

20 December 2013

Independent Review Panel – Virtual Meeting 28-29 November

Letter to the Members in this Review Round

Dear Nico Terra,

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

1.) *Embedding the Charter as a tool for organisational development (3.5)*

The disclosure profile 3.5 looks like a rather technical question on how the report is compiled and organisations tend to report accordingly. But it really asks for a process that is at the heart of what the Charter wishes to achieve: using the report as an opportunity for a cross functional systematic and critical reflection on how accountability is best implemented underpins the legitimacy and quality of your organisation's work. Accountability is all too often perceived as a defensive tool, when it is really a mechanism to pro-actively support organisational development. Please describe under 3.5 how you use the reporting process to embed accountability into your organisation. Against this background Members are also strongly encouraged to place the Charter logo prominently on their website and to further link to the Charter website, so that stakeholders know what to hold you accountable against.

2.) *Complaints Handling Mechanisms (NGO2)*

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

3.) *Succinctness and communication quality*

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

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

Sometimes the Panel asks for more information. We are trying to do so only where it is necessary, and we encourage you to be as succinct as possible, and take the above three parameters as guidance. Also try to avoid repetition and where illustrations are given, please keep these brief. Organisations who wish to merge their accountability report with the annual report are encouraged to additionally provide a separate and more reflective addendum relating to the Charter if the annual reports do not embrace that due to a desire to be more promotional.

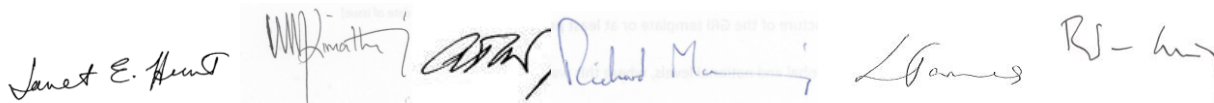
Organisation-specific feedback to IRC:

IRC's report provides some good and relevant information. Merging the Charter report with the annual report can potentially broaden the target audience for the accountability report. However, the merging in this case leads to an overall rather marketing driven document with little critical reflection. The Panel therefore encourages IRC to additionally provide a separate and more reflective addendum relating to the Charter if the organisation's next annual report does not embrace that. This can then also be used to add a bit more critical information on how to continuously improve accountability. Moreover the numbers of the GRI indicators in the table and the numbers of the answers in the report often do not match well. The organisation states having shifted from a "knowledge and information clearinghouse to a mission-driven action organisation". No clear indication is provided how this affects accountability systems as quality assurance mechanisms. Some relevant information is missing or not complete (3.6, 3.8 and NGO5). The organisation has committed to improvements in a number of areas and the Panel looks forward to progress report. Progress on commitments made in earlier reports has however been poor (see GAP Analysis Table at the end) and progress will be monitored closely by the Panel. Last but not least, the organisation is commended for its robust External Complaints Policy.

Our intention is that this letter, and any response you may wish to provide, is made publicly available on the Charter website, along with your report. You can find the reports that were previously reviewed on the Charter website. However, should there be errors of fact in the feedback above or in the note below we would of course wish to correct these before publication. Please share these comments or corrections by 20 January 2014.

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

Yours sincerely,



Janet Hunt · Wambui Kimathi · Tony Tujan · Richard Manning · Louise James · Brendan Gormley

**Review Round October 2013
Cover Note on Accountability Report
IRC International Water and Sanitation Centre**

Reporting period: Calendar year 2012

PROFILE DISCLOSURES	
Profile	Comments
Strategy and Analysis	
1.1	<i>Fully addressed</i> The Director's statement includes relevant information. However, more information on how the CEO's commitment to accountability translated into concrete quality assurance mechanisms and that improve the quality of IRC's work is welcome in the next report.
Organisational Profile	
2.1 – 2.7	<i>Fully addressed</i>
2.8	<i>Fully addressed</i> The scale of the reporting organisation is demonstrated. However, information on how many interventions were conducted, on the audiences reached as well as on assets/liabilities is missing.
2.9 – 2.10	<i>Fully addressed</i>
Report Parameters	
3.1 – 3.3	<i>Fully addressed</i>
3.4	<i>Partially addressed</i> The Panel would welcome a specific contact person instead of a general email address.
3.5	<i>Partially addressed</i> The report does not include information on which specific stakeholders are expected to use the report in what way. Information on how IRC has used the compilation and dissemination of this accountability report to further enhance IRC's quality of work would be welcome in the next report.
3.6	<i>Not addressed</i> The organisation was asked by the Charter Secretariat if it had been forgotten to report on this indicator on the boundary of the report (01.10.2013) but IRC did not reply.
3.7	<i>Fully addressed</i> Concerning any specific limitations on the scope or boundary of the report the organisation states that financial information is limited to the value directly awarded to (or managed by) IRC and does not reflect entire funding for multi-country/ multi-organisation initiatives.
3.8	<i>Not addressed</i> The organisation was asked by the Charter Secretariat if it had been forgotten to report on this indicator on joint ventures, subsidiaries, leased facilities or outsourced operations (01.10.2013) but IRC did not reply.
3.10 – 3.12	<i>Fully addressed</i>
Governance, Commitments, and Engagement	
4.1	<i>Fully addressed</i>

