

Independent Accountability Committee

Report to the General Council

November 2016

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I. Introduction

The Independent Accountability Committee (IAC) of the CSO Partnership for Development Effectiveness (CPDE) was established to serve as a strategic Board of Reference to the governance structures of CPDE: to the Global Council (GC), the Coordinating Committee (CC) and to the Co-chairs. The IAC provides help and assistance to the governance structures and to the global secretariat to ensure that CPDE meets and maintains high standards of transparency, accountability and integrity, in line with the Istanbul principles.

The members of the IAC are:

- Charlie Martial Ngounou, based in Yaoundé, Cameroon. Cameroon Representative of the International Association of French Speaking Mayors for fiscal transparency, and founder of AfroLeadership, a CSO promoting Open Data for accountability, transparency and citizen participation;
- Jake Bharier, based in Hereford, UK. Formerly Treasurer of CONCORD, and chair of the Consortium which managed the predecessor of CPDE; and
- Rosa Inés Ospina-Robledo, Based in Bogotá, Colombia. Member of Transparency International and co-chair of the Latin America Regional Initiative for CSO's Transparency and Accountability. Activist with the Open Forum.

We were appointed in October 2015 and elected Jake Bharier as our convenor. This is our first report to the GC.

II. Ways of working

Much of our work comprises reviews of documents. We have supplemented this with informal Skype meetings about once a month. We have taken advantage on two occasions of the presence in the UK (for family reasons) of Rosa Inés Ospina for a mix of face-to-face and Skype meetings.

A budget has been allocated by the CC for our work. Our costs within CPDE are reported under the heading "Platform coordination and programme management".

III. What we have done

III.1 Terms of reference

The IAC was constituted under draft terms of reference produced by a consultant in May 2015. We were given the specific task by the CC of reviewing these. We have done so. Our revision of the terms of reference was submitted to the CC for their endorsement in September 2016.

III.2 Budget protocol

The earlier draft terms of reference stated: "*A stipendium for days worked will be eventually also paid to members, since it is understood that exclusively voluntary work will not attract the kind of members the IAC need.*" We have prepared a protocol for our financial arrangements, covering our allowable costs for travel, accommodation, communication, incidental costs and the payment of the stipend. This was agreed with the global secretariat in December 2015.

III.3 Web site

Our first review was of the CPDE web site: our criteria were to see whether it offered a clear understanding of the accountability of CPDE - its membership, principles, activities and finances – to interested observers. We made some recommendations to the CC in January 2016, in particular that the content of the web site be reviewed, to recognise the interests of external enquirers and to ensure that it meets the guidance of Istanbul Principle 5. We understand our recommendations are being considered by the Communications working group and the global secretariat. We make further, detailed comment on the web site in our case study report, later. We look forward to receiving a progress report from the global secretariat, and seeing improvements in the web site in due course.

III.4 Financial procedures

We have reviewed a number of documents relating to the financial arrangements in place for CPDE. Some of these are operating procedures for the fiscal agent. We have raised questions with the co-chairs relating to the ownership of these documents: in particular, on the need for these procedures to be approved or endorsed by CPDE. We have not yet received a full response.

III.5 Annual financial report

We have reviewed the audited report and accounts of CPDE, as prepared by the fiscal agent. A brief report is attached as Annex A. We are generally content

that the report and accounts are presented in a way which enables financial specialists among stakeholders to gain a clear view of the activities of CPDE, and the way in which resources have been applied. However, we recommend that a one-page summary statement of income and expenditure for the year, as well as the balance sheet already provided, is provided in the “Report to the Public”. Some questions of detail are being discussed with the CC.

III.6 Case studies

We have decided to make two case studies of work done in 2015: one relates to advocacy work in the Central America and the Caribbean sub-region; the other to CSO strengthening work in West Africa. We developed our work during August, September and October 2016. Our report is attached as Annex B. We make a number of detailed recommendations to ensure that CPDE meets its own obligations under the Istanbul Principles.

III.7 Reporting

The convenor attended the CC meeting in January 2016 and presented a report.

