Accountability Report

FOR THE YEAR ENDED 2017

Contents

Description	Page No.

Acronyms

Abbreviation	Expanded Form
ADCOM	Administrative Committee
ADRA	Adventist Development and Relief Agency
ALA	ADRA Licensing and Accreditation
CHS	Core Humanitarian Standard
CSO	Civil Society Organization
HQAI	Humanitarian Quality Initiative
NETCOM	Network Committee
OVI	Objective Verifiable Indicator
SDA	Seventh-day Adventist
SDG	Sustainable Development Goal
TLL	Technical Learning Lab

Statement from ADRA's President

2016/17 was a particularly important time in ADRA's journey towards greater transparency and accountability. Significant achievements during this time include the following:

- lodging an application to join Accountability Now with associate membership status being granted
- an approved complaints mechanism;
- creation of a specific department for Organizational Compliance, primarily for the purpose of establishing systems across the ADRA global network of offices to support and monitor the meeting of standards critical to ensuring the accountability and transparency of ADRA's operations
- finalized a new strategic framework (2017 - 2022) that highlights, amongst other things, accountability and transparency; and
- engaged in conversations with HQAI (Humanitarian Quality Assurance Initiative) to conduct a CHS benchmarking audit.

However, as an organisation, we know that we must strive to do more. As we continue to move forward into this new era we must improve the consistency of Country Offices' approaches to monitoring and managing key elements that contribute to greater accountability. Central and foremost to achieving this is an ADRA Network-wide initiative known as ALA; ADRA Licensing and Accreditation. This is a comprehensive system that sets a minimum standard that all ADRA offices must attain to use the ADRA name and logo. Within the system are clearly stated Objective Verifiable Indicators against which an office can measure their compliance. The requirements of the CSO Accountability Standard have been fully incorporated into the ALA. Any office that meets the ALA minimum standard should align with and meet the CSO Accountability Standard.

At the start of this journey the ADRA International leadership team understood that engaging the organization in this process would most likely expose deficiencies within ADRA's systems. This was essential to enable the organization to identify and address issues and make positive progress in ensuring the organization is truly accountable and transparent in all their operations. I am proud to lead this organization and grateful for a leadership team that are committed to ensuring ADRA is fully accountable and operates in a transparent way. As a team, we look forward to continuing this exciting journey and reporting on our progress.

Regards,

Jonathan Duffy
President
ADRA International
www.ADRA.org

Adventist Development and Relief Agency: Accountability Report 2017

About ADRA
The Adventist Development and Relief Agency (ADRA) is the global humanitarian organization of the Seventh-day Adventist Church. ADRA exists to serve humanity so that all may live as God intended. Through an international network of offices, ADRA delivers relief and development assistance to individuals in 130 countries, regardless of their ethnicity, political affiliation, or religious association. ADRA's head office is located at Silver Springs, Maryland, USA. Established in 1956 by the Seventh-day Adventist Church, ADRA underwent two name changes before becoming the Adventist Development and Relief Agency (ADRA) in 1984. Originally called Seventh-day Adventist Welfare Service or SAWS, the agency became the Seventh-day Adventist World Service in 1973. In 1997 ADRA was granted General Consultative Status by the United Nations.

ADRA's Approach
ADRA works with people in poverty and distress to create just and positive change through empowering partnerships and responsible action. At the core of our mission is the deep conviction that through empowering partnerships, we are able to create positive changes and meet the challenges and opportunities posed by the Sustainable Development Goals. We pursue strong, equitable relationships with community-based and grassroots organisations to ensure that our work directly impacts those who need it most. We also rely on the invaluable partnerships with governmental and nongovernmental partners—on all levels—to foster lasting change in the countries where we work.

ADRA's Identity
ADRA is a global humanitarian organization that demonstrates God's love and compassion. The values that ADRA has identified as being essential are: Connected, Courageous and Compassionate. The meaning attributed to these terms in the context of ADRA are as follows:
Being *connected* means:
- Living the vision and mission of ADRA.
- Having clear expectations of each other: mutual accountability
- Transparency through open communication and understanding of our operations.
- Spiritually engaged and aware.

Being *courageous* is signified by:
- Acting with agility; in trusting relationships that allow for delegated decisions on behalf of all.
- Boldly leading innovative change in a disrupted world.
  Protecting and advocating for the rights of our beneficiaries, partners, and employees.

Compassion is displayed through:
- Solidarity with the people and communities we serve through our vision, mission and identity.
- Being 'alongside' our employees,
- Genuinely caring for each other.