	Information about the government structure is given. Additional information on what level of authority rests explicitly with the global, national and local level would be welcome.
4.2	<i>Fully addressed</i> The answer provides relevant information about the governance structure. Additional information on how IRC ensures optimal effectiveness of its supervisory Board, e.g. how are Members chosen, inducted, evaluated etc., is welcome.
4.3	<i>Fully addressed</i>
4.4	<i>Partially addressed</i> Information how internal stakeholders can provide recommendations are included. Some very good practices are described, but the report does not identify topics raised through these mechanisms and if that triggered positive management response.
4.14	<i>Fully addressed</i>
4.15	<i>Partially addressed</i> Some information on the identification of stakeholders is provided, however no criteria are given for the selection of stakeholders.

PERFORMANCE INDICATORS	
Program Effectiveness	
NGO1 – Stakeholder involvement	
<i>Partially addressed</i> The report provides some information on the involvement of stakeholders, but does not include anything on how decisions and decision-making process are communicated to stakeholders. Nor does it contain information on how feedback from stakeholders has reshaped policies and procedures to the improvement of IRC's work.	
NGO2 – Mechanisms for feedback and complaints	
<i>Partially addressed</i> The Panel encourages IRC to not just provide a link to the website, but critically reflect if the feedback and complaints processes in place are adequate and work well in practice. The organisation should reflect on the types of complaints which were filed and if they have been resolved. The policy refers to the HR manual for internal complaints by staff members which are governed by the "Code of Conduct" and "Grievance Procedure".	
NGO3 – Programme monitoring, evaluation and learning	
<i>Partially addressed</i> The report includes relevant information on the organisation's approach to monitoring and learning, however it is not clear what the specific targets and indicators of success are although these might be covered by the overall four strategic goals. Nor does it provide examples of policy adjustments and work improvements as a result of the processes in place. IRC promised in 2010 to improve the effective illustration of the organisation's impacts in client countries (see Gap Analysis Table). The Panel looks forward to reported progress in the next report.	
NGO4 – Gender and diversity	
<i>Partially addressed</i> The organisation indicates that it has mainstreamed gender into IRC projects, but that it does not have a formal, organisation-wide process to monitor and implement gender targets. It plans to review such a structured approach in the "coming years". Other issues of diversity than gender are not addressed at all. Information on specific tools to integrate gender and diversity into programme design is missing.	

NGO5 – Advocacy positions and public awareness campaigns <i>Not addressed</i> The report states on page 7: “IRC uses this understanding to advocate at national and international levels for improved policy and practice.” Against this background information is required on policies that ensure a robust evidence base for advocacy claims, processes for formulating and disseminating claims, evaluation of its effectiveness and exit strategies. In 2010 IRC identified the lack of aggregation of advocacy work at the global level as a key weakness, the organisation wants to address. But no progress has been reported since.
NGO6 – Coordination with other actors <i>Fully addressed</i> More concrete information on how IRC optimally leverages its core competencies in a complex setting with many actors would be welcome.
Economic
NGO7 – Resource allocation <i>Partially addressed</i> The report includes information on expenditure per country, but does not provide information on how the allocation of resources is optimally tied to achieving IRC’s key priorities. It does not give account of the process and standards in place to track the use of resources.
NGO8 – Sources of funding <i>Fully addressed</i> The organisation received 52% of its income from one source (the Gates Foundation). The Panel is interested to hear how IRC ensures independence from its largest donor.
EC7 – Local hiring <i>Partially addressed</i> The report provides some relevant information (p.22); however information on the proportion of senior management staff from the local community is missing. The organisation notes that procedures for local hiring are currently being developed.
Environmental
EN16 –Greenhouse gas emission by weight <i>Not addressed</i> The report does not include any numbers on the organisation’s greenhouse gas emissions or intention to measure and report on them in the future.
EN18 – Initiatives to reduce greenhouse gas emission <i>Partially addressed</i> The report includes information on initiatives to reduce emissions, but does not provide information on the reductions achieved.
Labour
LA1 – Total workforce <i>Partially addressed</i> The report provides some relevant information on the workforce in the GRI Content Index and on page 22 of the report.
LA10 – Workforce training <i>Fully addressed</i> In addition to the training provided, the organisation is developing a structured HR-led staff training for all staff members to be implemented in 2013. Additional information on how the overall workforce is developed to optimally attain IRC’s objectives would be welcome in the next report.
LA12 – Performance and career development reviews <i>Fully addressed</i> The organisation can be commended for offering appraisals to 100% of staff members. Additional information on how the appraisals are linked to the IRC strategy and how they have helped concretely to improve the quality of IRC’s work would be welcome.

