SELF-CERTIFICATION

- A Study Report

Accreditation

Accountability

Self-Certification

Transparency

Governance

VOICE OF THE VOLUNTARY SECTOR

Voluntary Action Network India (VANI)
Self-Certification — A Study Report

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Preface

Civic space in India suffers from the fact that CSOs are registered under the same Society Registration Act from 1860 as a wide range of private business entities, reaching 3.5 million organisations. As our world is rapidly changing in terms of political and economic power, demography or growing inequality, CSOs face a wide range of challenges, which put their relevance, effectiveness and legitimacy in question and resulting in a serious decline in public trust.

Almost thirty years back, when Planning Commission of India proposed the regulatory framework for voluntary sector, the founders of VANI argued for self-regulatory mechanism which is evolved from within the sector. VANI spearheaded the intensive process of accreditation system for India which is built on the realities of the sector. Many organisations later on adapted those standards and parameters.

It is important for Voluntary organisations to strengthen internal systems and processes in today’s fast changing socio-economic and political environment. The challenges are enormous and emanate from both external as well as internal contexts. A self certification process can help codify internal governance mechanisms. This gives smaller organisations an opportunity for a time bound certification and room for continuous improvement in their internal governance process so that they may not only learn the modalities of better transparency but are enabled to work hand in hand with bigger organizations for better sustainability prospects by outlining their scale and outcomes. Apart from few genuine accrediting agencies, there are many agencies which are making a business out of the accreditation process in India. Grassroots organisations are unable to afford the cost of getting an accreditation, thereby losing the opportunity to portray visible signs of good governance. Civil society organizations are a
vibrant and essential feature in the democratic life of countries across the globe. CSOs collaborate with the full diversity of people and promote their rights. The essential characteristics of CSOs as distinct development actors – that they are voluntary, diverse, non-partisan, autonomous, non-violent, working and collaborating for change – are the foundation for the Self-Certification of CSOs.

I would like to recognise the hard work of Mohd Ali Faraz, Program Officer at VANI in conducting the study and would congratulate him for the same. Also a big thanks to BROT for their continuous support right from the start till the finalization of the report.

Harsh Jaitli
Chief Executive Officer
Self-Certification

An Introduction

The Voluntary Sector in India is passing through very challenging times. On one hand there is high demand from voluntary organisations due to socio-economic realities at grass roots level, and changes in resource availability on the other there have been numerous changes in the laws as well as its interpretations by the enforcement agencies. Questions are also being asked about the accountability and transparency within the sector. The image of the sector plays very important role in how people in the society think of us. In addition to strengthening internal structures and operations, self-regulation can help build public trust in the sector. Making public commitments to clear principles, norms and standards provides a standard to which CSOs can be held to account. Furthermore, self-regulation can help limit reputational damage to the sector caused by the wayward and unaccountable behaviour of a minority of organizations. It also enables participating organizations, or the sector as a whole, to signal trustworthiness and professionalism to donors and the general public. In cases where participation in the initiative is limited, self-regulation can help participating organizations to stand out to potential donors in an increasingly competitive field. Significantly, international CSO self-regulatory initiatives tend to be concentrated in the development and humanitarian sectors. This is not surprising, given the highly visible and inherently collaborative nature of their work as well as the reliance of CSOs in these sectors on fundraising and public trust in the quality of their work. Furthermore, peer working groups’ evaluations of humanitarian assistance in Rwanda in the mid-1990s and in the aftermath of the Asian tsunami in 2005 have played a role in developing consensus around the need for high standards of practice, methods for assessing programme effectiveness, and accountability to beneficiaries and donors for how relief funds are spent.
Despite the widespread proliferation of CSO self-regulatory initiatives over the past two decades, there has been no thorough stock-taking and analysis of existing initiatives. Previous research on the issue has been limited to specific regions, theoretically focused or relied on the same handful of initiatives for case studies. As a consequence, the scale of CSO self-regulation worldwide has been underestimated and lessons and examples of good practice have not been systematically captured or shared within the CSO sector. CSO self-regulation is driven by sectoral and societal needs to have a CSO sector that positively contributes to social development, is a good steward of financial resources, and is effective and accountable in its activities. While CSOs can respond to growing scrutiny and criticism individually by developing new policies and procedures to raise standards, working at sector level enables the sector to speak with a more unified voice to external actors such as the general public, donors and regulators. It also facilitates the sharing of lessons across the sector, lowering the cost and time necessary to develop effective approaches to strengthening quality and accountability. Due to growing influential development work, CSOs have come under increasing scrutiny. Questions of representation, accountability to beneficiaries and supporters, quality and effectiveness of their programmes, financial management and governance have been raised by donors, governments, other CSOs and the wider public. In some contexts these questions are being asked in an effort to strengthen the sector and reinforce its role and influence in national and international governance processes; in others, however, some actors are manipulating the accountability agenda to undermine and curtail the power of CSOs and justify restrictive legislation.