IV. What we have found

In accordance with our terms of reference, we provide reports to the CC and co-chairs on our detailed findings and recommendations. We have attached these to this report. Here, we summarise our overall view, based on our work in relation to the web site, financial procedures, annual financial report and the case studies.

IV.1 External

Accountability and transparency upwards – to the donors – appears to be good. A comprehensive set of accounts, together with a report on activities, has been submitted, and seems to meet donor requirements.

Accountability and transparency outwards – to the CPDE members and actors, as well as to the wider civil society not directly engaged in CPDE activities, and to the general public – is, in our view, poor. The web site, principal mechanism for this, lacks important information; and much of the information that is on the site is written in a “specialist to specialist” style. For example, there is a large use of acronyms and terms which would only be understood by those already engaged in the activities. It is not clear to an interested but uninformed viewer just what CPDE does and has achieved.

IV.2 Internal

Institutional networks are often complex structures. The stated intentions are usually to be inclusive, cooperative and democratic. However, many factors impede these intentions. For example, participants may not always be clear whether they engage at a personal or institutional level. They may be more interested in the outcomes than the governance. The governance structures may themselves be less than transparent and usually require a level of hierarchy.

CPDE demonstrates many of the features – positive and negative - of many other institutional networks. There is a clear statement of the purpose of the organisation. However, the governance structures are not clearly described on the web site, and appear not to have been updated.

CPDE states its intention of promoting development effectiveness. However, it is not clear to us how CPDE applies the principles of development effectiveness to its own activities. For example, we have found no clear statement of ways of working – the internal guidelines that, say, a committee would apply to itself when it meets.

We have found some evidence, in the case studies, that significant problems may be addressed informally, rather than through the governance structures. There may be good pragmatic reasons for doing so. However, this raises questions for us on the accountability relationships between the Regions, CC, co-chairs and the global secretariat.

V. What we recommend

We have made, and will continue to make, our detailed recommendations to the CC and the Co-chairs.

Our overall view is that CPDE has gone some way to meet its obligations for accountability and transparency. The recent message on mutual accountability, circulated to support CSO positions at the High Level Meeting (HLM2) is a good example. However, CPDE should also consider how that message applies to its own activities. We have identified some significant weaknesses, and we would recommend improvement in a number of areas:

- CPDE should, as a matter of urgency, develop and agree a Transparency and Accountability Policy in accordance with its own guidelines contained in the toolkit (between pages 46 to 53), to implement the 5th Istanbul principle.

- as far as possible, documents, and especially the web site, should be written to be understandable to the interested observer, and in particular the broader CSO community, not just for the specialist;
- Governance structures, and the global secretariat, should reflect regularly on how they apply the principles of development effectiveness to themselves;
- The co-chairs, CC and global secretariat should review their own internal reporting arrangements, to ensure that matters are dealt with at the appropriate level.

Charlie Martial Ngounou
Rosa Inés Ospina-Robledo
Jake Bharier

November 2016.

VI. Annex A: Analysis of financial report - IAC

VI.1 Introduction

The purpose of this review by IAC members is to see if financial documents are clear, transparent and easy to understand for intended readers (Donors, Partners, the whole CPDE Community and the whole CSO Community), and they are also consistent with reports on annual activities. It is not another audit process. The question we have addressed is: Is it easy for any reader to understand clearly what happened in 2014 and 2015 in using CPDE money?

VI.2 Presentation

The presentation of this document is clear and very understandable. The presentation is consistent with the general activity/budget plan of the year, making it possible to follow the CPDE money clearly.

However, some items are placed differently in some tables in the documents under analysis. For example, in the Draft CPDE Year3 Budget.XLS document, CSO Participation in Task Team appears just after Working Group, while in Note 8 Expenses “2015 Policy Development and Advocacy Engagement”, it appears before the last row, after Policy Support.

VI.3 Recommendation

Following the same alignment in these fundamental documents (Budget and Financial Report) would improve reading.

VI.3.1 Points raised by auditors

The auditors raised some important accountability points on which CPDE Secretariat gave clear explanation and agreed positively to take actions and measures for corrections where is it necessary (See Final Management Letter).

IAC would want to ensure that these points are corrected. We will review this at a later date.

