

# Accountable Now

GLOBAL STANDARDS LOCAL TRUST



## **BRAC Independent Review Panel Feedback**

**Accountability Report 2015**

**Review Round April 2017**



# BRAC

## Feedback from the Independent Review Panel

### Review Round April 2017

1 June 2017

Dear Sir Fazle Hasan Abed,

Thank you for submitting your Accountability Report. We, the Independent Review Panel of Accountable Now, appreciate your efforts to continuously strengthen accountability to communities, local partners, supporters, staff, donors, or other key constituencies. Our key focus is on accountability to those you serve. It is against this background that we critically discussed your report and came to the individual assessment below. Before we share this with you, however, we want to highlight a few issues of concern that we found throughout most of the nine reports assessed in the last review round.

### Closing the feedback loop with stakeholders (NGO2, NGO9)

A [recent study](#) on 40 international civil society organisations' (CSOs') accountability practices - conducted by the *direct impact group* on behalf of Accountable Now - revealed that only three out of these 40 CSOs responded with an appropriate answer to a complaint test within three weeks.

This is alarming. All Members of Accountable Now should have a fully functioning feedback mechanisms in place. However, when checking your reports we found a consistent lack of reporting filed complaints per type, quantity, and region as well as a total lack of information on how they were resolved. We believe this is not an acceptable level of accountability. CSOs should not only have a mechanism in place but should first be capturing complaints with the appropriate level of detail and then monitoring their resolution and agreeing what actions need to be taken to ensure the same issues do not arise.

[Feedback Labs](#), with whom Accountable Now collaborated on the [People-Powered Accountability project](#), also serve as a valuable source of information on how to close feedback loops.

### Collaboration with partners, communities and networks (NGO6, EC7 & SO1)

As part of the [10 Accountability Commitments](#), Accountable Now Members commit to working in genuine partnership with local communities and partners. With increased globalisation of information, more empowered citizens engage and civic space is challenged, it becomes ever more important to help local communities and partners to thrive. However, we found that coordination with local communities is still an overall weakness area among the Accountability Reports we received. Some



“common” ICSO practices can have intended or unintended consequences on local communities. We would thus like to particularly highlight a lack of contributions to building local capacity and resources. Do you take into account local market conditions and think about working alongside local organisations building their capacity? We suggest that ICSOs should start to consider their impact on the sustainability and independence of local civil society in all their work (such as planning, budgeting, economic impact, etc.).

## Adding to what people do to improve their lives

(NGO3)

To state the obvious, impact measurement is important. However, many evaluations mentioned in received Accountability Reports focus on collecting relatively large amounts of data on people reached, however, this does not tell us much about the improvement in their lives. Moreover, we should critically ask ourselves: What is the ICSO’s credit in this improvement and what positive impact is actually due to the people and beneficiaries themselves?

While we are of course aware that resources are limited, there is clearly no substitute for a robust and honest impact evaluation of our programmes and activities.

## Organisation-specific feedback to BRAC:

BRAC’s fourth Accountability Report is considered overall good and includes impressive figures and information on the scale and reach of their organisation in Bangladesh and internationally. In terms of **institutional commitment**, the Panel believes that Accountability Reports should have their own opening statements. Unfortunately, the statement by Sir Fazle Hasan Abed KCMG, Founder and Chairperson of BRAC, is copied from BRAC’s 2015 Annual Report and does not outline BRAC’s institutional commitment to accountability as requested by the Panel last year.

BRAC followed-up some of the Panel’s **earlier recommendations** and provided more information especially with regards to their governance structure (4.1), mechanisms for feedback and complaints (NGO2) and gender and diversity (NGO4). BRAC demonstrates **good practice** in workforce training (LA10), global talent management (LA13) and mechanisms for feedback and complaints (NGO2). The Panel also thinks that programme monitoring, evaluation and learning (NGO3) is an area for potential good practice. In addition, BRAC moderately **addressed some of their weakness** outlined in the last report regards gender and diversity (NGO4) and diversity of workforce and governance bodies (LA13).