In the fast changing scenario of Indian Voluntary Sector, the visible signs of good governance are bound to take prominence in near future. With the coming of new donors like corporate, government and individual resource providers the need of more precise verifiable indicators of transparency, accountability and participation is felt right across the sector. Over the years, there has been a structured voice from the sector about the lack of support for systematising internal governance
mechanisms, which are accountable and transparent. The crucial gap identified is that there are no self-certification mechanisms in India for genuine small and medium sized organisations to demonstrate their credibility. The self-certification model is required as a response to increasing pressure and scrutiny of the quality and legitimacy of VOUs from donors, beneficiaries, the media and government. It is an expression of commitment of voluntary organisations to uphold the highest standards of professional conduct and accountability. Apart from the self-certification model, there are two more major forms of certification: accreditation and peer-certification. In case of accreditation, there is an independent third party that provides a “stamp of proof” or “seal of approval” that the VO complies with the requirements set forth in the accreditation system. Usually there is a rigorous assessment process and the organisation getting accredited needs to pay money for the process. This form of certification ensures the highest level of compliance, that is, it can be trusted that organisations with such a seal or accreditation are truly compliant with the self-imposed regulations. In essence, accreditation is a form of, or another name for third-party certification. However, accreditation provided by organisations like Give India, Credibility Alliance and CAF India lacks universal acceptability. Currently, there are no mechanisms of accreditation which are verified and accepted by the Government of India.

The next level of compliance is peer-certification, when the members of a network or other membership organisations verify compliance of their fellow organisations. This is usually done on a voluntary basis for ex: an elected certification committee and with fewer resources like no payment involved, or it is paid for as part of the membership fee. This is sometimes called self-certification, referring to the "in-house" nature of the assessment, but that is somewhat misleading since there is a third party involved. Also, this third party (the other peer/s) is not fully independent, they belong to the same network organisation and there are competing interests at play e.g. to maintain the good image of the organisation as a whole, or to keep the members happy. Self-regulation may also seek to fill gaps in government regulation and protect civil society from burdensome and inappropriate
government intervention. On the one hand, self-regulation can complement government regulation by addressing the specific concerns of a minority of organizations within the sector and their stakeholders. For example, self-regulatory efforts can address issues such as the ethical use of images or monitoring and evaluation frameworks that would be too specific to incorporate in a broad regulatory framework. On the other hand, self-regulation can be a means of protecting the political space for CSOs to operate. Where state-civil society relations are tense, claims of inadequate accountability and transparency are often used by the government as the pretext for restrictive legislation. Developing self-regulation can help to minimize this threat as it enables the sector to speak in one voice and indicate its collective efforts.

A lot of civil society organizations (CSOs) worldwide contribute in unique and essential ways to development as innovative agents of change and social transformation. These contributions are long-standing, CSOs support grassroots experiences of people engaged in their own development efforts; are both donors and practitioners of development; promote development knowledge and innovation, work to deepen global awareness and solidarity among people across national boundaries; and they advocate and seek out inclusive policy dialogue with governments and donors to work together for development progress. Acknowledging not only their contributions, but also their weaknesses and challenges as development actors, CSOs have affirmed their commitment to take action to improve and be fully accountable for their development practices. Voluntary Action Network India, VANI has determined the vision and essential principles that define and guide change for effective CSO development practice. But at the same time VANI is not replacing the current standard but is updating the available one. At present the existing standard is known as Istanbul Principals.