VI.3.2 IAC recommendations

Observations	Recommendations
CONTINGENCY RESERVES (pp 5 and 28)	
Expenditure under the heading Contingency Reserve is shown in the Statement of Revenues and Expenses. However, we have found no indication of the way in which this money was	The application of the budgeted contingency reserve should be detailed so as to let anyone knows the unplanned activity that occurred and how it was then

<p>applied.</p>	<p>financed by the budgeted reserve.</p>
<p>2015 REPORT TO THE PUBLIC</p>	
<p>This report lacks information about the management of finances and expenses during the year 2015.</p> <p>The presentation in the page 15 provides only a summary balance sheet. There is no information on income or expenditure during the year.</p>	<p>This report should contain a summary financial statement with a little more detail on regions, thematics and sectors.</p>

INDEPENDENT ACCOUNTABILITY COMMITTEE

VII. Annex B: Case studies

Central America and the Caribbean - Central Africa

Summary Report - September/October 2016

Compliance with Istanbul Principle 5 demands to promote trust among both external stakeholders such as the communities working with Civil Society Organisations (CSOs), other CSOs, governments or donors; and internal stakeholders - the participants within the processes of the CSO Partnership for Development Effectiveness (CPDE). Trust is an essential requirement to enable learning and improvement to take place.

In order to understand how the CPDE is complying with this mandate, the Independent Accountability Committee (IAC) decided to undertake two case studies of the CPDE accountability performance for the fiscal year 2015 in two sub-regions:

- Central America and the Caribbean; and
- Central Africa.

The terms of reference we applied to this work are attached as appendix 2. In particular the case studies looked at the clarity and sufficiency of the information provided at all levels and to all likely readers.

The work was done during September and October 2016. IAC members first reviewed the CPDE web site for information available regarding the sub-regions for the year 2015; studied the formal documents provided by the global secretariat, and spoke personally or through Internet with formal actors of the sub-regional structures of the CPDE. The report has two parts:

1. summary of the main specific findings and recommendations;
2. the key general findings and recommendations.

The sources used for the case studies are attached as Appendix 1.

VII.1 Summary of specific findings and detail recommendations for those findings

Findings	Recommendations
WORK PLANS	
The plans are written in a style which may be difficult for beneficiaries to understand.	Plan should be more concise and written in a simpler style. We suggest using resources such as info-graphics.

<p>The geographical scope of the plans is unclear, and therefore difficult to relate to the expected results.</p>	<p>Stakeholders should know how many members are in CPDE in each region and country. It would also be useful to provide more detailed information such as the date of joining.</p> <p>The plan could use other resources like a map where the planned actions and expected results could unfold with a simple click.</p>
<p>There is too much use of acronyms in all documents.</p>	<p>The use of acronyms should be reduced.</p> <p>In any document, the meaning of any acronym should be set out in full on first use. We have applied the principle to this document, as an illustration.</p> <p>A list of acronyms used should be provided as an annex to any document.</p> <p>A full index of acronyms should be available on the web site.</p>
<p>The design of expected outcomes/results is often vague and abstract. For example, in the "Participation in multi-stakeholder dialogues" component specific activities are described as "National validation of 2MR, but do not indicate where, when, how this would be achieved.</p>	<p>Work plans should include an operational plan of activities including locations, actors and expected completion dates.</p>
<p>Work plans do not identify who are the regional and local allies, leaders for thematic groups, functional committees or reference groups.</p>	<p>Lead organisations or individuals should be identified in the work plans and reports.</p>
<p>FINAL REPORT TO THE PUBLIC</p>	
<p>There is not enough mention of countries, which makes it difficult to identify actors and those responsible</p>	<p>A list of actors and allies by country should be provided in the final; reports.</p>
<p>The pictures used are of very good quality and enrich the report. However, there are no graphics or maps that would help more accountability aspects.</p>	<p>The Final Report should be made simpler and be more clearly designed, using info-graphics, maps and diagrams. Each item being reported should have a list of specific activities, with dates and</p>

