

Dear Nico Terra,

On 15th November 2012 we, as the Independent Review Panel, met to discuss the reports submitted by the reporting deadline of 1st October 2012, and we are now writing to you to give you feedback on your report. First of all we would like 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: What evidence is there of **institutional commitment** to greater accountability and to using the reporting process to advance it? 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? Please find more information on our approach in the annex.

Since we first started assessing the reports we have noticed a **marked improvement in quality** and an improved commitment to accountability. In this round we have reviewed some reports of very good quality. However we have highlighted some common **areas for improvement**. These tend to be in the section on Programme Effectiveness, in particular the indicators related to having a complaints handling mechanism in place (indicator NGO2) and diversity and ethnicity (indicator NGO4). The indicators on training in anti-corruption policies (indicator SO3) and on financial information (indicator NGO8) are also areas for improvement.

- With regard to the **complaints handling mechanism** (indicator NGO2), 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. Such a mechanism should be for external and internal complaints, outline a clear process, including a timeframe for resolution, and be easily accessible. Members should communicate their membership on their website, by uploading the Charter logo, and inserting a link to the Charter text alongside their complaint handling mechanism. The “UN protect, respect, remedy framework” highlights good effectiveness criteria for complaints handling mechanisms (paragraph 31 “Effectiveness criteria for non-judicial grievance mechanisms”:
http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf).
- Regarding **diversity and ethnicity** (indicator NGO4), we would like to encourage Members to use the guidelines “Make Development Inclusive – How to include the perspectives of persons with disabilities in the project cycle management” developed by CBM available here: <http://www.make-development-inclusive.org/toolsen/pcm2.pdf>
- With regard to the generally weak reporting on **anti-corruption policies** (indicator SO3), 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 queries you may also contact Stan Cutzach at Transparency International at scutzach@transparency.org
- We feel that the **financial information** (indicator NGO8) could be better presented in order to allow for greater transparency. Members are encouraged to look at the Good Practice document to see how others present this information.

- 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. Members are encouraged to give selective examples where relevant, and to give evidence from evaluations where available.
- 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 essential information.

We understand that it is a challenge for global organisations to report on many national entities, and would encourage them to provide in their report an explanation as to how their **global accountability standards** are upheld at a national level and, if they are not, how they tackle this issue.

We welcome it when organisations make commitments for the future and identify areas for improvement. As an example, we would like to congratulate Oxfam GB for the table included at the beginning of their report showing their **accountability objectives** and the progress made so far. Individual development plans will help push organisational development towards improved accountability in a more systematic way.

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. We would like to praise Sightsavers for doing so in their first report.

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. 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 IRC International Water and Sanitation Centre

The report is good and **complete**, and we can see some improvements from your previous report; however there are still some areas which could be further developed. There is not enough **evidence**, in particular under the programme effectiveness section. The opening statement has improved from the previous report; it gives a better sense of the organisation, is a good sign of **institutional commitment** to accountability and highlights the organisation's future aims.

We encourage you to think more about the audience for your report and how your stakeholders will use it. The indicator on gender and diversity (indicator NGO4) is an area for improvement and we encourage you to reflect on how you involve women because women are very important in your area of work, water and sanitation. The financial information provided (indicator NGO8) could be more transparent. We recommend you check how other Charter Members calculate their greenhouse gas emissions (indicator EN16). As your organisation is involved in institutional fundraising, we encourage you to adhere to a code related to ethical fundraising (indicator PR6). Your organisation indicates that it does not have formal protocols to assess and manage the impact of operations on communities; however it does some research at community level. We would therefore encourage you to develop such protocols (indicator SO1). We also look forward to seeing an update on your anti-corruption policy in your next report.