ADRA's Comparative Advantage
ADRA has a comparative advantage in being part of the wide network of the Adventist Church and associated institutions that include healthcare and education facilities. ADRA can tap into the grassroots network of the Church that is often spread extensively across a country. This can be invaluable for accessing relevant information and volunteers, especially in the context of emergency responses. ADRA, the SDA Church and its institutions can collaborate to realise the potential of extensive experience in health and education services to provide integrated and appropriate development approaches to health, livelihoods and education, thereby providing a better quality and range of services to poor and marginalized peoples.

Introduction

This report is submitted by ADRA International on behalf of the ADRA Network of offices. The term 'ADRA Network', which is used in this report, refers collectively to all ADRA offices worldwide; both Regional/Divisional and Country Offices. ADRA International determines and monitors the formal structure that makes up the ADRA Network. All offices that use the ADRA name and logo are required to meet a minimum standard (see the section ADRA Licensing and Accreditation).

The purpose of this report is to detail how ADRA is meeting the commitments that form the CSO Accountability Standard, and where there are gaps what ADRA plans to do to close these gaps.

The information provided in this report is up to the end of 2017, with the exception of some data that is dependent on the publication of ADRA's Annual Report for 2017, which is due for release in September 2018. When available, the 2017 Annual Report can be accessed via ADRA's website (www.adra.org).

This is the first Accountability Report ADRA has prepared since becoming a member of Accountable Now in April 2016. Currently, ADRA does not have a fully developed and comprehensive system in place to accurately and fully report the compliance of country offices to the Global Standard for CSO Accountability. ADRA recognizes this deficit and has been working to address it over the last eighteen months. Primary to ADRA addressing this matter has been the creation of the Organizational Compliance Department and the appointment of a Director. A major development by the department has been a licensing and accreditation system that identifies a minimum standard that each office must meet and maintain. Through this system ADRA International will be able to monitor progress and report on the compliance of ADRA offices globally to the Global Standard for CSO Accountability.

ADRA's Global Structure

The ADRA Global Network of offices essentially operate as a confederation; a group of ADRA offices of which each office operates independently but of which there is a central office (ADRA International) that provides oversight, support and advises for consistency of governance, policies and operational approach. All ADRA country offices are separate legal entities.

Within the ADRA Network there are three distinctive types of office:
1) ADRA International
2) ADRA Division/Regional Offices
3) ADRA Country Offices

The governance structure for each type of office is similar: there is a Board that provides legal and financial accountability, strategic vision and oversight for risk management and an Administrative Committee (ADCOM) that manages key day-to-day operational decisions (see Diagram I).

The President and Vice Presidents of ADRA International are ex-officio members of the ADRA Regional/Division offices' Boards. The ADRA Regional Office Directors are ex-officio members of the Country Offices' Boards within their respective regions.

ADRA has nine regional/divisional offices and 130 country offices (see Appendix I for the list of regional and country offices).
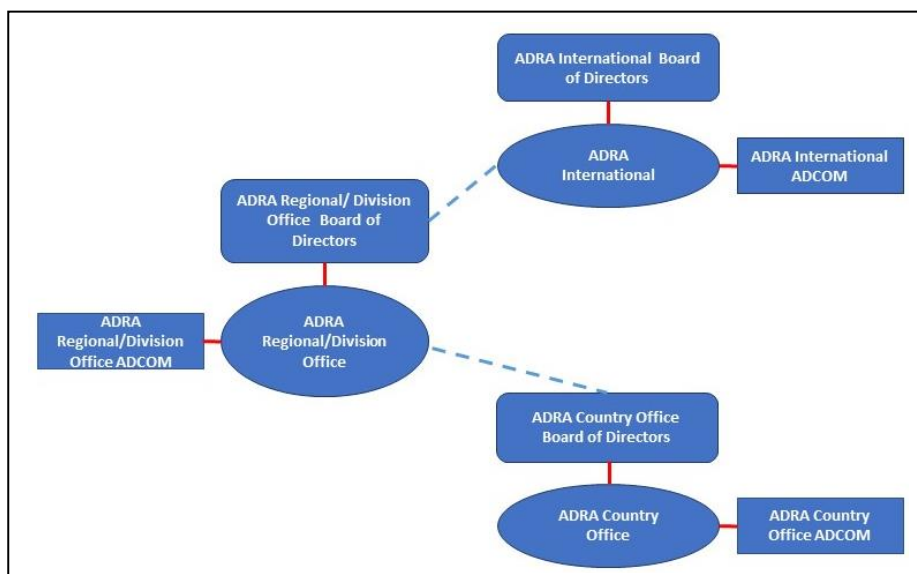

Diagram I: ADRA's Global Governance Structure

ADRA International is governed by a Board of Directors with 30 international members, both from within the ADRA network and externally. Four officers of the Board include the Chair, the Vice Chair, the Treasurer and the Secretary, who also holds the position of President of the organisation. The President and four Vice-Presidents are responsible for the day-to-day running of ADRA International. They manage a team of approximatively 100 staff at Head Office.

