

GRI Level C reporting template for NGOs

Name of organization:

CEE Bankwatch Network

Filled in by:

Name:

Pavel Skala

Position:

Office Manager

Email:

pavel.skala@bankwatch.org

Phone number: +420775953538

After you complete this, send a copy to GRI at:

Global Reporting Initiative

P.O. Box 10039

1001 EA Amsterdam

Email: guidelines@globalreporting.org

Fax: +31 20 531 0031

Information on numbering: All sections in the boxes are taken directly from the original English version of the NGO Sector Supplement and the original reference numbers and page number appear in parenthesis. The NGO Sector Supplement is available for free downloading at www.globalreporting.org

1 Strategy and Analysis

1.1 Statement from the most senior decision-maker of the organization. [GRI NGOSS: p. 25]

In the first year of implementation of our 2011-15 strategy, the very strategy itself was challenged. As in any year, there were mixed results with both successes and failures of which I will highlight a few below. All in all, while our strategy targeting European public finance (primarily the EU structural and cohesion funds, the EIB or European Investment Bank and the EBRD or European Bank for Reconstruction and Development) on climate change and alternative economics was fundamentally challenged on at least two fronts, our organisational restructuring to align ourselves with the implementation of our new strategy bore fruit, making us more “fit for purpose” than we had been in the past.

In terms of our strategic areas of focus, our conviction to change the economic system was unable to live up to expectations within the organisation and keep up with the going-ons in the outside world. Bankwatch failed to clarify internally, let alone promote externally, its own agenda around economic alternatives, a key area of strategic focus. This came at a time when the Occupy Wall Street movement came to the fore with people around the world expressing concern about the impacts of the current economic model. The inability to clarify was not for lack of trying. We were keenly aware of, and went so far as to hold internal discussions about the Occupy movement and the economic austerity measures being imposed on countries of Bankwatch’s primary region of operation. We also held a several day meeting to try to gain clarity on what alternatives there are and what the best direction would be to address this issue. At the same time, there were some successes of note in this area: we managed to make significant headway in developing alternative indicators to GDP for the EU budget, we commented on the indicators the EBRD uses and we made some headway into understanding the problems associated with so-called financial intermediaries used by our target institutions. Looking forward, we will clearly be reassessing both our capacities and our skills to take on alternatives economics, essentially a vast and completely new area of work. In 2013, there will be a mid-term assessment of our strategy during which we are sure to look into this area.

The other unexpected challenge we faced in keeping ourselves aligned with our strategic goals came about as a result

of the Arab Spring. The year started with the “Arab Spring” which grabbed the attention of decision-makers worldwide and shifted the attention of two of our target institutions, namely the EIB and the EBRD, to the region. World leaders were calling on them to play a beefed up role in financing the region as several countries attempted to move away from their autocratic past. This quickly became a priority area of attention for both institutions. We determined that relevance of our work on European public finance hinged on our ability to respond to this change in focus of their operations and Bankwatch accordingly shifted resources and attention to the region. While this, from a tactical perspective, proved very useful; unquestionably, it also involved shifting capacities in the short-term from the straightest route to achieving our strategy.

In our main area of focus there were several notable achievements in 2011. Chief among them with respect to the EBRD was probably our ability to stand up the plate and engage with North African and Middle Eastern civil society once we saw the Bank moving in that direction, thus helping foster the creation of a platform for engagement of civil society from the region with the Bank. With respect to the EIB, our biggest successes were associated with the first ever meeting between civil society organisations and the EIB’s board of directors. Although the fact that there was such a meeting could be considered a success in itself, this was only added to when during the meeting the Bank openly committed to reopening its energy policy in 2012, a mid-term objective of ours; further the Bank’s management expressed an openness to discussing an early phase-out of fossil fuels from its investment portfolio. Finally with respect to EU funds, we managed to ensure that the concept of a Resource Efficient Europe, as announced by the European Commission with respect to Cohesion funding for the upcoming period, will prioritise waste prevention and the 'recover-recycle-reuse' approach in the financing of “major environmental infrastructures”. With all three institutions, however, much remains to be done - in certain cases, as mentioned above, successes were overshadowed by unexpected developments.

From an organisational perspective, 2011 was a year for both testing a new internal structure and attempting to strengthen two areas - work with members (governance and accountability) and fundraising. With respect to our internal structure, the time it took for Bankwatch staff to settle into a new structure was much shorter than management had expected and proved to be very helpful in giving the implementation of the strategy a jump-start. In terms of strengthening governance and accountability towards the membership, the one key event was the first ever joint meeting of the directors of the Bankwatch member groups. The meeting laid out how cooperation among groups and cooperation with Bankwatch could be strengthened, while also agreeing on a mechanism on how to better integrate the planning of Bankwatch activities with that of the member groups. Finally, the meeting, a governance meeting in itself, looked into how to strengthen overall governance of the network and minimise and handle potential conflicts of interest,

setting out an agreement on how to move forward. In terms of fundraising, we set out the groundwork for raising funds from high-net worth individuals. This involved a decision by the General Assembly - based on a proposal from the Executive Committee - on criteria to be applied in accepting funds from high net worth individuals. We also hired a professional in the field of fundraising from high net worth individuals to start doing research into potential leads and work on our key messages for fundraising from such individuals. The issue of ensuring our financial sustainability through diversification of our funding base remained high on our agenda throughout 2011.

Within Bankwatch we are committed to transparency and accountability: these are not simply mechanical tools to ensure that what we do is in line with what we say. It is part of our way of thinking and working: on the one hand our staff alongside the member groups of our network regularly call management to account, and on the other the management often finds itself not only soliciting feedback from staff and member groups on key issues, but indeed establishing open and participatory processes to ensure the views of these stakeholders shape the final product.

Mark Fodor, Executive Director.