In September 2010, more than 170 CSO representatives from 82 countries gathered in Istanbul, Turkey, to consider and unanimously adopt the Istanbul Principles for CSO Development Effectiveness. The Istanbul Principles are the result
of thorough consultations with thousands of CSOs in more than 70 countries and sectors. The eight Istanbul Principles take into account the diversity of CSO visions, mandates, approaches, relationships and impacts in their development actions. Given the diversity and geographic spread of CSOs, the Istanbul Principles must be applied in meaningful but distinct ways that are appropriate to each CSO local context or sector. The Istanbul Principles are the foundation for the International Framework for CSO Development Effectiveness, adopted in June 2011 at the Second Global Assembly in Siem Reap, Cambodia. The Framework sets out guidance for interpreting and aligning CSO practices with the Istanbul Principles in diverse local and sectoral settings. The “Toolkit for Implementation of the Istanbul Principles”, with further elaboration of guidance and indicators, will enable CSO actors to adapt and work with the Framework in the context of their organizational mandates and program realities.

CSO development actors are profoundly affected by the context in which they work. The policies and practices of all governments, including when they act as donors, affect and shape the capacities for CSOs to engage in development. Progress in realizing the Istanbul Principles in CSO practice, therefore, depends in large measure on enabling government policies, laws and regulations consistent with the Istanbul Principles.

Istanbul principles guide the work and practices of civil society organizations in both peaceful and conflict situations, in different areas of work from grassroots to policy advocacy, and in a continuum from humanitarian emergencies to long-term development.

1. **Respect and promote human rights and social justice:** CSOs are effective as development actors when they … develop and implement strategies, activities and practices that promote individual and collective human rights, including the right to development, with dignity, decent work, social justice and equity for all people.
2. **Embody gender equality and equity while promoting women and girls’ rights:** CSOs are effective as development actors when they ... promote and practice development cooperation embodying gender equity, reflecting women’s concerns and experience, while supporting women’s efforts to realize their individual and collective rights, participating as fully empowered actors in the development process.

3. **Focus on people’s empowerment, democratic ownership and participation:** CSOs are effective as development actors when they ... support the empowerment and inclusive participation of people to expand their democratic ownership over policies and development initiatives that affect their lives, with an emphasis on the poor and marginalized.

4. **Promote Environmental Sustainability:** CSOs are effective as development actors when they develop and implement priorities and approaches that promote environmental sustainability for present and future generations, including urgent responses to climate crises, with specific attention to the socio-economic, cultural and indigenous conditions for ecological integrity and justice.

5. **Practice transparency and accountability:** CSOs are effective as development actors when they demonstrate a sustained organizational commitment to transparency, multiple accountability, and integrity in their internal operations.

6. **Pursue equitable partnerships and solidarity:** CSOs are effective as development actors when they commit to transparent relationships with CSOs and other development actors, freely and as equals, based on shared development goals and values, mutual respect, trust, organizational autonomy, long-term accompaniment, solidarity and global citizenship.

7. **Create and share knowledge and commit to mutual learning:** CSOs are effective as development actors when they enhance the ways they learn
from their experience, from other CSOs and development actors, integrating evidence from development practice and results, including the knowledge and wisdom of local and indigenous communities, strengthening innovation and their vision for the future they would like to see.

8. **Commit to realizing positive sustainable change:** CSOs are effective as development actors when they collaborate to realize sustainable outcomes and impacts of their development actions, focusing on results and conditions for lasting change for people, with special emphasis on poor and marginalized populations, ensuring an enduring legacy for present and future generations.

Guided by these Istanbul principles, CSOs are committed to take pro-active actions to improve and be fully accountable for their development practices. Equally important will be enabling policies and practices by all actors. Through actions consistent with these principles, donor and partner country governments demonstrate their Agenda for Action and pledge that they “share an interest in ensuring that CSO contributions to development reach their full potential”. All governments have an obligation to uphold basic human rights – among others, the right to association, the right to assembly, and the freedom of expression. Together these are pre-conditions for effective development although when these principals lacked Indian reality and was not been able to achieve what it needed to in Indian set-up, Then VANI came forward and tried to put these principals into Indian reality and with consultation of experts and prominent social activist including various stakeholders and organize meetings, workshops and seminar on Need for self certifications in CSOs and its role in credibility of the sector. The given suggestion, inputs and feedback provided by the experts and participants of the meetings has been very effective in creating the self certification document.