Network-wide policy and strategic direction are determined by a Network Committee (NETCOM). The members of this committee are: The President and Vice Presidents of ADRA International and the Regional/Divisional Directors from the nine regional/divisional offices. NETCOM reviews and approves recommendations from the advisory committees/working groups that report to it. There are eight advisory committees/working groups that report to NETCOM:
1) ADRA Licensing and Accreditation Committee (ALAC)
2) Emergency Management Advisory Committee (EMAC)
3) Finance Advisory Committee
4) Human Resources Advisory Committee (HRAC)
5) Program Development Advisory Committee (PDAC)
6) Safety and Security Advisory Committee
7) Advocacy Working Group
8) Marketing and Development Working Group.
The purpose of these advisory committees and working groups is to advise NETCOM, and through them the ADRA Network, in matters relating to the speciality of each committee. The outcome of this enhances the effectiveness and impact of ADRA's network-wide programs. The advisory committees/working groups meet regularly. Minutes are kept of all meetings and filed in a centralised repository of information (see Information Management below).
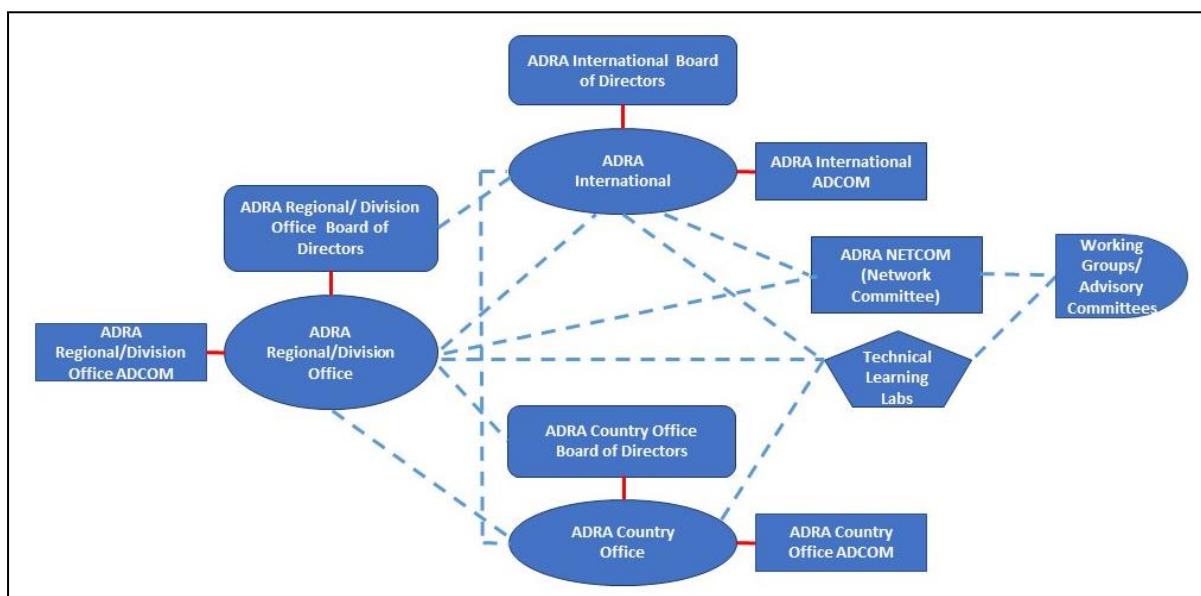
Diagram II: ADRA's Global Organisational Structure

To promote and support technical excellence and innovative approaches to both development and humanitarian programs, six sector-specific Technical Learning Labs (TLL) have been established:
1) Agriculture, Livelihoods and Food Security
2) Cash Transfers
3) Education
4) Health, Nutrition and WASH
5) Monitoring, Evaluation and Learning
6) Resilience

Each of the TLLs report to PDAC. The TLLs have been created to identify and brand ADRA approaches, innovations, synergies and complementarities across the ADRA network. The outcome of these groups is a more technically robust and cohesive ADRA network that is better prepared to compete and implement ADRA's mission; reaching more communities and expanding ADRA's scale of impact.