2. Organizational Profile

2.1 Name of the organization. [GRI NGOSS: p. 26]

Central and Eastern European Bankwatch Network (BWN)

2.2 Primary activities (e.g., advocacy, social marketing, research, service provision, capacity building, humanitarian assistance, etc.). Indicate how these activities relate to the organization's mission and primary strategic goals (e.g., on poverty reduction, environment, human rights, etc.). [GRI NGOSS: p. 26]

BWN is working to prevent the environmentally and socially harmful impacts of international development finance, and to promote alternative solutions and public participation.

BWN's mission – strategic goals are:

To create public awareness about the activities of international financial institutions (IFIs) in central and eastern European countries and their social and environmental impacts.

To promote public participation in the decision making process about the policies and projects of the IFIs, at the local, national and regional levels.

To help non-governmental environmental organisations and citizen groups to monitor what the IFIs are doing in central and eastern Europe.

To change - or stop - the environmentally and socially destructive policies and projects of IFIs in central and eastern Europe, and to promote alternatives.

To cooperate with environmental citizen organisations in order to stop the destructive activities of transnational corporations, and to limit their overall impacts on the environment in central and eastern Europe.

BWN attempts to reach these goals by:

Building the capacity of national non-governmental organisations (NGOs) to participate in environmental decision-making, including training, joint analysis of projects, and joint publication of analytical materials about the IFIs.

Developing cooperative working relationships among central and eastern European environmental activists, while utilising western experience on the IFIs.

Preparing case studies of IFI-funded projects, critiques of their policies, and proposals for more sustainable alternatives.

Undertaking advocacy activities vis-à-vis the various IFIs, particularly in the areas of transportation, energy, extractive industries, human rights and climate change. Members of CEE Bankwatch Network attend the annual meetings of the IFIs and are engaged in an ongoing critical dialogue with their staffs and executive directors at national, regional and international levels.

2.3 Operational structure of the organization, including national offices, sections, branches, field offices, main divisions, operating companies, subsidiaries, and joint ventures. [GRI NGOSS: p. 26]

BWN runs a head office in Prague, which handles finance and administration and key tasks around coordination, although most coordination is handled by people outside Prague based in offices of the member organisations. For Brussels-based advocacy work, BWN has a small office in Brussels. Further, for work at the national level, there are staff financed directly by BWN working in the offices of member and partner groups in Estonia, Latvia, Ukraine, Georgia, Bulgaria, Macedonia, Albania, Serbia, Croatia, Hungary and Slovakia. In Poland, the office is run by BWN. BWN has three primary operational divisions: Finance and Administration unit, Support, Development and Training unit and Campaigns unit. The Support, Development and Training unit is responsible for media, fundraising and support and capacity-building within BWN - the Campaigns unit is divided into three teams based on the institutions they focus on: an EIB team, an EU funds team and an EBRD team - each made up of a team-leader and a number of people working at the national level. BWN has a management team made up of four directors: Campaigns Director, Finance and Administration Director, Support, Development and Training Director and Executive Director.

2.4 Location of organization's headquarters. [GRI NGOSS: p. 26]

Praha, Czech Republic

2.5 Number of countries where the organization operates. [GRI NGOSS: p. 26]

BWN, through member groups and partners, directly finances operations in 14 countries throughout Central and Eastern Europe (Macedonia, Bulgaria, Serbia, Croatia, Hungary, Slovakia, Poland, Czech Republic, Lithuania, Latvia, Estonia, Ukraine and Georgia) as well as Belgium - activities are coordinated by staff located throughout the countries listed as well as in Brussels. The sustainability issues in this report cover the offices which are directly operated by Bankwatch, rather than its member groups, namely the main office is in Prague, Czech Republic, the Warsaw office and the Brussels office.

2.6 Nature of ownership and legal form. [GRI NGOSS: p. 26]

The non-for-profit international NGO CEE Bankwatch Network was formally set up in 1995 and is so far registered at the Czech Republic Ministry of the interior as a civic association („občanské sdružení“) with „IČ“ (identification number) 68406258.

2.7. Target audience and affected stakeholders. Market served (including geographic breakdown, sector served, and types of affected stakeholders/consumers/beneficiaries). [GRI NGOSS: p. 26]

Central and eastern European communities affected by EIB, EBRD and EC financed projects.

2.8. Scale of the reporting organization including number of members and/or supporters; number of volunteers; total income; number of employees; net sales (for private sector organizations) or net revenues (for public sector organizations); total capitalisation: report net assets broken down in terms of debt and equity or report in terms of assets and liabilities (for private sector organizations); and scope and scale of activities, or quantity of products or services provided. [GRI NGOSS: p. 26]

BWN has 15 full member groups and 1 associated member group. All member groups are grassroots environmental organisations with a national scope in their respective countries (there are full member groups in all countries of operation except Albania and Belgium).

For the 2011 fiscal year BWN both income and expenditures amounted to EUR 1 770 000.

Total number of employees in 2011 was 55. The scope of BWN's activities for 2011 that fall under the working teams was as following:

for EU Team 518 500 EUR /32%/

EBRD Team 66 500 EUR /4%/

EIB Team 414 500 /26%/

CCA Team 59 000 EUR /4%/

Support and Development Unit 297 000 EUR /19%/

Finance Team 123 000 /8%/

Management team 126 000 /8%/

2.9 Significant changes during the reporting period regarding size, structure, or ownership. [GRI NGOSS: p. 26]

In 2011 there were no significant changes to any of the above at BWN. In terms of organisational structure, the main purpose of the year was to settle into the changes implemented at the end of 2010.