BRAC’s **weak areas** continue to be: environmental sustainability (EN16, EN18, and EN26), managing impact on communities (SO1) and anti-corruption practices (SO3). Furthermore, improvement and more information is required by



the Panel on the following: reporting process (3.5), involvement of affected stakeholder groups (NGO1) and coordination with other actors (NGO6). Generally, the Panel would like to see more information on BRAC's accountability to beneficiaries and communities, beyond accountability to donors.

BRAC's website refers to the INGO Accountability Charter and links to BRAC's Accountability Reports on our website. The Panel recommends updating BRAC's website to reflect our new name as Accountable Now along with the new logo.

Since this is the fourth Accountability Report, the Panel would like to offer BRAC the opportunity to submit a full Accountability Report every two years with brief annual updates. In a very brief interim report for 2016, the Panel would only like to see a statement by BRAC's senior decision maker on how accountability is paramount to achieve BRAC's mission, any crucial changes in comparison to 2015 and most importantly progress on weaknesses as highlighted by the Panel in this year's Improvement Analysis. In the meantime, the Panel requests a call with Muhammad Musa and/or Sir Fazle Hasan Abed to better understand BRAC's accountability practices and how the Panel can add optimal value in this regard.

Our intention is that this feedback letter, and any response you may wish to provide, is made publicly available on the Accountable Now website along with your report – as it is the case with all previously reviewed reports. 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 any comments or amendments by 1 July 2017.

If you have any other feedback or comments on our work, please share them with us by sending them to the Accountable Now Secretariat.

Yours sincerely,

Mihir Bhatt

Rhonda Chapman

John Clark

Louise James

Jane Kiragu

Nora Lester Murad

Michael Roeskau

Saroeun Soeung



# Cover Note on BRAC's Accountability Report 2015

Review Round April 2017

## PROFILE DISCLOSURES

### I. Strategy and Analysis

1.1	<p><b>Statement from the most senior decision-maker</b></p> <p><i>Partially addressed</i></p> <p>Unfortunately, the statement by Sir Fazle Hasan Abed KCMG, Founder and Chairperson of BRAC, is copied from BRAC's <a href="#">2015 Annual Report</a> and so was the 2014 statement. Although both BRAC's Accountability and Annual Reports are expressions of public accountability, they serve different purposes. This Accountability Report should outline how BRAC fulfils the <a href="#">10 Accountability Commitments</a> in practice and so the statement should outline how accountability is paramount to achieve BRAC's mission. This is unfortunately missing as accountability is not even referred to in the statement. The Panel refers BRAC to the strong opening statement of Amnesty International's <a href="#">2015 Accountability Report</a> and that of SOS Children's Villages' <a href="#">2015 Accountability Report</a> for good examples. Nevertheless, the Panel positively notes that BRAC's work is well aligned with the SDGs.</p>
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### II. Organisational Profile

2.1 – 2.2	<p><b>Name of organisation / Primary activities</b></p> <p><i>Fully addressed</i></p> <p>BRAC's excellently presents their theory of change linking the different streams of activities along five main outcomes that contribute to BRAC's mission. Very impressive figures are presented on their different programmes in Bangladesh. The Panel also appreciates the categorisation of programme audience and interventions. The programmes are reaching key populations who are normally at the margins of interventions such as poor women, farmers, salaried workers, migrant workers and small entrepreneurs including an emphasis to households affected by disability.</p>
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2.3	<p><b>Operational structure including national offices</b></p> <p><i>Addressed</i></p> <p>BRAC provides elaborate information on the nature of ownership including the General Body (more information under 4.1). However, the relationship between BRAC UK and BRAC US on one hand and BRAC Head Office on the other hand is still not clear. In particular, which body does ensure the coordination between BRAC Bangladesh and BRAC International's programmes outside Bangladesh? Also, do the Local Boards report to the Governing Body of BRAC International and how do the newly Advisory Committees (mentioned in 2.9) relate to Local Boards?</p>
2.4 – 2.8	<p><b>Headquarter location / Number of countries / Nature of ownership / Target audience / Scale of organisation</b></p> <p><i>Fully addressed</i></p>
2.9	<p><b>Significant changes</b></p> <p><i>Fully addressed</i></p> <p>Of all the impressive updates, starting operations in Nepal and establishing Advisory Committees in all countries are the relevant to this section. The Panel recommends adding other updates in the future to the report's relevant sections. For example, e-monitoring should be mentioned under NGO3 instead.</p>
2.10	<p><b>Awards received</b></p> <p><i>Fully addressed</i></p> <p>During the reporting period, BRAC won a number of awards for its outstanding achievements which is something praised by the Panel. The Panel positively notes that BRAC ranked first in the 2016 Top 500 NGOs world rankings for its impact, innovation and sustainability, as mentioned under 2.1.</p>
<p><b>III. Report Parameters</b></p>	
3.1 – 3.4	<p><b>Reporting period / Date of most recent report / Reporting Cycle / Contact person</b></p> <p><i>Fully addressed</i></p>
3.5	<p><b>Reporting process</b></p> <p><i>Partially addressed</i></p> <p>The communication department leads the process of putting together BRAC's Accountability Report in a process that includes gathering input and feedback from different internal stakeholders including senior management and the Executive Management</p>