	locations.
Alternative mechanisms, both formal and informal for exchange, communication and feedback between different stakeholders are not easily seen.	Each of the persons representing a sector or region should be identified with alternative ways to be contacted.
The final report lacks a concrete description of achievements and progress, as well as difficulties and pending issues. It is not a report that explains how the CPDE is taking the responsibility for what they offer and what they achieve.	A list of what was done, what was achieved, and what still needs to be done, should be provided.
FINANCIAL AND BUDGET INFORMATION.	
The audited financial statements for CPDE summarise costs by region. However, use of resources at sub-region and country are not stated, either in this, or in the reports on regional work.	Reports on work at regional level should include a statement of resources used, against a budget which indicates both sub-region or country, and the type of activity.
WEB SITE	
It is difficult to see how many members CPDE has in sub-regions and countries. Regions and programs are only mentioned in a table at the end.	Information relating to structures, procedures, organisations, processes, methodologies, reports, etc. should be accessible from the website.
it is difficult to find information about activities in regions, sub-regions and countries.	Information should be organised in such a way that anyone, with a minimum knowledge of Internet could find it.
It is clear how to join the network in virtual terms, but it is not clear how to do so in practical terms at the local, country or regional level.	The rules and guidelines for participating in CPDE should be explicit and clear, for regions and countries as well as in general terms.
it is not easy to identify members according to countries, regions, sectors, working groups	A full list of members for all the working groups, thematic and reference groups, together with their lead, should be provided.

<p>If any application for membership was rejected, is an explanation given, so as to give to that organisation a possibility to come back later for membership when their case is better?</p>	<p>We would not expect this information to be published on the web site. However, we would welcome an assurance that feedback is given to unsuccessful applications for membership.</p>
<p>During this case study preparation, the area of the web site covering the agenda of upcoming activities appeared to be under construction.</p>	<p>This area should be completed as a matter of urgency, should be visible and easily accessible.</p>
<p>How to ask questions is clear but the whole interaction with visitors of the site is not clear enough.</p>	<p>There are different alternatives, for example to schedule regular live chat to answer questions from the public.</p>
<p>The section on accountability is incomplete and out of date.</p>	<p>The re-design of this section should be a priority. It should provide clear and easily accessible information about, for example: accountability strategy, the IAC, the work plan, budget and its implementation, execution by regions and countries, achievements, etc.</p> <p>A space for questions and answers made by the public may also be useful.</p>
<p>There is no description of the background and evolution of the CPDE process, nor of the issues that the process is intended to address in the short and medium term.</p>	<p>A brief history of how the CPDE has got to the current point should be developed and added. A timeline with the major milestones of this process would be very useful.</p>
<p>The site has poor information on activities in the regions and sub-regions. For example, we have found no country reports, sub-regional reports or regional reports, although we understand that such reports are produced annually.</p>	<p>There should be clear sections for regions, sub-regions, and countries, as well as for thematic issues, with reports available there..</p> <p>There should be procedures to ensure that these sections are kept up to date.</p>
<p>The website is only in English, although attached documents are provided in Spanish or in French.</p>	<p>As CPDE aims at working for and with CSOs across the world, we suggest that the web site offer links to facilitate translation to a much wider range of languages. It may also be helpful for the web pages to be available in the three working languages.</p>

VII.2 Key general findings and recommendations

ACCOUNTABILITY in general	
<p>We said earlier: “The audited financial statements for CPDE summarise costs by region. However, use of resources at sub-region and country are not stated, either in this, or in the reports on regional work.”</p> <p>This lack of disaggregated information is a serious shortcoming, and is inconsistent with the principles stated by the CPDE.</p>	<p>We consider it a priority for the CPDE to develop or provide itself with a Transparency and Accountability Policy that has at least the following starting points:</p> <ul style="list-style-type: none"> • Be consistent with its recommendations for CSOs according with its own texts (toolkits) • Involve the entire organisation and its allies • Assure clear, relevant and accurate information to any organisation and persons within the alliance as well as for interested outsiders. • Create and maintain permanent channels of mutual interaction between the organisation and its stakeholders. • Pay special attention to the website as a core vehicle for transparency and accountability.
<p>Globally, Open Data has become a standard for transparency and accountability for aid related projects. CPDE has not yet committed to this movement for global governance, as to publish every bit of information in open format.</p>	<p>CPDE should take the lead to publish all information as open by default, following the open data charter and open data methodologies. For example, the annual Budget and financial report should be published in open format to allow reuse and analysis by any CPDE stakeholders.</p>
MANAGEMENT of the CPDE accountability processes	
<p>We perceive a gulf between the wide understanding that the global secretariat has of activities, and the level of information of CPDE actors at regional and local levels.</p> <p>We have not found explicit agreements on procedures, criteria and rules for</p>	<p>A formal explicit agreement about roles, criteria and responsibilities in the governance structure of the Alliance is necessary.</p> <p>The lessons learned from the experience in Central America and the Caribbean should be taken seriously and urgently.</p>