2.10 Awards received in the reporting period. [GRI NGOSS: p. 26]

None

3. Report Parameters

Report Profile

3.1 Reporting period (e.g., fiscal/calendar year) for information provided. [GRI NGOSS: p. 26]

January-December 2011

3.2 Date of most recent previous report (if any). [GRI NGOSS: p. 26]

2.11.2011

3.3 Reporting cycle (annual, biennial, etc.). [GRI NGOSS: p. 26]

annual

3.4 Contact point for questions regarding the report or its contents. [GRI NGOSS: p. 26]

Pavel Skala pavel.skala@bankwatch.org

Report Scope and Boundary

3.5 Process for defining report content. [GRI NGOSS: p. 26]

In determining how to define the report content - the size and capacity for BWN to look into issues in sufficient depth was taken into account. The aspiration is to have as complete a report as possible while ensuring that the process is within BWN's means in terms of both capacity and resources.

3.6 Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance. [GRI NGOSS: p. 26]

Environmental impact that we assess in this report is restricted to our headquarters office in Prague and our office in Brussels which are directly operated by BWN (impact of operations covered by member group running costs are not to be included), and flights paid by Bankwatch in 2011. For all other indicators, all staff funded by and participating directly in the implementation of Bankwatch work are to be covered (including those that are not based in the two offices mentioned).

3.7 State any specific limitations on the scope or boundary of the report. [GRI NGOSS: p. 26]

With a number of its operations carried out in or through offices of organisations that BWN has limited influence over (although financial audits are carried out concerning monies disbursed by BWN to these groups), the report only covers the offices that are directly owned and operated by BWN (except the office in Warsaw which failed to report - the person responsible for reporting of the environmental data left Bankwatch).

3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations. [GRI NGOSS: p. 27]

BWN formally out-sources much of its work done on the national level, over much of it BWN has some control. Operational expenses incurred by sub-contracting parties, be they member groups or others, are only audited financially: BWN hasn't either the know-how or the means to conduct social and environmental audits of the work it outsources or sub-contracts.

3.10 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods). [GRI NGOSS: p. 27]

N/A – first ever report

3.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report. [GRI NGOSS: p. 27]

N/A – first ever report

GRI Content Index

3.12 Table identifying the location of the Standard Disclosures in the report. [GRI NGOSS: p. 27]

Strategy and Analysis 1.1 – 1.2;

- Organizational Profile 2.1 – 2.10;

- Report Parameters 3.1 – 3.13;

- Governance, Commitments, and Engagement 4.1 – 4.17;

- Disclosure of Management Approach, per category;

- Core Performance Indicators;

- Any GRI Additional Indicators that were included; and

- Any GRI Sector Supplement Indicators included in the report.

4. Governance, Commitments, and Engagement Governance

4.1 Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight. [GRI NGOSS: p. 27]

BWN, being an association, has a general assembly made up of its member groups as its highest governing body. The general assembly is convened twice a year and it decides on major strategic and policy issues. It also elects a review committee and the executive committee. The executive committee is made up of between 3 and 5 members who between general assemblies make decisions on strategic issues and are expected to lead on strategy and policy issues - including oversight over the strategy, and oversight to ensure both implementation of BWN's operational plan and compliance with BWN policies and procedures.

4.2 Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement). Describe the division of responsibility between the highest governance body and the management and/or executives. [GRI NGOSS: p. 27]

The highest governance body does not have a Chair and there are no executive officers with voting rights in the highest governance body. In principle the division is such that the issues related to planning and everyday operations are handled by the management.

The actual terms of division of labour is set out in great detail in the Bankwatch statutes and internal by-laws. The statute states the following basic principles with respect to the Executive Committee's role:

"Executive Committee

§22

1. The Executive Committee consists of three or five members elected from within the representatives of the member groups or other individuals proposed by a member group who at the same time are not members of the Review Committee, the Management Team, or international staff.
2. Executive Committee members can be elected and may be removed by a two-thirds vote of the General Meeting, with a minimum of 50% members present.
3. Executive Committee members are elected by the General Meeting for a term of three years.
4. The Executive Committee governs the CEE Bankwatch Network in between the General Meetings.
5. _The Executive Committee competencies include all activities not assigned to any other body of the CEE Bankwatch Network. The Executive Committee can delegate its rights and responsibilities.

§ 23

1. The duties of the Executive Committee include:

- a) Governing the CEE Bankwatch Network in between the General Meetings in accordance with the law and the Statutes and resolutions of the General Meeting;
- b) Hiring and dismissing the Executive Director;

- c) Supervising the Executive Director;
- d) Oversight of overall performance of the Management Team and international staff;
- e) Leading the Strategic Plan preparation;
- f) Commenting on the draft annual budget prior to its submission to the General Meeting by the Management Team;
- g) Providing the members of the CEE Bankwatch Network with written reports of its decisions and sending out reports at least two weeks prior to any regular General Meeting;
- h) Reporting to the General Meeting on the CEE Bankwatch Network development and on the Executive Committee opinions on performance of the Executive Director, the Management Team and international staff; and
- i) Calling and preparing the General Meetings of the CEE Bankwatch Network, and preparing any Extraordinary Meeting that is duly requested."

and with respect to the management, the following:

"Executive Director

§ 27

1. The Executive Director has the authority to appoint official representatives of the CEE Bankwatch Network to attend international meetings and other events to which the CEE Bankwatch Network is invited.
2. The Executive Director can hire and dismiss individuals as international staff based on a Job Description and rules and procedures of the CEE Bankwatch Network.
3. The Executive Director can create a Management Team based on Job Descriptions and rules and procedures of the CEE Bankwatch Network.
4. Main duties of the Executive Director include managing the CEE Bankwatch Network in accordance with law and the Statute, resolutions of the General Meeting and decisions of Executive Committee; supervision of the Management Team; and reporting regularly to the Executive Committee and General Meeting on the activities undertaken.