Each TLL has a Terms of Reference that clearly defines the purpose, reporting requirements, the appointment and responsibilities of the Chair and the Co-chair and the members responsibilities. Each TLL has developed an action plan, against which they report their achievements and progress. Minutes for all meetings are recorded and filed for easy reference.

The membership of the TLLs comprises technical specialists drawn from ADRA staff across the Network of offices. The TLLs convene regular online meetings, organise webinars, prepare 'white papers' and develop technical manuals, guidelines, standard operating procedures and templates and other resources for use by the ADRA Network.

ADRA's Information Management
ADRA has created a web-based virtual collaboration environment that is designed exclusively for the ADRA network of offices. This software tool enables ADRA offices globally to store, organize, search, retrieve, track and archive data. It facilitates communication across and between the network of offices.

Within this system documents and information relevant to the entire ADRA Network are stored. These include policies, the strategic framework, licensing documents and working group/advisory committee and TLL-related records. Each regional office and country office has a portal where information unique to the office can be uploaded and accessed, such as office specific documents, a profile of the office and staff contact details.

Permission to the site and within different sections of the site is well defined and managed to safeguard the integrity of the system and to ensure security of access to documents.

ADRA's Strategic Framework

Throughout 2016 ADRA International engaged in an extensive consultative process across the ADRA Network to develop a Strategic Framework that would guide the Network in pursuing its Vision and Mission for the period 2017 to 2022. The culmination of this process was the finalization and adoption of the five change goals that form the Strategic Framework. This occurred at the ADRA Leadership Council meeting held in Portugal in March 2017. The five change goals are

Change Goal 1.
Greater well-being in the lives of women, men and children living in poverty and distress by increasing collective focus on holistic health and education programs, underpinned by programs for secure and sustainable livelihoods.

Change Goal 2.
Greater capacity to prevent, mitigate and respond to humanitarian emergencies

Change Goal 3.
Rejuvenation of ADRA as a contemporary and effective faith-based organization, as a catalyst for social justice, drawing upon its Biblical mandate and maximizing the synergies in the relationships between ADRA, and the SDA Church.

Change Goal 4.
Transforming ADRA International's governance, country-level partnerships, membership, and structure to increase impact.

Change Goal 5
Achieve greater collective independence and organisational sustainability by investing and innovating to change the business model for financing ADRA's work; develop a coordinated and targeted approach to leveraging funds and other resources through strategic partnerships.

ADRA's Licensing and Accreditation

ADRA is in the process of developing a comprehensive licensing and accreditation system that must be adopted and applied by all country offices if they wish to use the ADRA name and logo. Global standards, such as the Core Humanitarian Standard and the Standard for CSO Accountability have formed the basis of the accreditation requirements. The Board of ADRA International is committed to ensuring every office follows best practice and therefore has enthusiastically endorsed the licensing and accreditation process. The ADRA Licensing and Accreditation (ALA) system will be formally launched at the Annual Leadership Council in Jordan in February 2019. The department of Organizational Compliance has responsibility for developing and managing the implementation of the ALA and monitoring offices' progress and compliance.

Adventist Development and Relief Agency: Accountability Report 2017

The primary resource that is being developed to manage the ALA is a self-assessment tool. Within the self-assessment tool the minimum requirements have been divided and organised into 11 Criterion. These Criterion are:

1. Mission & Values
2. Governance and Leadership
3. Organizational Structure & Human Resource Management
4. Financial and Material Resources Management.
5. Development Program Portfolio and Impact
6. External Relationships: Partnerships & Networking
7. Corporate Identity & Marketing
8. Risk Management & Liability Limitation
9. Safety & Security.
10. Humanitarian Program Portfolio and Impact
11. Social Enterprise and Private-Public Partnership.

For each criterion Objective Verifiable Indicators (OVI) have been identified. For each of these OVIs an office must assess if they are compliant, and if they record compliance in the self-assessment form supporting documentation or means of evidence must be provided. Once the self-assessment is completed a review will be conducted by skilled assessors appointed from within the ADRA Network but not from the office being reviewed. Each office must meet a minimum standard, with re-assessment being required every five years.

ADRA's Accountability Framework

ADRA does not currently have an approved Accountability Framework. This is considered to be a significant gap and is being urgently remedied. A draft Accountability Framework was developed at the end of 2017. It is expected the document will be finalised, approved and applied by the Network during 2018.

