15 June 2012

Dear Roberto Bissio,

We are writing to you as members of the Independent Review Panel of the INGO Accountability Charter, in order to give you feedback on the Report which you submitted for the reporting deadline in April 2012.

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

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

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

On **completeness**, we acknowledge the demanding nature of many GRI requirements and recognise that not all of them are as material as others. In particular for smaller organisations, some requirements may be overly demanding. Nevertheless they give good guidance and we have attached a note that goes through the shortfalls against the reporting template in detail. In addition we have highlighted below areas where we felt, in particular, that your organisation could improve as well as other areas which we considered as strengths in your report.

On **evidence**, we looked in particular for references not only to relevant policy documents, but also to examples where the self-assessment was supported by specific action (for example, drawn from operational activities, whether successful or unsuccessful). It is important for us to see that the accountability commitments that you made when signing the Charter, lead to informed corrective action and ultimately improve the quality of your work.

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

Since we first started assessing the reports we have noticed a **marked improvement in quality** and an improved commitment to accountability. However we have highlighted some common **areas for improvement,** in particular the indicators related to the environment (EN16, EN18), diversity and ethnicity (NGO4, LA13), how findings from programme evaluations have influenced internal learning and future decisions (NGO3), training in anti-corruption policies (SO3) and complaints handling mechanism in place (NGO2).

With regard to the **complaints handling mechanism**, we would like to remind Members that it is now a mandatory requirement for Charter Members to have such a mechanism in place. This is at the core of good accountability.

Regarding **diversity and ethnicity**, we would like to encourage Members to think about who is likely to be excluded from their work and programmes.

With regard to the generally weak reporting on **anti-corruption policies**, we would like to encourage Members to use the Anti-Bribery Checklist and Anti-Bribery Principles and Guidance for NGOs produced by Transparency International available under the following web-links: http://www.transparency.org.uk/attachments/046_NGO_Anti-bribery_Principles_and_Guidance.pdf and http://www.transparency-se.org/TI-ABC-20-point-anti-bribery-checklist.pdf In case of specific interest you may also contact Stan Cutzach at Transparency International under scutzach@transparency.org

In many reports Members just noted that they have the relevant policies in place but we feel that **more examples** of the policies in practice would be useful. Only when it is supported by evidence does the policy come to life and its usefulness can then be assessed.

Finally a word on the presentation. We value **succinctness and accessibility**. In some reports access to relevant information is made difficult by a lot of immaterial information being given at the same time. Please try and include only the essential information.

An interesting way of improving accessibility was chosen by some organisations, who integrated the accountability report into their annual report and gave links to the relevant indicators in a GRI table. To ensure a greater link between the **Charter commitments** and GRI reporting (focussing on transparency) we would like to emphasise our support for the Charter Board decision that all future reports should have a clear link between the Charter principles and the reported actions.

Please note that as a Panel we feel that part of our role is to encourage organisational improvement. To that end we are enclosing, for your information some examples of what we believe to be **Good Practice** in responding to some individual indicators, based on the GRI framework. This document consists of examples from all reports reviewed thus far and has been sent as an attachment to you per email. We would like to encourage you to look at this document as we feel this will be a good learning exercise for all Members to learn from each other.
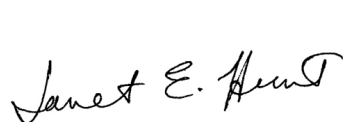
Organisation-specific feedback to Insituto del Tercer Mundo

The report is a good attempt for a first submission from a small organisation. We appreciate the difficulty in differentiating between ITeM and Social Watch, and we appreciate the effort required to do so and recommend that you continue in a similar vein in your future reports. It is good that you attempted to ***complete*** *all required indicators, however there are still some gaps. Regarding* ***evidence****, more examples would be useful. We would welcome a more explicit* ***institutional commitment*** *from your organisation. For example the opening statement could show your commitment to accountability more clearly, and should be signed by the CEO and/or Board Chair of your organisation. We encourage you to keep your report concise and to concentrate only on the reporting period. We would also encourage you to report on your assets and liabilities in your next report.*
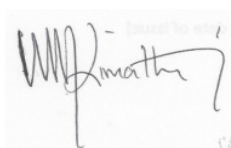
Our intention is that this letter, and any response that you may wish to provide, should be made publicly available on the Charter website, along with your organisation's report. You can find the reports that were reviewed previously on the Charter website under the section Charter Members/Member Reports. However, should there be errors of fact in the feedback above or in the more detailed note below on conformity with the reporting framework, we would of course wish to correct these before publication.

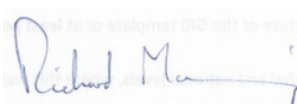Should you have any comments we would appreciate a response by **13 July 2012**.

Yours sincerely,
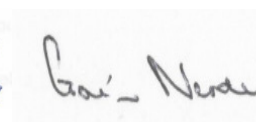
| Janet Hunt | Wambui Kimathi | Richard Manning | Gavin Neath |

1st Review Round 2012
Note on Accountability Report

Organisation: Instituto del Tercer Mundo (ITeM)
Reporting period: 01 August 2010- 31 July 2011

What GRI reporting level did the organisation report on?

☐   A
☐   B
☒   C

Did the Secretariat contact the organisation for further information before forwarding the report to the panel?

☒   Yes
☐   No

<u>Comment</u>: On 20 April the Secretariat requested a translation or a summary of the annex in page 9 which was in Spanish. The organisation sent a translation on the same day.