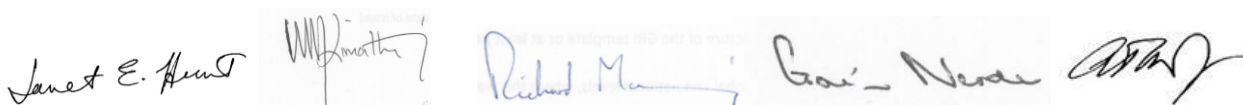
We see your answers on the following components as **Good Practice**, in particular for other small organisations (see “Good practice on GRI Reporting IV” attached to this letter):

- **2.2: Primary activities.** *Indicate how these activities relate to the organization’s mission and primary strategic goals*
The information is clear and complete; this section includes your organisation’s vision, mission, goals, values and principles.
- **LA12: Percentage of employees receiving regular performance and career development reviews.**
The information is clear and complete.

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 previously reviewed 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 15 January 2013.

Yours sincerely,



Janet Hunt

Wambui Kimathi

Richard Manning

Gavin Neath

Tony Tujan

Annex 1 – The Independent Review Panel’s approach to assessing reports

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 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) backed by examples in the report; evidence 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 evidence of a systematic concern with accountability, including recognition of areas for further work. We encourage organisations to highlight the corrective actions they take, and appreciate when they are open about their failures and make clear commitments for the future. We would hope that progress in such areas would be highlighted in future reports.

2nd Review Round 2012 Note on Accountability Report

Organisation: IRC International Water and Sanitation Centre
Reporting period: 1 January- 31 December 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

Comment: -

COMMENTS ON THE INFORMATION PROVIDED IN THE REPORT

Profile (recommended 28)

Number of Profile components the organisation reports on in total: 28

Number of the recommended Profile components the organisation reports on: 28

Number of additional Profile components the organisation reports on: 0

Profile	Comments
Strategy and Analysis	
1.1*	<p><u>Comments from previous report:</u> Partially addressed - The organisation indicates its commitment to accountability; however the report does not provide information on the broader trends affecting the organisation, key events/achievements/failures, views on performance or future main challenges/targets/goals. The author of the statement is not mentioned.</p> <p><u>Comments from this report:</u> Partially addressed The report includes clear and through information on the organisation's future commitments. However the report does not include information on broader trends affecting the organisation.</p>
Organisational Profile	
2.1*	Fully addressed
2.2*	Fully addressed Good Practice: The information is clear and complete, this section includes the organisation's vision, mission, goals, values and principles.
2.3*	Fully addressed
2.4*	Fully addressed
2.5*	Fully addressed
2.6*	Fully addressed
2.7*	Fully addressed
2.8*	<p><u>Comments from previous report:</u> Partially addressed - The report does not indicate the net assets/ assets/liabilities of the organisation or number of volunteers.</p> <p><u>Comments from this report:</u> Partially addressed</p>

	The report does not indicate the number of members and/or supporters, the number of volunteers or the assets/liabilities.
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*	<p><u>Comments from previous report:</u> Partially addressed - The report does not include information on which stakeholders are expected to use the report.</p> <p><u>Comments from this report:</u> Partially addressed The report does not include information on which stakeholders are expected to use the report. The organisation states that due to timing, the current report was not very extensive, but a more extensive process is planned for next report.</p>
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*	Fully addressed
4.2*	Fully addressed
4.3*	Fully addressed
4.4*	<p><u>Comments from previous report:</u> Partially addressed - The report does not identify topics raised via the mechanisms during the reporting period.</p> <p><u>Comments from this report:</u> Partially addressed The report does not identify topics raised via the mechanisms which are in place during the reporting period.</p>
4.14*	Fully addressed:
4.15*	Fully addressed

*: 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*	<p><u>Comments from previous report:</u> Partially addressed - The report provides some information on the involvement of stakeholders, but does not include information on how decisions and decision-making process are communicated to stakeholders, on how stakeholders participate in each stage of the process, or on how feedback from stakeholders has reshaped policies/ procedures.</p> <p><u>Comments from this report:</u> Partially addressed With IRC being more a government support agency, the organisation has made</p>