Management Team

§ 28

1. Main duties of the Management Team include:
 - a) Assisting the Executive Director in managing the CEE Bankwatch Network in accordance with law and the Statute, resolutions of the General Meeting and decisions of the Executive Committee, and in accordance with the Management Team Job Descriptions;
 - b) Ensuring the implementation of the CEE Bankwatch Network Strategic Plan;

- c) Coordination of preparation and implementation of the Annual Workplan as approved by the General Meeting;
- d) Preparation and implementation of the annual budget as approved by the General Meeting;
- e) Supervision of the CEE Bankwatch Network staff;
- f) Reporting to the General Meeting on its activities and decisions at least two weeks prior to each Meeting;
- g) Reporting to the Executive Committee on a regular basis;
- h) Conducting other activities according to the decisions of the General Meeting and Executive Committee."

Further details on areas of responsibilities for management as set out in the by-laws include, but are not limited to, the following:

**"Mentoring system
(MT 20.3.2012)**

Mentoring system is regular support of Bankwatch staff by a mentor/buddy who focusses on the personal development using the results of the evaluation system and based on a agreement, that should cover:

schedule and frequency of mentoring talks

content of mentoring talks (based on results of evaluation and needs of staff)

(See sample : Sample mentoring agreement Mentoring Agreement)

In the team contexts, the assumption is not that all team members ought to be mentored by the team leader (though team leader is responsible for supervision of performance); s/he works with more experienced team members in providing the mentoring.

In addition to this there is a formal Evaluation system.

**"Representation
(MT 1.1.2011)**

The Executive Director has authorised members of regular Bankwatch staff to sign letters and speak on behalf of Bankwatch within the appropriate field of their activities, preferably after consultation with the relevant Team(s).

The Executive Director has authorised members of regular Bankwatch staff to represent Bankwatch during events they take part in; the ED also has the right to authorise any other Bankwatch staff member to represent Bankwatch on specific issues. Staff members based in national groups are generally advised to make statements and sign up to letters on behalf of their national groups rather than Bankwatch, in order to avoid confusion about whether the statement is or is not a Bankwatch statement. At the same time on the national level member groups are encouraged to use the

Bankwatch logo and spread the word about their membership in the Bankwatch Network. Publications financed by Bankwatch, should have Bankwatch logo (unless something else is agreed with the Management Team).

Hiring of new staff

(ExCom 1.10.2010)

The hiring procedures are complimented with a more detailed document Hiring Process that guides each step of the hiring process.

The process for opening a new position or replacement for someone in an existing position has to be approved by the Management Team.

When a new position is agreed by the Management Team (based on the Job Concept), the Executive Director will inform the Executive Committee, sending the job concept, describing the need for the position and its duration and providing information about the financial and work-plan implications, and if there are no objections within 2 weeks, the Executive Director can start the hiring process.

For regular staff:

Based on the Job Description and the supervision structure the Executive Director will select a hiring committee made up of at least three members including the person heading the team or the group the new staff member will be part of. The hiring committee will carry out the Hiring Process and make sure that all internal procedures are respected (eg. gender strategy).

The Executive Director decides about the hiring of selected person, based on the recommendation of the hiring committee, and ensures that the appropriate staff is appointed for the induction, mentoring and supervision in accordance with the Hiring Process and other internal procedures.

For staff based in member groups:

In case a member group is planning to hire someone for a position funded by Bankwatch, the member group representative is required to inform the Executive Director prior to the start of the process. The Executive Director should then come to an agreement with the member group about how Bankwatch will participate in the hiring process (eg. nominating a Bankwatch representative to be on the selection committee, agreeing how the elements of the Hiring Process will be reflected there), as well as agree on the induction, mentoring and supervision within Bankwatch. If it is impossible to reach an agreement, the Executive Director informs the Executive Committee with a request for a decision on the issue.

Job Descriptions

(MT 01.01.2011)

Each Job Description should be agreed between the supervisor, the supervisee and the relevant member of the Management Team (general roles and responsibilities are revised by the Management Team). It provides a general framework for personal work, and creates a basis for the individual workplan. Job Descriptions should be updated whenever personal responsibilities change, but should be checked at least once a year during the evaluation. Job Descriptions consist of:

general roles and responsibilities for the following key roles (these are relevant only to staff member who have these roles in their job description):

project Management

supervision according to the Supervision Structure

leading teams

working in teams

working at the country-level

as well as

roles and responsibilities shared by all Staff and a *specific section relevant only to the given staff member"

Further, as seen in the excerpt above from the by-laws, actual decisions on the wording of specific by-laws by the various governance and operational structures are indicated in brackets above the given by-law, as above "(MT 01.01.2011)" - where "MT" refers to "management team" and the date indicates when the decision by the management team was made. This also indicates at what level any decision on amending specific by-laws is taken and who can or cannot amend it.

4.3 For organizations that have a unitary board structure, state the number of members of the and/or non-executive members highest governance body that are independent and/or non-executive members. [GRI NGOSS: p. 27]

The BWN Executive Committee (the equivalent of the board) is a unitary body inasmuch as the Executive Director is an ex officio member, although with no voting rights. All other members are elected by the General Assembly - 3 of the 5 elected members are directly dependent on BWN for their salaries outside the Executive Committee and cannot, therefore, be considered fully independent. BWN has however stated as a goal in its current strategy to address this issue and ensure that eventually all its members are independent.