	<p>Committee. While this process can be sufficient for compiling the Annual Report, the Panel believes there is still much that can be done to make use of the reporting process to institute a culture of accountability across BRAC. The Panel refers BRAC to <a href="#">good practice</a> (pages 11-21) on how ActionAid, Amnesty International, CARE, CBM and Educo have done this. The panel seeks to receive further detailed information on how feedback on BRAC's Accountability Report is acted upon and shared internally across the organisation.</p>
3.6 – 3.7	<p><b>Report boundary / Specific limitations</b> <i>Addressed</i></p> <p>This report covers BRAC Bangladesh and other countries in which programmes are implemented. Nevertheless, there is some information on BRAC UK and BRAC USA in section 2.5. The Panel would appreciate more clarity on the whether the report covers both BRAC International and BRAC Bangladesh.</p>
3.8	<p><b>Basis for reporting</b> <i>Addressed</i></p> <p>BRAC's social enterprises are not subsidiaries but rather programmes under BRAC's management. This in fact contradicts the information provided under 3.7 in which the enterprises are called "separate legal entities". The Panel again requires again more clarify on this issue.</p>
3.10 – 3.12	<p><b>Changes in reporting parameters / Reference table</b> <i>Not applicable</i></p>
<p><b>IV. Mission, Values, Governance, and Stakeholder Engagement</b></p>	
4.1	<p><b>Governance structure</b> <i>Fully addressed</i></p> <p>BRAC followed-up on the Panel's request and provided further information on the General Body which is open to self-nomination upon meeting the requirements including two recommendations from current General Body members. Membership of the General Body is life-time except for resignation, disposal or non-payment of annual subscription fees. In addition to adopting the audited financial accounts, hiring external auditors, and approving next year's budget, the General Body elects the two governing bodies: the Governing Body of BRAC and that of BRAC International. Members of both Governing Bodies are listed on <a href="#">BRAC's website</a>.</p>



4.2-4.3	<p><b>Division of power between the governance body and management / Independence of Board Directors</b></p> <p><i>Addressed</i></p> <p>There is clear division of power between the governance and management of BRAC. Nevertheless, the Panel would like to understand whether BRAC's Management Members who serve on BRAC International's <a href="#">Board of Directors</a> have voting rights and if so, how division between governance and management is ensured?</p>
4.4	<p><b>Feedback from internal stakeholders</b></p> <p><i>Addressed</i></p> <p>BRAC provides a very good overview on the different internal communications channels, both in-person and online, between the different levels of management and between the management and governance. There is need to clearly demonstrate that such feedback is two-way and meaningful and has informed decisions by the highest governance body. The Panel refers BRAC to good practice from <a href="#">SOS Children's Villages' Accountability Report 2014</a> (pages 16-17) and <a href="#">Educo's Accountability Report 2013</a> (page 18) and. The Panel looks forward to more details on this issue in the next report.</p>
4.5	<p><b>Compensation for members of highest governance body</b></p> <p><i>Addressed</i></p> <p>BRAC reports that all Governing Body members are non-executive and have no financial interests in BRAC. All staff are paid according to a defined salary scale and BRAC outlines the different benefits that applies to all employees including departure packages. The Panel reiterates its request regards sharing a link to the salary scale (including senior management) and the relevant Human Resources policies in relation to compensation. In times of high public scrutiny on CSOs, this becomes very important as a demonstration of organisational transparency. The Panel further refers BRAC to <a href="#">World Vision's Interim Accountability Report 2015</a> (page 8) and to the <a href="#">Pay section</a> on Amnesty International's website, which both transparently discloses the compensation for their senior managers.</p>
4.6	<p><b>Conflicts of interests</b></p> <p><i>Addressed</i></p> <p>BRAC reports that all Governing Body members usually have no conflict of interests being unpaid volunteers and because of their sound reputation in the sector. They are also screened before election by the General Body for any potential conflict of interests.</p>





