International Gap Analysis Table – Areas of Commitments and Progress achieved

Accountability is a process of continuous improvement. Each year Charter Members in their accountability reports identify and prioritise areas for improvement and corrective actions they plan to take. As of reports submitted in 2014, Members are asked to capture these commitments in this Gap Analysis Table. The Independent Review Panel may suggest the Member to add further issues when reviewing the Member's report. Each year following, the table shall be submitted along with the accountability report and will then be used as a basis to demonstrate progress. The table will be published on the website along with the accountability report and the feedback from the Panel. Please note that the rows where commitments cannot be identified can be deleted from the table.

GRI – Performance Indicators	Reporting year 2010	Reporting year 2011	Reporting year 2012	Reporting year 2013
Programme Effectiveness				
NGO1: Processes for involvement of affected stakeholder groups.	<i>“The new M&E requirements will see improved accountability in the form of participatory baselines and indicators, monitoring frameworks aligned to the international strategy, better methods for counting the numbers of people we reach and a better information gathering system to help us do so and to provide better overview of programmes.”</i>	In report covering 2011; Comments from AAI on IRP Feedback: <i>“The Accountability, Learning and Planning System will be reviewed in 2013 once the Accountability Framework currently under development has been completed (June 2013).”</i>	No progress reported.	
NGO2: Mechanisms for feedback and complaints.	<i>“(…) it can be noted that [the complaints mechanism] is not fully operational across ActionAid International. […] the process for collecting data for this accountability report has shown that we are not sufficiently monitoring this policy. As a consequence of this, we will be incorporating this element into our assurance tool, hopefully for 2011, for all members</i>	Similar information as in 2010: <i>“The ActionAid International Human Security in Emergencies and Conflict unit also states in their policy document that grievance processes must be included in all emergency programmes. However, it is noted that this is not always the case at present. This is a matter on which the unit is well aware, and is working to integrate as a requirement for each programme</i>	<i>“In 2013, we endeavour to make progress in disaggregating and understanding the nature of complaints and to foster learning throughout the federation.”</i>	

	<p><i>to report on annually. We have also incorporated it into our 2011 ALPS revision."</i></p>	<p><i>developed."</i></p>		
<p>NGO3: System for programme monitoring, evaluation and learning.</p>	<p><i>"Tools for developing participatory baselines and indicators will be developed during 2011 by three pilot countries together with the International Secretariat."</i></p> <p><i>"The review [on ActionAid's HIV and AIDS work] highlighted the need for better use of indicators for monitoring work progress, better linkages to the global context and better policy analysis to feed into strategies and advocacy work. The theme unit will seek to make improvements in these areas in the work in 2011."</i></p> <p><i>"The Brazil External & Peer Review 2010 found a need for a clearer exit policy and strategy, which will further be developed."</i></p>	<p>In report covering 2011: <i>"The reviews [in 2010] found that although a large amount of data is collected, more needs to be done in order to use it as evidence of our impact. In addition, results from the reviews showed that we need to increase our efforts to feed lessons learnt from evaluations into programme improvement and to build a monitoring system that integrates multiple accountability requirements."</i></p>	<p>In report covering 2012: <i>"In 2012, all members and Country Programmes were required to develop M&E frameworks to guide programme monitoring."</i></p> <p><i>"(...) in 2012, ActionAid introduced an online system to facilitate data gathering and reporting across the federation."</i></p> <p><i>"In 2013, ActionAid will continue to strengthen and refine country level M&E frameworks, and to enhance local and national capacity in documentation, information gathering and reporting."</i></p>	
<p>NGO4: Measures to integrate gender and diversity into programme.</p>	<p>In report covering 2010; Comments from AAI on IRP Feedback: <i>"(...) at present our international database system for aggregation only records gender disaggregation (and diversity is only captured nationally). During 2012, we will complete the design of an international database that will allow us to specify the social groups of the people we work with, thus allowing us to report in 2013 in more depth."</i></p>	<p><i>"The organisation states that it is planning to improve data collection in this area and has set specific milestones for a comprehensive review in 2014."</i></p>	<p>No progress reported.</p>	

Economic				
NGO7: Resource allocation.			In 2013, ActionAid will continue working on the Finance Transformation Project, deliver a Donor Contract Management project und update key financial guidelines and policies.	
Environmental				
EN16: Direct and indirect greenhouse gas emissions by weight.		<i>“There is a growing commitment in all parts of the ActionAid federation to measure, monitor and report on the environmental impact our work and we expect to see increased reporting for 2012 in comparison to 2011.”</i>	Improvements are described above in the assessment.	
EN18: Initiatives to reduce greenhouse gas emissions and reductions achieved.	<i>“The pilot programme to measure our current carbon emissions and environmental performance is our first initiative to mitigate the impact of our activities. [...] we are developing a number of measures to reduce emissions from transportation and offices. These will be delivered in the coming year, and reductions should be realised in 2012.”</i>	<i>“ActionAid will continue our efforts to improve data quality and ultimately confidence in emissions results.”</i> <i>“We need to be able to obtain a full picture of air travel across the organisation”; [...] “we need to improve the quality of the data gathered [...] New and more detailed data will help us to improve our monitoring and to follow up on our commitment to reduce the number of face to face meetings – and therefore reduce travel.”</i>	Improvements are described above in the assessment.	
Labor				
LA1: Size and composition of total workforce.	<i>“Currently ActionAid International does not report by type of work, such as full- or part-time, or volunteers, but rather on the number of staff working within specific countries and regions. We are currently investigating providing disaggregation by further staff</i>	No progress reported.	No progress reported.	

	<i>categories and will start requesting this categorisation from countries in 2011.</i>			
LA10: Workforce training.	<i>“Currently we are not able to report on the number of training hours per staff member. Our global human resource standards provide for each staff member to spend at least five days on capacity development per year, but this is not reported on.”</i>	No progress reported.	No progress reported.	
LA13: Composition of governance bodies and breakdown of employees.	<i>“We are improving our data system to capture the composition of governance bodies and hope to report more accurately on the issue of composition of national board members for 2011.”</i>	No progress reported.	<i>“(…) efforts are being made to improve accuracy of information about national Boards.”</i>	
Responsible Management of Impacts on Society				
SO3: Percentage of employees trained in organization’s anti-corruption policies and procedures.		In report covering 2011; Comments from AAI on IRP Feedback: <i>“ActionAid carried out a review of all existing policies in 2012 in order to identify gaps and overlaps in our framework. In 2013 we are taking steps to fill in gaps and align overlaps to ensure a comprehensive effective policy framework for the federation.”</i>	ActionAid drafted an Anti-Corruption and Anti-Bribery policy in 2012. It will need to be formally approved by the General Assembly in 2013. Training modules will be part of the roll-out process planned for 2014.	
Ethical Fundraising				
PR6: Programs for adherence to laws, standards, and voluntary codes related to ethical fundraising	<i>“For 2011, ActionAid International will strive to provide more detailed information in the accountability report on each fundraising country in relation to adherence and compliance to relevant laws and standards.”</i>	No progress reported.	No progress reported.	