4.4 Mechanisms for internal stakeholders (e.g., members), shareholders and employees to provide recommendations or direction to the highest governance body. [GRI NGOSS: p. 27]

The general meeting is BWN's highest governing. With respect to the general meeting, Bankwatch has a statutory obligation to inform its membership at least 21 days ahead of the date for the upcoming meeting - in order to ensure that all members are given due notice of the upcoming meeting. General practice however is to agree preliminary dates for the next general meeting following the previous one, thus ensuring that everyone present is potentially available. BWN has two general meetings annually and all member groups are represented at the meetings. Staff and the Bankwatch Review Committee (and occasionally other stakeholders) are also invited to attend. Neither the by-laws, nor the statute set out any formal mechanisms on how resolutions or other recommendations can be put before the general meeting - general practice has been that proposals for resolutions come from one of three sources: member groups, Executive Committee or management team. On occasion, other staff members have brought resolutions before the general meeting. Accordingly any stakeholder that would like to make recommendations on directions to the meeting would most probably have to do so through one or the three bodies. Further, on issues such as defining the strategy of Bankwatch, Bankwatch previously organised consultations in which a wide scope of different stakeholders were approached for inputs - on this last issue, there were no such consultations in 2011. Informally Bankwatch further includes as part of its planning process consultations on the workplan with member groups. The finalised annual workplan is approved by the official general meeting. Further in 2011, a face-to-face meeting was held the directors of all member groups on top of the regular meetings, although this is not a formal mechanism, it proved to be an effective tool for deeper engagement with member groups on a governance level outside the general meeting.

Stakeholder Engagement

4.14 List of stakeholder groups engaged by the organization. [GRI NGOSS: p. 29]

Membership, staff, local communities, donors, IFIs, European Commission

'Copyright and Trademark Notice This document is copyright-protected by Stichting Global Reporting Initiative (GRI). The reproduction and distribution of this document for information is permitted without prior permission from GRI. However, neither this document nor any extract from it may be reproduced, stored, translated, or transferred in any form or by any means (electronic, mechanical, photocopied, recorded, or otherwise) for any other purpose without prior written permission from GRI.'

4.15 Basis for identification and selection of stakeholders with whom to engage.

Relevant stakeholders are identified by Bankwatch Teams as a part of the planning process as well as when new issues or projects are tackled. The primary goal in identifying stakeholders is to find potential allies and work with them to shape our plans and campaigns on the issue or project at hand.

Primary stakeholders are identified based on one or several of the following their relevance to the work we do, where they stand on the issues we work, how they are directly impacted by the issue we are looking into. Primary stakeholders include communities affected by projects, NGOs working on the ground in their own countries looking into our issues, other NGOs working on a more global scale and working on an issue similar to our own.

Data on Performance

Data on Performance. Please check the Indicator Protocols before completing this box.

NGO1 Processes for involvement of affected stakeholder groups in the design, implementation, monitoring and evaluation of policies and programs. [GRI NGOSS

Stakeholder consultations are primarily focussed on communities affected by large infrastructure projects financed by our target financial institutions. BWN policy for taking on such projects hinges on concern within the local community about the project. Campaign approaches and plans are devised in consultation with the concerned community and look to address their concerns. Our project work has at its very core the notion of involvement of the affected communities in that programmes are largely designed to support the needs of the communities based on needs identified within the communities (our approach includes providing support in terms of trainings, directly helping take on the authorities, working with the media, etc)

For work on changing target institutions, and decisions around the strategy, BWN consults its member groups and partner organisations who are beneficiaries of or contributors to BWN operations as well as organisations that are members of coalitions that BWN is a part of.

Evaluation of programme work does not involve wider stakeholder consultation, however BWN does solicit input from stakeholders in member and partner groups for evaluation of its staff members - these evaluations feed into the wider BWN understanding of stakeholders' view of BWN programme work.

NGO2 Mechanisms for feedback and complaints in relation to programs and policies and for determining actions to take in response to breaches of policies. [GRI NGOSS PE: p.3]

For internal feedback and complaints about operations - all members involved in the implementation of the programmes participate in the planning process that starts with the evaluation of the work over the previous period. This built-in mechanism solicits feedback on annual basis.

For everyday operations, there are three levels at which concerns and complaints can be voiced. The mechanism, although not formally defined as a feedback or complaints mechanism, does have a clearly defined hierarchy which allows for complaints to be communicated directly to the Management Team and specifically the Executive Director, which if not addressed in a satisfactory way can be further addressed by the Executive Committee which oversees the work of the Executive Director. Finally on issues for which the Executive Committee is unable to provide a satisfactory result, the Review Committee will be called upon to attempt to resolve the situation.

NGO3 System for program monitoring, evaluation and learning, (including measuring program effectiveness and impact) resulting changes to programs, and how they are program effectiveness and impact) resulting changes to programs, and how they are communicated. [GRI NGOSS PE: p. 4]

BWN has a system for continuously processing and thus learning from feedback generated through either evaluations or simple observations in the course of the execution of its operations. The backbone of the system is an internal "Lessons learned" webspace that all staff and members of the various governance bodies have access to and are able to edit. The system is divided into chapters based on the various more commonly used tools in BWN operations and these various chapters are then to be consulted before using the relevant tool. Further BWN operates an annual evaluation of its work-plan, which is conducted as the first step of the planning discussions (results of those evaluations are presented to Bankwatch staff at the meeting and they are also available on intranet) for the upcoming period with the specific purpose of ensuring that lessons from the evaluations are immediately taken on board for the next programming period.

NGO4 Measures to integrate gender and diversity into program design and implementation, and the monitoring evaluation, and learning cycle. [GRI NGOSS PE: p. 5]

BWN has an internal gender-strategy devised in order to ensure that there is full gender integration within the organisation. A gender group is responsible for monitoring implementation of the gender strategy. Ethnic diversity is inherent in BWN by its very nature, given the organisation's regional presence. Other diversity (e.g. disabilities) is not checked for and potentially lacking. BWN will look to see what diversity policies, if any, could potentially help address any diversity needs that may arise.

NGO5 Processes to formulate, communicate, implement, and change advocacy positions and public awareness campaigns. [GRI NGOSS PE: p. 6]

Internally BWN has a Campaigns and Policy Group which holds online meetings every two weeks and is made up of most of management, the leaders of the campaign teams for the various institutions targeted, the leader of the media team, as well as the research coordinator and our Central Asia and Caucasus regional coordinator. The role of the group is to work out policy positions, ensure consistency and make key decisions on campaigns to engage in.