ADRA's Complaints Mechanism

In March 2016 an ADRA Network policy entitled "Complaints and Response Mechanism" was approved. The policy required the allocation of resources to enable the application of the policy across the ADRA Network. Unfortunately, this was not fully realised by the end of 2017. As a result, there has been an ad hoc rather than consistent application of the policy by ADRA offices (refer to the finding of the CHS Audit below). This will change with the rollout of the Licensing and Accreditation requirements as a complaints mechanism will be required for any ADRA office wishing to be accredited.

Although the Complaints and Response Mechanism policy has not been applied as intended at this time, there are other means by which a complaints mechanism is encouraged and facilitated across the ADRA Network. For example, some donors now require that a complaints mechanism is included in the design of their projects. ADRA International has project proposal templates that are completed when an ADRA offices wishes to apply for private funding grants. One of the requirements is that a complaints mechanism must be built into the design of the project and reported on. ADRA has a Protection Policy, of which a complaints mechanism specific to the context of gender-based violence, sexual exploitation and abuse and the protection of children is included.

A key finding during the CHS benchmarking audit (refer to the next section) was that ADRA does not have an effective organisation-wide complaints mechanism. An action plan to address the findings of

the CHS audit includes the need to urgently address this matter. It is expected it will be resolved during 2018.

ADRA's Commitment to the Core Humanitarian Standard (CHS)
One of the objectives within the Strategic Framework is for ADRA to be CHS certified. To achieve this a plan has been developed, of which the first step was to complete a CHS self-assessment, followed by an objective and independent benchmarking audit by HQAI (Humanitarian Quality Assurance Initiative). The benchmarking audit provides a baseline that assists with identifying what remedial actions are required and against which progress can be measured. The audit was carried out in October 2017. ADRA agreed for the resultant report to be posted on the HQAI website (http://hqai.org/adra-international-audit-details/).

The most significant finding of the audit was that ADRA is weakest in the delivery of CHS Commitments 3 and 5. Specifically it was reported that "ADRA International does not have a policy framework or practice that ensures that communities are not negatively affected and more prepared, resilient and less at risk as a result of its humanitarian actions. Neither does it have processes that ensure that communities and people affected by crisis have access to safe and responsive mechanisms to handle complaints." Based on the findings and recommendations of the audit an action plan has been developed to address the areas on concern.

ADRA's Communication with Key Stakeholders
Effective communication with key stakeholders at relevant times is critical to foster their engagement and ownership of the work ADRA is committed to. There are multiple ways that ADRA communicates and reports to key stakeholders. Most of the communication is typically well documented and available. The Board of Directors at all levels of the ADRA structure are routinely provided with progress reports, budgets and advised of successes and challenges. All funders receive detailed reports on programs they support. This includes financial statements and the achievement of agreed objectives. Insights into the impact ADRA is having at the community level are often communicated via social media, on ADRA's website and through publications and press releases. A summary of ADRA's annual programs and financial status is produced in an Annual Report that is widely made available. A significant stakeholder are beneficiaries. Communication with beneficiaries is most often managed by local staff at ADRA's country offices. It is expected that there is open communication and feedback mechanisms available to all beneficiaries, however ADRA does not currently have a system in place to measure and report accurately on the effectiveness or coverage of this. This is a gap that has been identified, which ADRA is currently working to close.

ADRA's Programs and Impact in 2016
The latest summary of information about ADRA globally is sourced from ADRA's last Annual Report, which was for 2016. In that year ADRA employed 7,241 staff and 28,916 persons worked as volunteers. ADRA implemented 1,197 projects worldwide worth a total of 186 million USD, with the largest area of operation being the Africa Region with an annual budget of 82 million USD. There was a total of 15.7 million beneficiaries, of which 41% were women, 33% men and 26% children.

In total, ADRA had 94,277 individual donors who generously supported the programs ADRA managed. Of the funds ADRA utilised, the majority were allocated to programs, directly benefitting those for whom the funds were given (see pie chart for ADRA's use of funds). ADRA's finances are audited annually by Price Waterhouse Cooper.