	<p>a good attempt to explain how it deals with governments as stakeholders; however the organisation is encouraged to take a broader view of their affected stakeholders.</p> <p>No additional information on how decisions and decision-making processes are communicated to stakeholders, on how stakeholders participate in each stage of the process, or on how feedback from stakeholders reshapes policies/procedures is provided.</p>
NGO2*	<p><u>Comments from previous report:</u> Partially addressed - The organisation indicates that it does not have a formal mechanism in place but that it will review possible ways to handle complaints from donors and partners. The report does not mention internal feedback/complaints. The organisation is reminded that the Charter Members are now requested to have complaints handling mechanism for internal and external complaints.</p> <p><u>Comments from this report:</u> Partially addressed The organisation states that it has started to develop some procedures for external and internal complaints and they will be in place by January 2013.</p>
NGO3*	<p><u>Comments from previous report:</u> Partially addressed - The report provides some information on the organisation's system for programme monitoring and evaluation, but it does not include information on how the results contribute to internal learning processes, examples of adjustments or on how these adjustments were communicated.</p> <p><u>Comments from this report:</u> Partially addressed More information is provided in this report; however the report does not include information on how adjustments are communicated.</p>
NGO4*	<p><u>Comments from previous report:</u> Partially addressed - The report does not include information on the organisation's policies related to diversity, norms/standards, tools, or on actions taken to achieve gender and diversity goals.</p> <p><u>Comments from this report:</u> Partially addressed No additional information on the organisation's policies related to diversity, norms/standards and tools or on actions taken to achieve gender and diversity goals is provided in this report. It is good that the organisation is open about its policy which might be insufficiently implemented.</p>
NGO5*	<p><u>Comments from previous report:</u> Fully addressed - The organisation indicates that it was not engaged in public awareness campaigns in 2010; however it expects to communicate advocacy positions in the future.</p> <p><u>Comments from this report:</u> Partially addressed The organisation states that it has helped initiate and launch the WASH Sustainability Charter. However the report does not include further information on the process to formulate, communicate, implement and change advocacy positions and public awareness campaigns.</p>
NGO6*	<p><u>Comments from previous report:</u> Partially addressed - The organisation indicates that it is committed to working in partnerships, however the report does not provide information on internal requirements, processes to promote learning, or processes to identify opportunities for partnerships.</p> <p><u>Comments from this report:</u> Partially addressed No additional information on internal requirements, processes to promote</p>

	learning, or processes to identify opportunities for partnerships is provided in this report. Good examples are included in this report, but no information on an organisation's policy.
Economic	
NGO7*	<p><u>Comments from previous report:</u> Partially addressed - The report includes information on expenditure per country, but does not provide information on the process used to track the use of resources, or the standards used.</p> <p><u>Comments from this report:</u> Partially addressed No additional information is provided in this report on the process to track the use of resources or the standards used.</p>
NGO8*	<p>Partially addressed The report states the four largest donors, but it does not provide the monetary value of their contributions. The report does not identify sources of funding by category or the aggregated monetary value of funding received by source.</p>
EC7*	<p>Fully addressed The organisation states that procedures are being developed in this area.</p>
Environmental	
EN16*	<p><u>Comments from previous report:</u> Partially addressed - The report only contains information regarding the organisation's greenhouse gas emissions from flights taken in the reporting period, and it does not indicate whether the organisation will put a system in place to collect more detailed information in the future.</p> <p><u>Comments from this report:</u> Partially addressed The organisation states that it does not have an estimate of the footprint related to building and office consumption but that it will work on this in 2013.</p>
EN18*	<p><u>Comments from previous report:</u> Partially addressed - The report includes information on initiatives to reduce emissions, but it does not provide information on the reductions achieved. The organisation indicates that it is difficult to monitor its own energy and water use because it is located in a shared building.</p> <p><u>Comments from this report:</u> Partially addressed No additional information on the reductions achieved is provided in this report. However the organisation states that an energy scan of the building will be conducted in 2013.</p>
Labour	
LA1*	<p><u>Comments from previous report:</u> Partially addressed - The report does not include information on volunteers.</p> <p><u>Comments from this report:</u> Fully addressed The organisation is encouraged to display the data in a table.</p>
LA10*	<p><u>Comments from previous report:</u> Partially addressed - The report includes information on the budget and number of days spent training by all staff, but it does not provide information on the total hours for training within each employee category.</p> <p><u>Comments from this report:</u> Partially addressed No additional information on the total hours for training within each employee category is provided in this report. The organisation states that a reorganisation of training will be effective as of 2012.</p>
LA12*	<p>Fully addressed Good Practice: The information is clear and complete.</p>