NGO6 Processes to take into account and coordinate with the activities of other actors. [GRI NGOSS PE: p. 7]

BWN always coordinates its activities with other NGOs - the organisation is itself a network of NGOs and participates in several coalitions, including "Counterbalance the EIB" and its Caucasus and Central Asia network. All of these coalitions and networks devise their own approach on how best to operate and plan. Further, during strategy consultations, BWN made it a point to involve its usual partners to ensure that the work best satisfies concrete strategic needs in the region as seen by the other key actors who share the same concerns as BWN. Duplication is avoided due to close cooperation and communication on issues we work on where we know other organisations are already working on that same issue. For example in devising its strategy, Bankwatch chose to no longer work on the World Bank given the work already done by partner organisations on those same institutions. Further, in 2011 in designing our work in the "Arab Spring" countries, rather than coming up with our goals and designing our own activities, we relied completely on the interests and initiatives of organisations in the region and placed ourselves more in a resource/facilitation role for the two institutions we work on for which we are the only NGO proactively in capacity-building on. Some work is however done by Human Rights Watch and OSI on these same institutions - in working with them, we coordinate to ensure our areas of work compliment each other rather than conflict. In concrete terms, while the last two focus on human rights and to a certain governance issues in the region, we chose to focus on social, economic and environmental issues. Finally, as part of the international scene working on international financial institutions, BWN is also part of IFIwatchnet and EuroIFInet, both international fora looking to exchange experience and coordinate activities on international financial institutions across the globe.

Economic

NGO7 Resource allocation. [GRI NGOSS EC: p. 4]

1. The processes in place to track the use of resources for the purposes intended:

In principle, the finance department makes sure that every expenditure is in line with approved project budget, the work plan, and the donor's regulations. This is done by checking original documents for expenditures paid from the headquarter and by checking copies of bills for expenditures paid through member groups.

2. The standards:

- internal organisational regulations
- internal accounting guidelines
- finance team - division of tasks
- external annual statutory audit - international auditing guidelines
- external audits of projects - international auditing guidelines
- finance / narrative reporting to donors
- annual report published

3. Internal organizational regulations (approved by members), donors requirements (reflected to large extent in internal regulations)

4. Expenditures are allocated in line with planned activities within project budgets and the overall BWN budget.

NGO8 Sources of funding by category and five largest donors and monetary value of their contribution. [GRI NGOSS EC: p. 5]

2.1/2.3 - Attached Sheet Sources of funding 2010

2.2/2.4. Most of the funding comes from the EC and foundations. In 2010 DG Environment accounted for 26 % of total funding /391.000 EUR/, DG Development for 17,8 % /267.400 EUR/, Sigrid Rausing Trust for 13 % /197.100 EUR/, European Climate Foundation for 11 % /171.160 EUR/ and Novib for 8 % /117.410 EUR/.

Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation. [GRI NGOSS EC: p. 14]

Although there is no concrete policy, all 4 members of senior management were locally hired (all four are citizens of CEE countries). The Executive Director was born and raised outside CEE, although he was hired locally - having already moved to the region ten years prior to his start at BWN.

EN16 Total direct and indirect greenhouse gas emissions by weight. [GRI NGOSS EN: p.22]

For 2011, BWN is only able to report on indirect CO₂ emissions produced by buying gas and electricity by the Prague office - the headquarters - and our Brussels office, and then on indirect CO₂ emissions produced by buying aircraft transport - we have developed a flights monitoring system recently. We preferred flights monitoring system to other transport monitoring system not only because we almost do not travel by cars at all and because the air travel generally produces much more emissions than train and bus travel, but also because there is a significant competition between strongly destructive air transport and environmentally much friendlier mass ground transport, so that the latter can be under current circumstances conceived rather as offsetting than environment damaging (it's also often considerably more expensive than buses and especially trains). For Prague office (15 people on 120 m²), we have used a Czech Republic specific conversion of consumption of gas in m³ and electricity in kWh into CO₂ weight units, provided by a Czech environmental consultancy society "Ecological institute Veronica" (http://www.veronica.cz/index_eng.php). According to this counting, by consumption of natural gas BWN produced 2,052 t of CO₂ in 2011. As for the consumption of electricity, the emissions in 2011 were 4,087 t of CO₂. For the Brussels office (4 people on 25 m²) - which is situated in a relatively very environmentally friendly Mundo-B Building with many energy efficiency devices and solutions - and for flights we used <http://www.carbonfootprint.com/calculator.aspx> online calculator (recommended to us by our member organization Centre for transport and energy - <http://cde.ecn.cz/english.shtml> - specialized on energy issues). For the Brussels office, our emissions were 0,4 t CO₂. As for the flights, BWN produced 141,62 t CO₂. So altogether our (indirect) emissions we were able to measure in 2011 were 151,79 t CO₂.

EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved. [GRI NGOSS EN: p. 25]

In 2011, we got the landlord to put up insulation into Prague office windows and repair them generally so they better insulate - this however only happened this year (2012). The most important thing probably is that BWN introduced a monitoring system for measuring the quantity of CO2 produced by air travel (the most serious source of CO2 emissions) paid by BWN. The reductions (only for Prague office for which we had data last year) achieved: natural gas consumption increased in comparison with 2010: it was 2,052 t of CO2 in 2011 while it was only 1,67 t in 2010. This increase was probably due to the harsh winter and more heat requiring people in the office who wanted the thermostat temperature to be risen. The electricity consumption, however, decreased: the emissions in 2011 were 4,087 t of CO2 (in 2010 it was 4,46 t; for both gas and electricity, the last year report data must have been corrected as we found out we had got wrong numbers). It however turned out that the offices' emissions compared to the air transport emissions are insignificant. Our future focus should be therefore on reducing the flights' emissions.