Legend:
- Programs — 78.8
- Management & General — 17.5
- Fundraising — 2.5
- Public Relations — 1.2
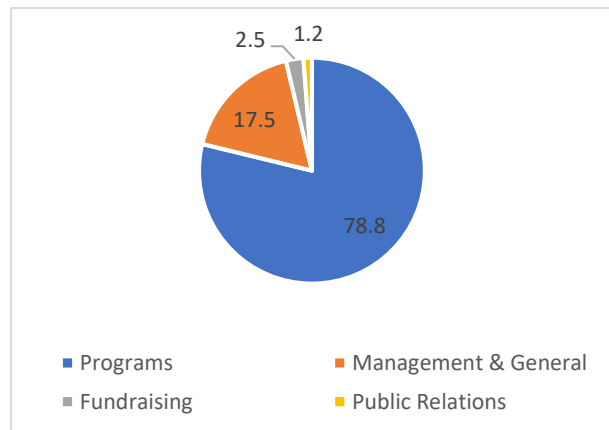
ADRA's Global partners in 2016 included other Civil Society Organisations, donor Governments, other donor institutions, National Governments and United Nations organizations. A list of ADRA's Global Partners can be found in Appendix II.

For more details on ADRA's programs and performance for 2016, the Annual Report can be accessed via ADRA's website: https://adra.org/wp-content/uploads/2014/08/ADRA-Annual-Report-2016_web.pdf. Please note that many of the Country Offices produce their own unique Annual Report, which can be accessed via their respective websites.

A summary of the ADRA International-funded Emergency Responses in 2016 and 2017 can be found in Appendix III.

Appendices

Appendix I – ADRA Regions and ADRA Country Offices

AFRICA REGION		
Burundi	Malawi	Cote d'Ivoire
DRC	Mozambique	Gambia
Ethiopia	Namibia	Ghana
Kenya	Sao Tome & Principe	Liberia
Rwanda	South Africa	Mali
Somalia	Swaziland	Mauritania
South Sudan	Zambia	Niger
Tanzania	Zimbabwe	Nigeria
Uganda	Burkina Faso	Senegal
Angola	Cameroon	Sierra Leone
Lesotho	Chad	Togo
Madagascar		
ASIA REGION		
China	Bangladesh	Pakistan
Japan	Cambodia	Philippines
South Korea	East Timor	Sri Lanka
Mongolia	Indonesia	Thailand
India	Laos	Vietnam
Nepal	Myanmar	
EURO-ASIA REGION		
Afghanistan	Georgia	Russia
Armenia	Kazakhstan	Tajikistan
Azerbaijan	Kyrgyzstan	Ukraine
Belarus	Moldova	Uzbekistan
INTER-AMERICA REGION		
Curacao	Dominican Republic	Jamaica
Aruba	El Salvador	Mexico
Bonaire	Guatemala	Puerto Rico
Colombia	Haiti	Venezuela
Costa Rica	Honduras	
Atlantic Caribbean (*Bahamas, Cayman Islands, Turks and Caicos*)	Caribbean Union (*British Guyana, Surinam, Trinidad, Tobago, Saint Lucia, Barbados and Dominica, Antigua, Barbuda, St Kitts, Neviss, Monserrat, Grenada, US Virgin Islands, British Virgin Islands*)	
EUROPE REGION		
Austria	Germany	Portugal
Belgium	Hungary	Romania
Albania	Italy	Serbia
Bosnia & Herzegovina	Latvia	Slovakia
Bulgaria	Luxembourg	Slovenia
Croatia	Macedonia	Spain
Czech Republic	Montenegro	Sweden
Denmark	Netherlands	Switzerland
Finland	Norway	United Kingdom

France	Poland	
MENA REGION		
Lebanon	Syria	Yemen
Sudan	Tunisia	Iraq (Kurdistan)
NORTH AMERICA REGION		
Canada		
SOUTH AMERICA REGION		
Argentina	Chile	Peru
Bolivia	Ecuador	Uruguay
Brazil	Paraguay	
SOUTH PACIFC REGION		
Australia	Papua New Guinea	Solomon Islands
Fiji	Samoa	Vanuatu
New Zealand		

Implementing (Field) office
Supporting Office
Both Supporting and Implementing Offices

Appendix II – ADRA's Global Partners (2016)

International Partners		
Alliance for a Green Revolution in Africa (AGRA)		Islamic Relief
Asian Aid Australia		Land O'Lakes
Asian Aid USA		LDS Charities
Asian Development Bank		Oxfam
Bread for the World		Pan American Health Organisation
Canadian Foodgrains Bank		Polish Humanitarian Action
Canadian International Development Platform		Red Cross
CARE		Rise Against Hunger
Catholic Relief Services		Samaritan's Purse
Christian Aid		Sanitarium Health and Wellbeing
Cross International		Save the Children
European Civil Protection and Humanitarian Aid		Swiss Solidarity
European Union		TOMS
GlobalMedic		World Bank
Habitat for Humanity		World Initiative for Soy in Human Health
HELP International		World Vision
IDE UK		