<p>decision-making, reporting and accountability.</p> <p>We have found evidence that when a difficulty in the relationships between the global secretariat and the regional nodes has occurred, it is dealt with through informal bilateral discussions. This certainly facilitates and streamlines the management of resources, but weakens and makes irrelevant the regional body.</p> <p>The specific experience relating to Central America and the Caribbean during 2015 shows a very weak management situation that we believe represents a significant reputational risk.</p>	
<p>The Standard Operating Procedures of the fiscal agent cover procurement. However, we consider that these procedures are not adequate to cover contract management for CPDE.</p> <p>It is difficult to see how calls for projects are published on the website.</p>	<p>A manual of procedures relating to contracts in CPDE should be prepared, as a matter of urgency. This manual should clearly define the contract process in CPDE, from the ToR to payment of contracts executed. This would help everybody to know how contracts are awarded and the responsibilities at regional, sub-regional and country level, relating to contracts.</p> <p>Information related to contracts should be aggregated by country, and then by sub-region and then by regions and finally at the global secretariat.</p> <p>The global secretariat should clarify absolutely the situation for contracts awarded to experts belonging to CPDE member organisations, but in their personal capacity. Contracts and Works are opportunities for member organisations to build experience and to strengthen their internal capacity and international credibility.</p> <p>Call for projects should be clearly published on the website in menus where it detailed information would be available on both current and historical</p>

<p>We found evidence that the global secretariat has, on occasion, made agreements with experts for work/activities in regions, sub-regions or countries without involvement of regional representatives or country focal points. So a country focal point or the sub-regional and regional representatives may not be aware of contracts being executed in their area of representation.</p> <p>The respective roles of regional secretariat, sub-regional secretariat and country hub are not clear for agreements executed in their area.</p>	<p>Projects</p> <p>Contracts related to global studies, research, projects impacting the global Alliance should be handled by the Global Secretariat while contracts to be executed in regions, sub-regions and country should be managed following the subsidiarity principle.</p>
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VII.3 General Conclusion

Based on the review described above, we strongly recommend that CPDE urgently build a **Transparency and Accountability Policy/strategy** in accordance with its own guidelines contained in the toolkit (between pages 46 to 53), to implement the 5th Istanbul principle.

This policy should allow for clear:

- (i) rules and procedures for governance bodies, with emphasis in the regional and country levels;
- (ii) channels, procedures and tools for stakeholders to access all relevant information, both centrally and regionally, internal and externally;
- (iii) identification of actors responsible for specific aspects of the accountability processes at all levels;
- (iv) mechanisms and procedures for interaction and feedback with and between different stake-holders; and
- (v) planning of public events (face to face and online) for public discussion of the information produced by the Alliance (centrally and regionally).