LA1 Total workforce, including volunteers, by employment type, employment contract, and region. [GRI NGOSS LA: p. 4]

"2.1. In 2011 BWN employed 55 people. BWN has 1 Executive Director supervising Management Team. 3 members of Management Team, being Directors for 3 Units - Campaign Unit, Support, Development and Training Unit and Finance and Administration Unit. Within Campaign Unit there are 3 main campaigns led by Team Leaders - EU Team, EIB Team, EBRD Team.

2.2. If recalculated into full time positions, in 2011 there were 46,1 person working full time. In other words 32 people working full time and 23 working part time (less than 40hrs per week).

2.*In the previous year there were no volunteers working directly for BWN.

2.6 Approximately half of people working for BWN were or became within 2011 employees, the rest are self-employed /trade contract/. In 2011 30 worked on trade contract and 25 on labour contract.

2.8 workforce broken down by region - Sheet Employees by country "

LA10 Average hours of training per year per employee by employee category. [GRI NGOSS LA: p. 16]

Average hours 20/employee. BWN conducts trainings for all its staff on an annual basis during the joint BWN meetings. Additionally there were 12 different e-learning sessions in 2011 open to all staff members. Training needs are also assessed during annual performance appraisals at which there are also discussions on how these can best be met - at the following appraisal, one of the subjects looked at is whether BWN managed to satisfy the training needs agreed at the previous appraisal. Additional trainings were provided at Bankwatch meetings.

LA12 Percentage of employees receiving regular performance and career development reviews. [GRI NGOSS LA: p. 18]

BWN policy requires the organisation to carry out annual performance appraisals for all employees. In practice, the frequency is more sketchy, however the majority underwent performance appraisals in the last year: in numbers a total of 27 staff members out of 50 working for Bankwatch were subjected to performance appraisals. Career development per se is not touched on, however the appraisal does look into how to best use abilities of the employees that are currently not being used. Job descriptions are also looked at during appraisals, and revised if needed.

LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity. [GRI NGOSS LA: p. 19]

At the beginning of 2011, the five-member Executive Committee (elected by the General Assembly) is was made up of citizens from Bulgaria, Estonia, Latvia, Macedonia and Ukraine. All are over 30 and under 40 years of age. Two of which were women and three men. By the end of the year the number of members was reduced to three - all of which were men. Keenly aware of this issue, the Executive Committee is struggling in 2012 to address the imbalance. Of the staff in 2011, the age range was between 25 and approximately 45 with most between 30 and 40. Of the 50 individuals employed by BWN in 2011, 25 were women and 25 were men. Further, we have staff of 17 different nationalities in 15 different countries. Over a third of the staff are based in Czech Republic, although Czech nationals only number 10. Other indicators for diversity are not being assessed - off-hand, there are no individuals with visible physical disabilities working for Bankwatch. As for other minorities, the ethnic make-up is diverse in itself due to the diverse nationalities in the organisation, employees are not, however, asked if they belong to any given ethnic minority in their country or to any sexual minority.

SO1 Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting. [GRI NGOSS SO: p. 3]

BWN works with affected communities in designing and implementing campaigns around projects financed by BWN's target institutions. That said, there is not a standard procedure for how the impact of BWN's work on the community is assessed and managed.

SO3 Percentage of employees trained in organization's anti-corruption policies and procedures. [GRI NGOSS SO: p. 5]

In terms of measures to tackle potential corruption issues, BWN has both conflict of interest and procurement procedures in its by-laws. As part of the induction process, the by-laws are covered in much detail. The procurement procedures reflect the EU's procurement procedures, although we are more stringent in that we work with much lower threshold values for the stricter procedures to further reduce the chance of corruption. Annual audits - there is both a general audit and several project audits - serve as an external compliance mechanism to ensure we are in line with the procurement procedures: these audits are forwarded to the general assembly.

The wording of the procurement procedure and conflict of interest policy in the by-laws are as follows:

"Procurement procedures

(MT, 1.1.2010)

The following procedures have been set out by CEE Bankwatch Network in order to ensure a transparent and open process and obtain the best value for money in awarding contracts for services and goods.

Services and goods in the following cost categories are subject to tendering in line with the procedures stipulated below:

a) Up to 2,000 € incl. - no procurement needed, direct payment against correct invoice without contract.

b) 2,000 € - 5,000 € incl.:

Research must be conducted, three candidates (options) must be presented and the proposed shortlist must be accompanied by a brief justification note explaining the choice of the best candidate.

Purchase of goods and services above 2,000 € must be authorised by the Finance and Administration Director or the Executive Director on the basis of the approved budget.

Documents: three offers (candidates), selection criteria, selection record

c) 5,000 € - 25,000 € incl.:

An open call for tenders is published on the CEE Bankwatch Network webpage and the target group is contacted, at least three candidates are needed.

A tender committee is created by the Executive Director consisting of one person from the Finance and Administration Unit, one from the Management Team and one person having directly responsible for oversight of the performance and results of the work. One of the persons is nominated to keep an official record of the selection and to provide the Finance and Administration Unit with all relevant documents.

The deadline for submission of offers is at least ten working days following the publication of the call.

All tenderers are informed about the result and have ten calendar days to submit complaints regarding the tender procedure. If a complaint is submitted, the tender committee analyses the complaint with the Executive Director.

The call for tenders should indicate that the tenderers are required to certify that they do not fall into any situation that is grounds for exclusion from participation in the procurement[1].

Documents: creation of the tender committee, open call, selection criteria, three offers (candidates), selection record, certification of not falling into any situation for exclusion

d) 25,000 € and more:

An open call for tenders is published on the CEE Bankwatch Network webpage and the target group is contacted, at least five candidates are needed. The other steps are the same as in c) option.