United Nations Partners		
Food and Agriculture Organisation (FAO)		United Nations High Commissioner for Refugees
International Organization for Migration (IOM)		United Nations Humanitarian Air Service
Office for the Coordination of Humanitarian Affairs		United Nations Population Fund
United Nations Children's Fund (UNICEF)		World Food Programme
United Nations Development Programme (UNDP)		World Health Organization

Major Government Funders		
Australia - Dept. of Foreign Affairs & Trade		New Zealand – Ministry of Foreign Affairs & Trad
Austria – Austrian Development Authority		Norway – Norwegian Agency for Development
Canada – Global Affairs Canada		Slovakia – Slovak Agency for International Dev
Czech Republic – Ministry of Foreign Affairs		Spain – Spanish Agency for International Dev
Denmark – Danish International Development Agenc		Sweden – International Development Coop
Germany – Federal Ministry for Economic Coop		UK – Department for International Development
Japan – Japan International Cooperation Agency		USA – United States Agency for Int Development
Netherlands – Ministry of Foreign Affairs		USA – United States Dept. of Agriculture

ADRA RESPONDS TO DISASTERS–2016

90 emergency responses | over 850,000 individuals reached

31 responses to flooding

16 responses to conflict, violence, & displacement

11 responses to cyclones, tornadoes, hurricanes, & typhoons

10 drought responses (most El Niño-related in Africa & Asia

8 responses to pathogens (Eb___, Zika, Cholera ___ E. coli)

7 earthquake responses Indonesia, Ecuador, Peru, T___ &

6 fire responses (in the Philippines, ___da ___doni

1 *dzud* response— harsh winter ___ns in Mongolia

RESPONSES BY SECTOR

- Food (36)
- Shelter & NFIs (35)
- WASH (24)
- Health & PSS (16)
- Cash, Vouchers, & Livelihoods (11)

40 Emergency Response Team (ERT) member deployments

Europe, Central Asia, & Middle East (14)

Americas (32)

Asia & Pacific (26)

Africa (18)

RESPONSES BY REGION

ADRA INTERNATIONAL
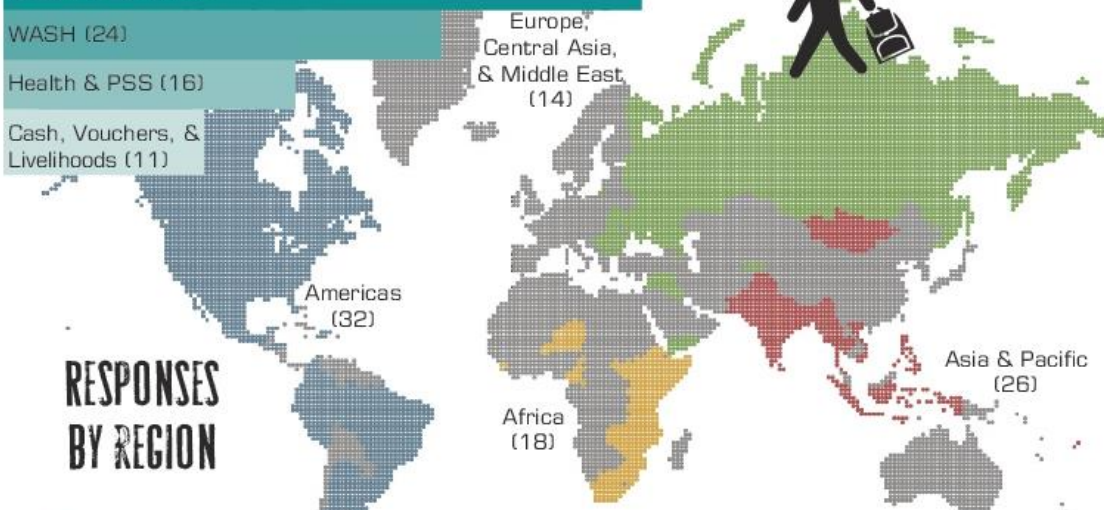
BY FUNDING LEVEL
58 small responses (avg. $16,518 USD)
32 large responses (avg. $150,910 USD)
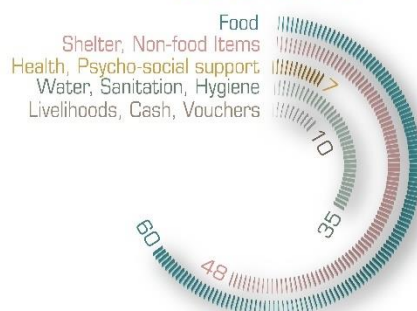Total: Over $6.8 million USD