COMMENTS ON THE INFORMATION PROVIDED IN THE REPORT

Profile (recommended 28)
Number of Profile components the organisation reports on in <u>total</u>: **28**
Number of the <u>recommended</u> Profile components the organisation reports on: **28**
Number of <u>additional</u> Profile components the organisation reports on: **0**

Profile	Comments
Strategy and Analysis	
1.1*	Not addressed The report does not provide the information requested. It does not include information on the overall vision and strategy, strategic priorities/key topics, broader trends affecting the organisation, key events/achievements/failures, views on performance, or the main challenges/targets/goals for the future. The author of the statement is not mentioned. However the explanation of the particular set up of the organisation is useful.
Organisational Profile	
2.1*	Fully addressed
2.2*	Fully addressed
2.3*	Fully addressed
2.4*	Fully addressed
2.5*	Fully addressed
2.6*	Fully addressed
2.7*	Fully addressed
2.8*	Partially addressed The report does not indicate the number of members/supporters, total income, net assets/assets/liabilities, and does not include information on the scope /scale of activities.
2.9*	Fully addressed
2.10*	Fully addressed
Report Parameters	
3.1*	Fully addressed
3.2*	Fully addressed

3.3*	Fully addressed
3.4*	Fully addressed
3.5*	Partially addressed The report does not include information on which stakeholders are expected to use the report.
3.6*	Fully addressed
3.7*	Fully addressed
3.8*	Fully addressed
3.10*	Fully addressed
3.11*	Fully addressed
3.12*	Fully addressed
Governance, Commitments, and Engagement	
4.1*	Partially addressed The relationship between the Executive and the Supervisory Committee is unclear. The committees could be better reflected n the diagram provided in annex.
4.2*	Fully addressed The division of powers between the highest governance body and the management is covered under component 4.1
4.3*	Fully addressed
4.4*	Partially addressed The report does not identify topics raised via the stated mechanisms during the reporting period.
4.14*	Partially addressed The report only mentions the members of Social Watch, it does not include information on the stakeholder groups engaged by ITeM.
4.15*	Partially addressed The report only mentions how to become a member of Social Watch, it does not include information on how ITeM identifies and selects stakeholders with whom to engage.

*: Recommended Profile components

Indicators (recommended 18)
Number of indicators the organisation reports on in total: **18**
Number of the 18 recommended indicators the organisation reports on: **18**
Number of additional indicators the organisation reports on: **0**

Indicators	Comments
Program Effectiveness	
NGO1*	Partially addressed The report provides information on the processes for the involvement of Social Watch's stakeholders, but does not include information on the processes for the involvement of ITeM's stakeholders, how decisions and decision making processes are communicated, or how feedback from stakeholders has reshaped policies/ procedures.
NGO2*	Partially addressed The organisation indicates that concerns can be expressed though the website and that any citizen can formulate complaints (under indicator NGO1). However the report does not include information on complaints handling mechanisms in place, how complaints are assessed or how actions are determined. The organisation is reminded that the Charter Members are now requested to have

	complaints handling mechanism for internal and external complaints.
NGO3*	Partially addressed The organisation indicates that it is responsible for monitoring and evaluating the programmes according to the Social Watch Strategy and Framework of Activities and that there are some external evaluations. However, the report does not include information on systems for monitoring/evaluation, how results contribute to internal learning, examples of adjustments, or how these adjustments are communicated.
NGO4*	Partially addressed The report does not include information on internal policy for gender equity. More information on diversity types other than gender should be included.
NGO5*	Partially addressed The report does not include information on processes for corrective adjustments, examples of corrective actions, or the process for exiting a campaign.
NGO6*	Partially addressed The report does not include information on internal requirements, processes to promote learning, or processes to identify opportunities for partnerships.
Economic	
NGO7*	Partially addressed The report does not include information on the standards that serve as basis for the tracking system described in the report.
NGO8*	Partially addressed The report only identifies the organisation's four largest donors and does not include information on sources of funding by category.
EC7*	Fully addressed
Environmental	
EN16*	Partially addressed The organisation indicates that due to the small scale of its operations, it cannot estimate its ecological or carbon footprints, and does not mention whether it will put a system in place to collect this information in the future.
EN18*	Partially addressed The organisation indicates that it uses electronic communication tools and keeps face-to-face meetings to a minimum. The report does not provide information on the reduction of emissions achieved.
Labour	
LA1*	Partially addressed The report only indicates the number of employees and volunteers. It does not include information on the contract type / employment type for employees/volunteers, or the total workforce broken down by region.
LA10*	Partially addressed The report indicates that staff members participate in several training activities. However, it does not provide the total hours devoted to training.
LA12*	Fully addressed
LA13*	Partially addressed The report does not include percentages of minority groups or the age groups of the employees, and does not provide any figures for individuals within the governance bodies.

Society	
SO1*	Fully addressed
	The organisation indicates that it does not "enter" into any community and that its presence at a local level is only via Social Watch's local members.
SO3*	Fully addressed
	The organisation indicates that it does not have any specific anti-corruption policies and procedures.
Product Responsibility	
PR6*	Fully addressed
	The organisation indicates that it does not formally adhere to any standards or voluntary codes related to advertising, marketing communication or promotion activities.

*: Recommended indicators

Organisation's commitments for the future
- None specified