Documents: creation of the tender committee, open call, selection criteria, five offers (candidates), selection record, certification of not falling into any situation for exclusion

Negotiations with only one candidate are allowed if

- only one candidate exists,
- it is for additional work not included in the original contract provided that cannot be separated from the work in the original or if it is work that is necessary in order to complete the contract, and it does not amount to more than 50% or the value of the original contract,
- for renewal of contracts provided that it is stated in the original tender (following good results in the cooperation with a supplier of goods or services)
- for additional supplies where alternatives would be incompatible."

Further with respect to conflicts of interest:

"Potential personal conflicts of interest within Bankwatch

(AGM 4.12.2007)

The general principles governing situations involving possible conflicts of interest within Bankwatch are:

The principle that those in personal relationships should avoid supervising one another.

The 'non-party political' principle - that Bankwatch is not aligned with any political party either on the local, national or EU level.

The idea that certain forms of employment outside of Bankwatch, whether paid or not, may impact on one's ability to take decisions in the interests of the network and may impact on one's ability to fulfil one's work obligations towards Bankwatch.

Situations which are regarded as entailing a 'conflict of interest' within Bankwatch include, but are not limited to, the following:

Bankwatch staff in a personal relationship supervising one another, including statutory supervision such as Executive Committee supervising the Executive Director; the Executive Director supervising the Management Team, and the

Review Committee supervising the Executive Committee

Certain forms of employment, whether paid or not, which are additional to Bankwatch activities

Members of Bankwatch Management Team or Executive Committee being in the executive bodies or being office holders in political parties on the local, national or EU level.

In case of the above or other situations perceived to involve conflicts of interest, the initial responsibility is on the individual(s) concerned to identify the conflict of interest and take the appropriate measures to rectify the situation in co-operation with his/her/their supervisor(s). The Executive Committee should be informed about the situation by the person(s) involved and should approve the measures applied.

Concerning outside interests, individuals within Bankwatch are responsible for declaring all employment outside of Bankwatch, whether paid or not, as well as other relevant interests, to the Executive Committee. The Executive Committee ensures the registration of outside interests, and maintains a register, which is to be published on Bankwatch's secure website. Where individuals within Bankwatch have an interest which is likely to impact on their decision-making on a certain topic, they may decide, or be asked, not to be involved in making certain decisions. In the event that the conflict of interest is noticed by someone other than those involved, the person(s) concerned, together with their supervisor(s) and the Executive Committee, should be approached in order to resolve the situation. In the first instance the person(s) concerned and their supervisor(s) should develop a solution to rectify the situation, which should be approved by the Executive Committee. If no action has been taken within one month of the Executive Committee being notified of the situation, the Executive Committee should investigate the conflict of interest and propose relevant measures to the person(s) directly involved. The Executive Committee should then check that a solution has been reached within one more month. If no further progress has been made the Executive Committee should propose further measures."

Finally a number of approval systems, for international travel, transfers, signing off on contracts, etc are all in place and all are covered in one or several of the various audits.

PR6 Programs for adherence to laws, standards, and voluntary codes related to ethical fundraising and marketing communications, including advertising, promotion, and sponsorship. [GRI NGOSS PR: p.8]

The only form of fundraising used by BWN for the moment is through grant applications. In 2011, two new approaches were being considered for generating income: selling services to a small niche market and approaching high net worth individuals. Accordingly, BWN was not considering above-the-line marketing targetting mass audiences, systematic solicitation of funds from the general public, or advertising and sponsorship, and relevant standards or codes of conduct were not being drafted.

In 2011, BWN did however draft criteria on who it can accept funding from, criteria that have since made it into the by-laws. With respect to grants, BWN has a strict policy of not applying for or accepting grants or funding from international financial institutions. Adherence to these criteria is ensured by the internal reporting and approvals systems. There are however no formal complaints mechanisms per se, although it is customary for the Executive Committee to look into and ask for explanations on any complaint coming it receives from any body about work within the network. The Executive Committee in turn is subject to the scrutiny of the Review Committee that reports back to the general meeting - as does the Executive Committee itself.

BWN fundraising criteria in the by-laws, as accepted by the general meeting, are as follows:

"Fundraising Criteria

Participation in tenders (AGM 14.4.2011)

While deciding whether or not to join a tender or consultancy, Bankwatch shall be guided by following principles:

- donor, aim or issues covered by the tender shouldn't compromise our vision and mission**
- topic of the tender shall be linked to Bankwatch strategic goals and to areas where Bankwatch works / has expertise**
- aim of participation in tender is earning of extra income e.g. making clearly more money than is spent for carrying out the work in tender (the only exception is perhaps need to get in-dept knowledge through participation in tender in a field prioritized by Bankwatch)**
- Bankwatch shall be flexible with involving of external experts to carry out the work**

**Accepting Donations from Individuals
(AGM 14.4.2011)**

Bankwatch will not seek or accept donations from individuals that are:

- holding an influential job or stock in sectors which undermine ecological sustainability**
- holding an influential job or stock in companies known to have been violating human/indigenous or local community rights, using child labour or conducting other unacceptable social behaviour**
- holding an influential job or stock in lobbying firms or other entities promoting practices or companies which are covered in points above**

Bankwatch staff is required to check all donations above 5000 EUR threshold."

GRI Self-Assesment Application Level

-

I hereby declare that to the best of my understanding this report fulfills the requirements for a GRI G3 Application Level C.

Name: Pavel Skala

Position: Office Manager

Date: 19 October 2012

'Copyright and Trademark Notice

This document is copyright-protected by Stichting Global Reporting Initiative (GRI). The reproduction and distribution of this document for information is permitted without prior permission from GRI. However, neither this document nor any extract from it may be reproduced, stored, translated, or transferred in any form or by any means (electronic, mechanical, photocopied, recorded, or otherwise) for any other purpose without prior written permission from GRI.'