LA13 – Composition of workforce and governance bodies <i>Partially addressed</i> The report provides overall information on the gender ratio within the workforce but not within the organisation's governance bodies.
Society
SO1 – Impact of operations on communities <i>Partially addressed</i> The organisation includes very little concrete information on how it works within this area. IRC states that the organisation does not directly implement programmes in communities. But the organisation's influence can nevertheless be substantial. IRC is encouraged to state much clearer how it assesses the impact of its operations on local communities.
SO3 – Anti-corruption training <i>Partially addressed</i> The organisation is currently developing an anti-corruption policy training module for its staff members, which is set to be finalised in 2013. However, information on how staff members already receive some anti-corruption training, e.g. within the code of conduct, is missing in the report.
Product Responsibility
PR6 – Ethical fundraising and marketing communications <i>Partially addressed</i> IRC indicates that it has not yet tapped into fundraising sources requiring advertisements and sponsorships. But even in the context of fundraising through agencies and foundations it is important to state what standards the organisation complies with, how often these are reviewed and if there have been any complaints.

IRC International Water and Sanitation Centre

Gap Analysis Table – Areas of Commitments and Progress achieved

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

GRI - Performance Indicators	2010	2011	2012	2013
General				
		<p>In report covering 2011: <i>"We have started a process to integrate the INGO accountability charter reporting into our annual reporting process, aiming at a combined report for 2012."</i></p> <p><i>"For this year and next year we have committed ourselves to revise or extend some of our current policies and have new policies in place that are missing at the moment."</i></p>	<p>In report covering 2012: The organisation has indeed merged the Charter reporting with its annual report.</p>	
Program Effectiveness				
NGO2: Mechanisms for feedback and complaints	<p>In report covering 2010: <i>"We will review possible ways to handle complaints from donors and partners, which would reduce negative word of mouth, build trust, and provide ideas to improve our operations."</i></p>	<p>In report covering 2011: <i>"In this revised manual there is a (new) procedure in place for the handling of internal complaints. A procedure for the handling of external complaints will be in place before the end of this year."</i></p>	<p>In report covering 2012: An External Complaints Policy is set in place. (Annex I).</p>	

NGO3: System for program monitoring, evaluation and learning.	In report covering 2010: <i>"In an external evaluation undertaken at the end of 2010, this monitoring protocol was criticized for its excess of monitoring indicators of inputs or intermediate outcomes that did not enable us to effectively illustrate our impacts in client countries. This has been identified as a major need for improvement during the next business plan period."</i>	In report covering 2011: No progress reported.	In report covering 2012: No progress reported.	
NGO4: Measures to integrate gender and diversity into program.			In report covering 2012: The organisation's M&L team will review formal organisation-wide monitoring and implementation of a gender analysis.	
NGO5: Advocacy positions and public awareness campaigns	In report covering 2010: <i>"Advocacy is not consolidated at the IRC level and this has been identified as a weakness in our Global Programme. This has been identified as a major area for improvement."</i>	In report covering 2011: No progress reported.	In report covering 2012: No progress reported.	
Economic				
EC7			In report covering 2012: <i>"Procedures for local hiring are currently being developed by IRC's Human Resources Department."</i>	
Environmental				
EN16		In report covering 2011: <i>"We still do not have an estimate of the footprint related to building and office consumption. This will be taken up in 2013."</i>	In report covering 2012: No progress achieved and there are still no numbers and figures reported on.	
EN18		In report covering 2011:	In report covering 2012: No	

		<i>In 2012 we have negotiated and renewed our housing contract and (...) there will be held an environmental audit of the office (planned by building owners in 2013). We intend also to undertake a review of the wider environment footprint of IRC activities and opportunities to minimise impacts."</i>	progress reported.	
Labor				
LA10: Average hours of training per year per employee by employment category.	In report covering 2010: <i>"Improving training, with a shift from largely employee demand-driven training requests to more planned training on the basis of the organisation's requirements, has been recognised as an area requiring attention."</i>	In report covering 2011: <i>"Regarding other training and education, structural problems remained in 2011 (as in 2010) that led to very limited utilisation of available resources. This has been recognised and addressed - a reorganisation of training (...) will be effective in 2012."</i>	In report covering 2012: In addition to the training provided, the organisation is developing a more structured HR-led staff training for all staff members to be implemented in 2013.	
LA12: Performance and career development reviews		In report covering 2011: <i>"In 2012, we intend to start introducing 360 degrees feedback with staff receiving and providing feedback on collaboration with colleagues (appraisal process)."</i>	In report covering 2012. No progress reported on.	
Society				
SO3: Percentage of employees trained in organization's anti-corruption policies and procedures.		In report covering 2011: <i>"We intend to have an anti-corruption policy in place by mid-2013."</i>	In report covering 2012: The organisation is <i>"still developing an anti-corruption policy training module for its staff members (...) to be finalised in 2013."</i>	
Product Responsibility				
-				