	<p>In cases of conflict of interest, they can refrain from taking part in the decision making process. The Panel encourages BRAC to strengthen this by publicly disclosing their Governing Body members' registers of interest. The Panel refers BRAC to good practice from Transparency International whose Board of Directors' register of interests are uploaded to their <a href="#">website</a> in addition to their <a href="#">publicly accessible</a> Board Code of Conduct and Conflict of Interest policy.</p>
4.10	<p><b>Process to support highest governance body's own performance</b>  <i>Partially addressed</i></p> <p>BRAC provides some information on the election and terms of the Governing Body but no information is provided on how the performance of the governance body is managed and under which conditions are new members added or old members replaced. Some Accountable Now Members show <a href="#">good practice</a> (pages 32-33) in this regard: the Boards of both Educo and Plan International carry out self-evaluations while the Board of Directors Chair of Greenpeace International coordinates a 360 degree evaluation of the performance of the Board. The Panel therefore recommends BRAC to adopt a performance appraisal of its board.</p>
4.12	<p><b>Social charters, principles or other initiatives to which the organisation subscribes</b>  <i>Not addressed</i></p> <p>BRAC considers this section not applicable despite the fact that BRAC is listed as a <a href="#">full member</a> of the Core Humanitarian Standard (CHS). The Panel encourages BRAC to list their membership in other charters or initiatives and would like to understand how reporting to these initiatives including CHS is coordinated.</p>
4.14	<p><b>List of stakeholders</b>  <i>Fully addressed</i></p>
4.15	<p><b>Basis for identification of stakeholders</b>  <i>Fully addressed</i></p> <p>BRAC provides relevant information on their different stakeholders and why they are prioritised.</p>



## PERFORMANCE INDICATORS

### I. Programme Effectiveness

NGO1	<p><b><i>Involvement of affected stakeholder groups</i></b></p> <p><i>Partially addressed</i></p> <p>BRAC ensures that their work is designed bottom-up. Programme staff regularly meets with relevant stakeholders to collect feedback. BRAC reports on extensive engagement with donors including with the UK and Australian governments as part of the Strategic Partnership Agreement. In cooperation with the local government, BRAC also undertakes a gap analysis to identify the needs of local communities (as mentioned under 4.15). The Panel would like to know more specific examples on engagement with communities and partners. The BRAC Diary example shows little in terms on how rural dairy farmers are involved. Examples need to show how the engagement with stakeholders led to positive decisions and more examples in this regard would be appreciated in the next report. The Panel requests BRAC to demonstrate how all stakeholders, and particularly beneficiaries and communities, are engaged throughout project cycle, not just in the design phase, to ensure ongoing accountability. There are <a href="#">good practice</a> (pages 37-50) from Amnesty International, ARTICLE 19, Oxfam and Plan who report on involving their stakeholders.</p>
NGO2	<p><b><i>Mechanisms for feedback and complaints</i></b></p> <p><i>Fully addressed</i></p> <p>Based on the Panel's feedback last year, BRAC is praised for providing more elaborate information on both the Ombudsperson and the <a href="#">Investigation Unit</a> which is separate from the Monitoring Department. The wide mandate of the Ombudsperson to receive internal and external complaints and his both reactive and proactive investigation powers is considered <b>Good Practice</b>. 81 of the 128 complaints by BRAC staff in 2015 were settled of which 28 were from female staff and 14 were about sexual harassment. In 2015, the Investigation Unit received and investigated a total of 82 cases in Bangladesh primarily on financial and human resources issues. The Panel acknowledges the <a href="#">positive feedback</a> on BRAC USA on the Great Nonprofits platform from former volunteers and donors. The Panel would be interested to understand whether BRAC international have an Ombudsperson to investigate complaints raised on international programming. The Panel would</p>