The absence of culture of internal governance and management system in the voluntary sector has reduced transparency and accountability of these
organisations in the eyes of the government, new donors and even public. CSO development effectiveness speaks to the impact of CSO actions for development. These actions for development will be effective if they bring about sustainable change that addresses the causes, as well as the symptoms, of poverty, inequality and marginalization. For CSOs, development effectiveness is linked to multi-faceted human and social development processes directly involving and empowering people living in poverty and discriminated and marginalized populations. CSOs assume no single development model, but rather focus on people and their organizations, empowering them to make choices over how they will develop. For CSOs, development effectiveness requires openness to many development alternatives, which are increasingly informed by human rights, environmental sustainability and opportunity for all.

Civil society organizations are a vibrant and essential feature in the democratic life of countries across the globe. As self-governing and voluntary organizations, they are striving to be accountable and effective organizations. CSOs have also been widely recognized as distinct and independent development actors, working for development outcomes for poor and marginalized peoples. CSOs are catalysts for social change, collaborating with partners around shared values and interests. CSOs are social expressions of diversity and innovation in development practice. They bring a rich array of organizational values, objectives, and means for popular engagement, as well as sector knowledge, structures, interests and resources. And when we talk about Development, we need to understand first what Development is? Development is a social and political process that is equally about peoples’ participation and engagement to claim their rights, as it is about development outcomes. CSOs are, consequently, political protagonists for development change, advocates for and providers of public goods. CSOs collaborate and partner with communities, with each other and with different development actors, complementing development efforts by developing country governments and donors at many levels. CSOs have close and often unique connections with local processes, but also seek change at national and global levels. But unlike political
parties, peoples’ organizations, and social movements, which may aspire to influence development by obtaining formal state political power, CSOs are, for the most part, autonomous non-partisan political actors in the social realm, representing their own point of view. With all its positivity and good work VANI has reviewed and shared the self Certification document with its Board, employees and other Indian NGOs. On 12th December, 2017; a national level consultation was organised to discuss VANI’s Self Certification document, Participants and accountability experts discussed and reviewed the Standards and provided necessary feedbacks which have been later inculcated and presented to the partners and other civil society players. In India, there are many agencies which provide accreditation, like Guide Star, Give India, Crisal and Credibility Alliance. But smaller organisations find it difficult to get accreditation due to lack of resources. Therefore, the Guideline of Code of Conduct, as a self certification process can help codify internal governance mechanisms. This gives smaller organisations an opportunity for a time bound certification and room for continuous improvement in their internal governance process so that they may not only learn the modalities of better transparency but are enabled to work hand in hand with bigger organizations for better sustainability prospects by outlining their scale and outcomes. Apart from few genuine accrediting agencies, there are many agencies which are making a business out of the accreditation process in India. Grassroots organisations are unable to afford the cost of getting an accreditation, thereby losing the opportunity to portray visible signs of good governance.

Moreover, the basic indicators of all the accreditation agencies are similar in scope and nature. The need of the hour is to develop common national guidelines. VANI is trying to bring evry accreditation agency to a common platform and ask for a collective advocacy where every agency accepts every other agency’s accreditation.

VANI organised various meetings and workshops at different regions of India and involving stakeholders, experts and social activists asking for their view and suggestion also to acknowledge the outcomes of Open Forum process and
endorse the Self Certification Principles as an essential basis for their policies of engagement and support of civil society in development. Civil society organizations are a vibrant and essential feature in the democratic life of countries across the globe. CSOs collaborate with the full diversity of people and promote their rights. The essential characteristics of CSOs as distinct development actors – that they are voluntary, diverse, non-partisan, autonomous, non-violent, working and collaborating for change – are the foundation for the Self-Certification of CSOs. These principles guide the work and practices of civil society organizations in both peaceful and conflict situations, in different areas of work from grassroots to policy advocacy, and in a continuum from humanitarian emergencies to long-term development.

**Principle 1: Organisational Commitment Standards:**

The affairs of the Organisation should be conducted with integrity and transparency.