EMERGENCY
RESPONSES
2017

Others 4

Earthquake & Volcano 4

Fire / Explosion 9

Drought / Famine 12

Conflict / Displacement 15

Storm / Flooding 70
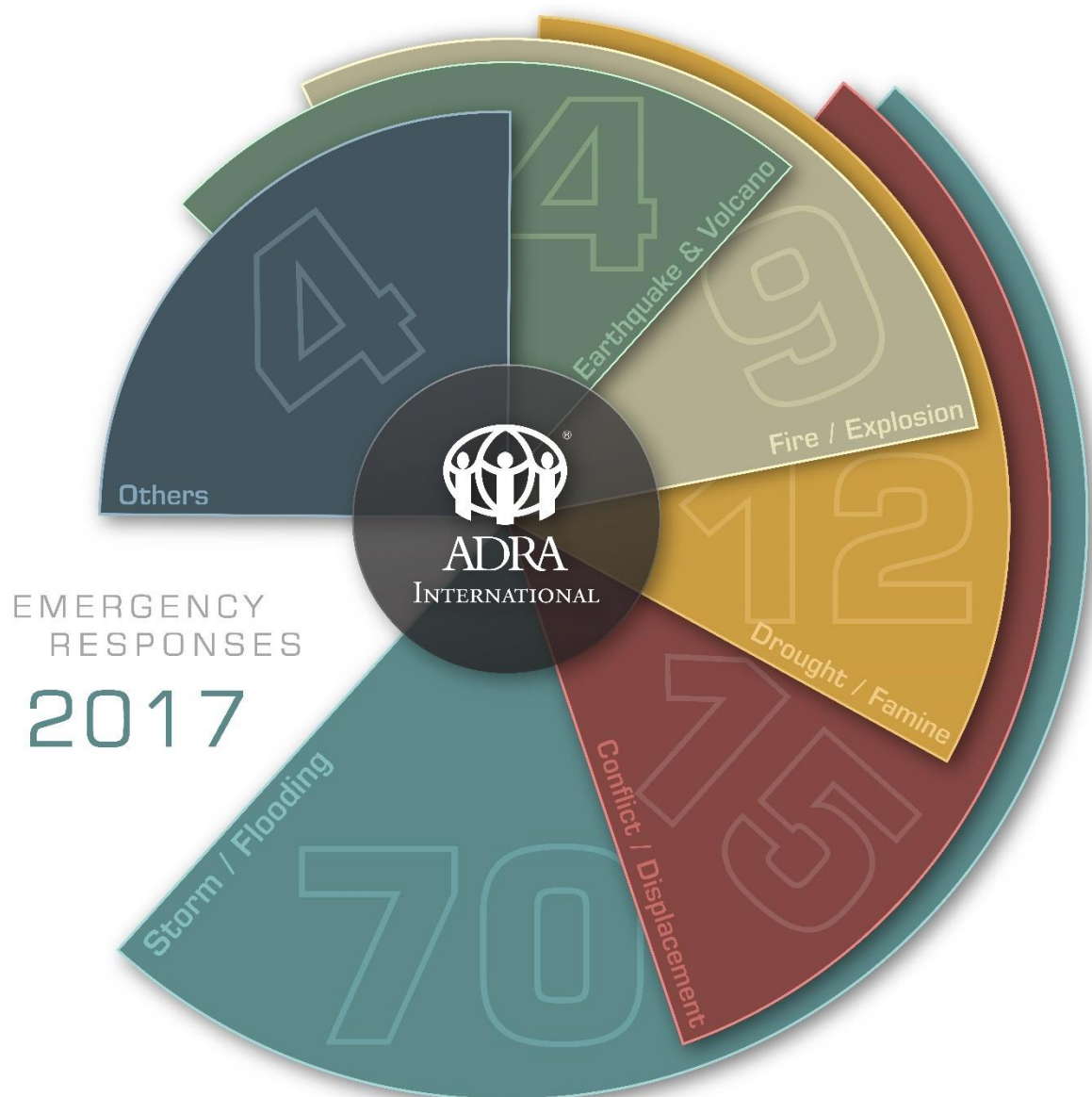
IMPACT

TOTAL RESPONSES
114

HOUSEHOLDS
88,764

INDIVIDUALS
REACHED
694,431

SECTORS

Food
Shelter, Non-food Items
Health, Psycho-social support
Water, Sanitation, Hygiene
Livelihoods, Cash, Vouchers

7
10
35
48
60

REGIONS

Europe
Middle East
10

Africa
24

Americas
52

Asia & Pacific
28