LA13*	<p><u>Comments from previous report:</u> Partially addressed - The report does not include percentages for the age groups of the individuals within the governance bodies. The report includes information on the nationality but not on minority groups.</p> <p><u>Comments from this report:</u> Partially addressed The report does not breakdown the number of staff per employee category. The organisation indicates the nationality as an indicator of diversity; however it does not state the 17 different nationalities. The organisation is encouraged to display the data in a table.</p>
Society	
SO1*	<p><u>Comments from previous report:</u> Partially addressed - The organisation indicates that it does not have formal protocols to assess and manage the impact of operations on communities.</p> <p><u>Comments from this report:</u> Partially addressed The organisation indicates that it does not have formal protocols to assess and manage the impact of operations on communities.</p>
SO3*	<p><u>Comments from previous report:</u> Fully addressed - The organisation indicates that it does not have a specific anti-corruption policy but there are some internal policies and procedures in place. It identifies this area as a weakness but does not mention whether it will improve this.</p> <p><u>Comments from this report:</u> Fully addressed The organisation states that it will develop an anti-corruption policy which will be made operational by mid-2013.</p>
Product Responsibility	
PR6*	<p><u>Comments from previous report:</u> Partially addressed - The organisation indicates that it has not been involved in direct fundraising. However it indicates that it generates income through proposals to donors, foundations and funding programmes.</p> <p><u>Comments from this report:</u> Partially addressed The organisation indicates that it has not been involved in direct fundraising; however it indicates that it generates income through proposals to donors, foundations and funding programmes. The organisation should note that institutional fundraising is included in this indicator.</p>

*: Recommended indicators

Organisation's commitments for the future

- **1.1:** "We have started a process to integrate the INGO accountability charter reporting into our annual reporting process, aiming at a combined report for 2012." "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.
 - o In 2011 we have started a process to fundamentally revise and update our HR manual for our international staff. In 2012 we will extend this manual to address staff based in our focus countries under local contracts.
 - o 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 (2012).
 - o We intend to have an anti-corruption policy in place by mid-2013.

- In 2012 we have negotiated and renewed our housing contract and part of the deal is that 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.”
- **3.5:** “Due to limited time and availability of staff during summer the report, and reporting 6 months after the previous report to get onto a reporting schedule that matching our annual reporting for future years, the report is not as extensive as we would have wished. A more extensive process including fuller engagement with staff, IRC management and the works council is planned for the 2012 report.”
- **4.1:** “Internationalisation of our Supervisory Board has been agreed in response to the changing nature of the organisation and there will be an expanded and more diverse board in 2013.”
- **NGO2:** “We have started to develop a procedure for external complaints based upon practice of other charter members. This complaints handling procedure will be operational by January 2013. As part of the revisions of our human resources manual and policies in 2012, a procedure for addressing the internal complaints of staff will be put in place.”
- **EC7:** “Procedures are being developed”.
- **EN16:** “We still do not have an estimate of the footprint related to building and office consumption. This will be taken up in 2013.”
- **LA10:** “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 through a reorganisation of training (including a specific of team and individually based training) that will be effective in 2012.”
- **LA12:** “In 2012, we intend to start introducing 360 degrees feedback with staff receiving and providing feedback on collaboration with colleagues as part of the appraisal process.”
- **SO3:** “We have not yet developed an anti-corruption policy however this will be developed and made operational by mid-2013.”