	<p>appreciate also if BRAC adds their complaints policy to their website and provides a link in their next Accountability Report.</p>
NGO3	<p><b>Programme monitoring, evaluation and learning</b></p> <p><i>Addressed</i></p> <p>The Panel commends BRAC for elaborating on their monitoring and evaluation efforts which are done by programmes themselves. The Monitoring Department covers the work of both development and support-programmes. In 2015, the Unit monitored 174 cases and prepared periodic analysis reports to help management's decision making and corrective actions. While this demonstrates accountability to donors, the Panel is interested in understanding how M&amp;E is used to ensure accountability to beneficiaries and communities. The Panel would appreciate some examples on how the results from the periodic reports led to corrective decision making. The Panel also looks forward to more information on the piloting of e-monitoring (mentioned under 2.9) and further highlights this area's potential for becoming good practice. The Panel acknowledges BRAC UK's <a href="#">Impact Report</a> and would like to know if there is a comprehensive impact report for BRAC.</p>
NGO4	<p><b>Gender and diversity</b></p> <p><i>Addressed</i></p> <p>Following-up on the Panel's feedback on last year's Accountability Report, BRAC provides elaborate information on how they address gender equality. BRAC'S <a href="#">Sexual Harassment Elimination Policy</a> and <a href="#">Gender Policy</a> (links unfortunately were not provided in the report but were found on the website) are implemented and monitored by the Gender Justice and Diversity (GJD) programme. The Panel would like to congratulate BRAC on being awarded the most female friendly organisation in Bangladesh in 2015 – as reported under awards received (2.10). The internal and external awareness raising on gender related issues and the impressive numbers reached are considered a positive indicator.</p> <p>BRAC has made an effort to capture different vulnerable such as people with disabilities through their new initiative on Neuro Developmental Disability Centres, the illiterate and semi illiterate through interventions on skills development focusing on competency based training, urban poor via programmes on social inclusion and children who are left out of the formal educational system.</p>



NGO5	<p><b>Advocacy positions and public awareness campaigns</b></p> <p><i>Partially addressed</i></p> <p>BRAC bases its advocacy on rigorous research. Through its advocacy unit, BRAC promotes for both behavioural and policy changes and creates channels for their stakeholders to voice their demands. Similar to last year's comment, the Panel would appreciate more elaboration on how the people impacted by BRAC's advocacy work are included in formulating policy decisions. Does BRAC have an established advocacy policy that requires pre-advocacy consultations? How does BRAC ensure that their advocacy activities do not have negative impacts and what corrective measures are taken in that case? The Panel further refers BRAC to <a href="#">good practice</a> (pages 69-73) from Amnesty International, CIVICUS and Sightsavers on how they ensure accountability in their advocacy work.</p>
NGO6	<p><b>Coordination with other actors</b></p> <p><i>Partially addressed</i></p> <p>BRAC highlights that partnership and coordination is important and is in-line with their strategy. They provide a comprehensive list of governmental, civil society, international partners. They also refer to their strategic partnership with the UK and Australian governments. Unfortunately however, none of the questions that were raised by the Panel in their last year's feedback was addressed. The same comments and questions are still relevant: it is not clear if BRAC systematically conducts a situational analysis when entering new projects to determine their fit purposes. What systems are in place to avoid duplication and which criteria are applied for choosing strategic partners? How does BRAC ensure that partners meet the same high standards of accountability? The Panel looks forward to elaborate answers on these questions in the next report. Good practice from Accountable Now Members including CARE, CBM, Educo and SOS Children's Villages can be found in <a href="#">this document</a> (pages 74 -79).</p>
<p><b>II. Financial Management</b></p>	
NGO7	<p><b>Resource allocation</b></p> <p><i>Fully addressed</i></p> <p>BRAC reports on their process of resource allocation including expenditures of BRAC Bangladesh programmes and the solid internal and external auditing processes. The Internal auditing process is based on the <a href="#">Internal Audit Charter</a> and their <a href="#">Internal Audit Management System</a> (unfortunately links were not provided in the report but found on</p>