VIII. Appendix 1 Documents used as sources for case studies

VIII.1 Central America and Caribbean

- IAC-CPDE. Terms of Reference for the case studies - 2016
- CPDE Year 3. Program Plan. January – December 2016
- CPDE Proposed Indicative Budget. Ref 3 Draft CPDE Year 3 Budget (1)
- CPDE Report to the public. Civil Society continuing campaign for effective development. 2015
- The web site: <http://csopartnership.org/wp-content/uploads/2016/05/2015-Report-to-the-Public-04May.pdf>
- The web page: <http://cso-effectiveness.org/-home,091-.html?lang=en>
- Addys Then Marte. TALLER REGIONAL PRE-MONITOREO EN AMÉRICA LATINA. 5 y 6 de noviembre de 2015
- Open Forum for CSO Effectiveness. (2011). International Framework for CSO effectiveness.
- Bermann-Harms, C. And Lester, Nora. (2011). Putting the Istanbul Principles into Practice: A Companion Toolkit to the Siem Reap Consensus on the International Framework for CSO Development Effectiveness.
- ALOP. Informe contable de gastos del II Encuentro Regional de la AOEL-ALC – 2015
- ALOP. 2015 Region CPDE Y2 MOU LAC Draft (2)
- ALOP. 2015 CPDE Midyear Reporting Template_ Form A_ 20092015 (1)
- ALOP-IBON MoU CPDE addendum
- ALOP. 2 Confirmation of Receipts July 2015
- ALOP. 2015 CPDE Annex A. Work Plan Temp 0525-ALC
- ALOP. Regional Budget 2015 (September-December)
- ALOP. CPDE/LAC REGIONAL and BUDGET 2015 (Approved by CPDE-CC).

VIII.2 Central Africa

- IAC-CPDE. Terms of Reference for the case studies - 2016
- CPDE Year 3. Program Plan. January – December 2016
- CPDE Proposed Indicative Budget. Ref 3 Draft CPDE Year 3 Budget (1)
- CPDE Report to the public. Civil Society continuing campaign for effective development. 2015
- The web page: <http://cso-effectiveness.org/-home,091-.html?lang=en>
- CPDE Report 2013 – 2015 for Central Africa
- Cameroon Report CPDE Informal Strategic Meeting Sept 2013
- Cameroon Report CPDE GPDE Ministerial Meeting Abidjan Feb 2014
- Cameroon Report CPDE Informal Strategic Meeting January 2014
- Cameroon National Report CPDE Oct2013

IX. Appendix 2: Terms of reference for the case studies

September 6-2016 - Version 2

As established in the IAC Terms of Reference approved by the CC, this body provides help and assistance to the governance structures to ensure that CPDE meets and maintains high standards of transparency, accountability and integrity.

Compliance with Istanbul Principle 5 demands to promote trust among both external stakeholders such as the communities working with CSOs, other CSOs, governments or donors; and internal stakeholders - the participants within the CPDE processes. Trust is an essential requirement to enable learning and improvement to take place. The IAC will therefore review the definitions, processes, programmes of work and procedures of CPDE that would support the development of transparency, accountability and integrity and make recommendations for improvement to the CC and Co-chairs; in particular should look at:

- *The provision of information among participants;*
- *The provision of information to the wider public;*
- *Financial accountability systems to both external bodies and to participants;*
- *Policies relating to conflict of interest, and other pertinent policies;*
- *Evaluation systems for programmes of work;*
- *Systems for feedback and interaction with different publics - stakeholders*

In order for the IAC to understand how the CPDE is complying with these principles, in such a complex structure, the IAC has decided to undertake experimental case studies in two sub-regions in order to see if the above criteria are met. For this purpose the IAC has selected **Central America and the Caribbean** sub-region and **Central Africa** sub-region.

The idea is to review the sources provided for the case studies, to see that they provide appropriate and useful information to different stakeholders about these **criteria**:

- The work plan, to be consistent with the purpose of CPDE
- The scale of work planned
- Compliance with the work plan
- The effectiveness of the work done
- The financial efficiency of the work done
- The accessibility of the information related to the case
- The effective spaces or mechanisms for feedback among different actors involve in the activities
- The learning offered to other parts of CPDE

The **sources** of information to be reviewed:

1. Annual Budget
2. Annual Report
3. Interview with the person in charge of one country in the sub-region and the person in charge of the sub-region.
4. CPDE Web Site
5. Information provided by the global secretariat.

The **final report** should be succinct, highlighting the:

- (i) Actual time frame for the assessment
- (ii) Specific sources used
- (iii) Findings vis-a-vis the criteria, and
- (iv) Recommendations for improving the accountability of the CPDE.