	<p>the BRAC website). The fact that the Director of Internal Audit, as visualised through this <a href="#">organogram</a>, reports directly to the Governing Body's Finance and Audit Committee reflects the independence of internal auditing and indicates how BRAC takes accountability regards resource allocation seriously. All audited financials can be found in the annual reports on BRAC's <a href="#">website</a>.</p>
NGO8	<p><b>Sources of Funding</b> <i>Fully addressed</i></p> <p>Similar to the previous reports, BRAC provides very detailed information on BRAC's sources of funding – broken down by different donors and income streams as well as by different countries in which BRAC operates.</p>
<h3>III. Environmental Management</h3>	
EN16	<p><b>Greenhouse gas emissions of operations</b> <i>Not addressed</i></p> <p>This continues to be one of the major <b>weak areas</b> of BRAC due to their continuous failure to provide information on their own greenhouse gas emissions. The Panel refers BRAC again to how Greenpeace uses CloudApps Sustainability as outlined in <a href="#">Greenpeace Accountability Report 2014</a> (page 30) and to the <a href="#">good practice</a> of Oxfam and Plan International in the regard (pages 88-94).</p>
EN18	<p><b>Initiatives to reduce emissions of operations</b> <i>Partially addressed</i></p> <p>While the Panel continuously appreciate the work of BRAC's green enterprises, it is not clear how the work of these enterprises is helping BRAC reduces emissions from its own operations. For example, is BRAC using their own produced recycled paper and is BRAC Solar the energy supplier to BRAC Bangladesh? The answers to these questions would make a huge difference and the Panel looks forward to more elaboration.</p>
EN26	<p><b>Initiatives to mitigate environmental impact of activities and services</b> <i>Not addressed</i></p> <p>BRAC does not report on their environmental impact which is also considered by the Panel as a <b>major weakness</b>. The Panel refers BRAC to Plan's comprehensive <a href="#">approach</a> (pages 98-99) to outlining their global environmental impact.</p>



IV. Human Resource Management	
LA1	<p><b>Size and composition of workforce</b></p> <p><i>Fully addressed</i></p> <p>BRAC continues to provide a strong overview of their impressive numbers of staff broken down into different functions and countries. Actual figures on volunteers are missing and the Panel would appreciate tracking them given their importance contribution to the mission. In case this is difficult, at least a ratio of employed staff versus volunteers would suffice.</p>
EC7	<p><b>Procedure for local hiring</b></p> <p><i>Fully addressed</i></p> <p>Hiring at BRAC is merit-based and preference is given to locals. In BRAC International, few expatriate are hired composing only 3-4% of the work force. Staff breakdown of local and expatriate staff is provided in LA13.</p>
LA10	<p><b>Workforce training</b></p> <p><i>Fully addressed</i></p> <p>BRAC continues to be praised by the Panel for dedicating 3.5% of their Bangladesh expenditures to capacity development which is considered <b>good practice</b> by the Panel. Trainings are organised at BRAC's 28 residential centres and via their cooperation with over 100 faculty members from BRAC University. The Panel would like to know if BRAC fulfilled their commitment in their <a href="#">Gender Policy</a> (page 14), regards allocating at least 30% of staff development funds to female staff. In addition, the Panel would like to clarify whether the numbers of trained staff is correct since despite the difference in training expenditures from last year's Accountability Report, the same exact numbers of trained staff is given. The Panel would like to understand also how BRAC tracks the success of these large number of trainings (i.e. what is the average degree of satisfaction of participants in these trainings?).</p>
LA12	<p><b>Global talent management</b></p> <p><i>Fully addressed</i></p> <p>BRAC reports that 100% of their staff received annual performance appraisals during 2015, something that is continuously praised by the Panel and is considered <b>good practice</b>. It is noteworthy that senior management receive 360 feedback as part of their appraisals.</p>



LA13	<p><b>Diversity of workforce and governance bodies</b></p> <p><i>Addressed</i></p> <p>As in previous years, BRAC provides detailed breakdowns in relation to gender, age and geographical background of its staff and Governing Body. Overall, female staff comprises more than 75% of total staff yet only 33% of senior management. Also, there is still high polarisation in some categories. For e.g., almost 99% of teachers and 92% of project staff are females who only compose 25% of full time staff. This is under the 30% target of having female staff recruitment ration by 2012 as appears in BRAC's <a href="#">Gender Policy</a> (page 13). The Panel would like to understand what BRAC's plans in this regard are? Further, the Panel acknowledges that BRAC now has two Members below 50 years old in their Governing Body and encourages more progress in this regard. Also, the Panel encourages BRAC again to include other forms of diversity indicators (e.g. religious/ethnic minority groups or disability) in their next report.</p>
NGO9	<p><b>Mechanisms to raise grievances</b></p> <p><i>Fully addressed</i></p> <p>BRAC describes how staff can raise grievances to management in line with solid HR policies. In 2015, the 82 cases received by the investigation unit in Bangladesh have been resolved satisfactorily. Since all the reported cases are in Bangladesh, the Panel would like to understand whether the same process is used by BRAC International.</p>
<p><b>V. Responsible Management of Impacts on Society</b></p>	
SO1	<p><b>Managing your impact on local communities</b></p> <p><i>Partially addressed</i></p> <p>BRAC involves communities at the different project cycle stages. BRAC is commended for running the largest NGO legal aid programme in the work with 400 legal aid clinics across Bangladesh. While working with the communities can mitigate negative impact, this does not guarantee a systematic assessment and management of negative impacts on these communities and this is consider by the Panel as a <b>weak area</b>. Does BRAC have an exit strategy for their different projects and programmes? How does BRAC ensure that their social enterprises do not have negative impacts on the local economy? For e.g., in 2015, BRAC opened 254 additional offices in Bangladesh and 12 outside Bangladesh (as mentioned in 2.3). How does BRAC ensure that these offices do not negative affect local actors including community based organisations (CBOs) in these areas?</p>



SO3	<p><b>Anti-corruption practices</b></p> <p><i>Partially addressed</i></p> <p>BRAC has an Anti-Money Laundering and a Combating Financing of Terrorism (CFT) policy – no links however were provided as requested by the Panel in last year's feedback. In addition to money laundry and terrorism financing, how does BRAC ensures that risks of bribery, nepotism, fraud or conflicts of interest are carefully assessed and mitigated? This is considered a <b>weak area</b> and the Panel further refers BRAC to good practice from <a href="#">Plan International's Accountability Report 2013-14</a> (page 38). Also, the Panel refers BRAC to Jeremy Sandbrook's <a href="#">blog post</a> which outlines the significant role of leadership in fighting corruption in the sector.</p>
SO4	<p><b>Actions taken in response of corruption incidents</b></p> <p><i>Addressed</i></p> <p>BRAC provides the same overview as that of last year on the different steps taken in cases of corruption. Under NGO2, BRAC reports that 42 complaints were related to financial misappropriation and 29 cases were related to cash and bank. Based on the investigation results, the Grievance Management Committee (GMC) took the appropriate decisions against accused persons. The Panel would appreciate information on the Standard Operating Procedure for Fraud Management, the standard fraud reporting system and the e-fraud management system – all were planned for 2015.</p>
<p><b>VI. Ethical Fundraising</b></p>	
PR6	<p><b>Ethical fundraising and marketing communications</b></p> <p><i>Addressed</i></p> <p>BRAC reports on their sound process of raising funds with institutional donors. All major donations are made public in the <a href="#">Audited Financial Statements</a>. Does BRAC also publish all major institutional gifts and gifts in-kind, clearly describing the valuation and auditing methods used? Moreover, the Panel would be interested to understand what policies are adopted by BRAC International, BRAC UK and BRAC USA in order to ensure ethical fundraising from individuals?</p>