**Brief Description:**

**Indicators:** Each organisation should have a written standard of conduct for its directors, employees, and volunteers. The organisation's activities should be open and accessible to scrutiny by its donors, beneficiaries and other stakeholders (except for personnel matters and proprietary information). Organisation should have a copy of annual report, financial report and its activities' reports, which is known to all the people associated with the organisation and shared with the public. This includes copies of documents like bylaws, charter, policies and procedures that lay down the mission, goals and vision of the organisation. Availability of strategic review document is necessary to ensure that the organisation is periodically reassessing its operations and long-term strategy keeping in view the changing world environment. Non-discrimination policy of the organisation is an important indicator to safeguard the article 15 of the Indian Constitution, i.e. no discrimination against any citizen on grounds of religion, race,
caste, sex, place of birth or any of them.

Availability of organisation’s registration documents (Society Registration Certificate/Trust Deed/Certificate of incorporation), Foreign Contribution Regulation Act (FCRA) certificate [if registered with Ministry of Home Affairs (MHA)], 12A and 80G certificate [if exempted from tax] is an important indicator of organisation’s commitment to reporting and complying with legal reporting and registration standards.

The organisation should have policies to address complaints and prohibit retaliation against whistleblowers, and policies/mechanisms in place to deal with allegations made by employees, members, director or volunteers of misconduct/sexual harassment / any other irregularities by anyone associated with the organisation (while respecting the rights of confidentiality and disclosure of the involved parties). Every organisation is required to constitute an Internal Complaints Committee at each office or branch with 10 or more employees under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Committee is required to complete the inquiry within a time period of 90 days on receiving a complaint. On completion of the inquiry, the report is to be sent to the employer or the District Officer, as the case may be, who are then mandated to take action on the report within 60 days. The Complaints Committees have powers of civil courts for gathering evidence. Further, penalties have been prescribed for employers in case of non-compliance with the provisions of the Act. They are liable for a fine up to INR 50,000. Repeated violations may lead to higher penalties and cancellation of licence or registration to conduct business. However, this Bill does not provide protection to men.

Principal II: Governance and Administrative Standards:

A) Role and responsibility of the Board:

Each organisation should have an independent, active, and informed Board, selected on the basis of merit and skills. The organisation should
have policies which specify the frequency of Board meetings (at least two per year) and adequate attendance by directors (at least a majority, on average). Not more than one member of the governing board should be a paid staff person of the organisation and no paid staff person should serve as a board chair or treasurer. The Board may designate an Executive Committee, define its role and review its reports. The Board should have policies restricting the number of employees who are voting members of the Board; providing limits for directors being related to one another, the Founder, or the Executive Director; and establishing limited terms of service for directors and officers.

The board should adopt a policy that prohibits direct and indirect conflict of interest by members of the board, employees, donors, volunteers and other stakeholders. Board members, employees, and volunteers should make known to the board any affiliation they might have with an actual or potential supplier of goods and services, recipient of grant funds, or organisation with competing or conflicting objectives. Board members and employees should absent themselves from discussion and abstain from voting or otherwise participating in the decision on any issue in which there is a conflict of interest. And large or otherwise inappropriate gifts to board members or staff for personal use should be forbidden. Important indicators of these are - availability of documents like bylaws, charter, policies and procedures that outline the election procedure of the board members. Copies of activity reports; Conflict of Interest policy; Board Rotation policy; document listing the board’s members and their position; and copy of minutes of the board meetings are necessary documents to be maintained.

The board should have written rules in place to approve the annual budget; appoint an independent auditor; receive the annual audited financial statements; and appoint an audit committee to review the financial statements and activities of the organisation. Copy of performance
appraisal form, and rules for selecting, monitoring and evaluating the head of the organisation by the board should also be available.

The board should adopt a policy requiring that no person be excluded from participation, benefits, nor be otherwise subjected to discrimination by the organisation, on the basis of race, colour, national origin, age, religion, handicap, or sex. Organisations should develop a written policy that affirms its commitment to gender equity in organisational structures, staff and board composition. The policy should be fully integrated into an organisation’s plans and operations. Every organisation should have a written policy that affirms its commitment to ethnic and racial diversity, and commitment to the inclusion of people with disabilities in organisational structures, staff, and board composition.

B) Management and Human Resources:

Organisations should follow sound management and business practices appropriate to its mission, operations, and governance structure. They should have clear, well-defined, written policies and procedures relating to its employees and volunteers. Such policies should clearly define and protect the rights of employees by assuring their fair treatment in all matters. Fair procedure for hiring and managing employees needs to be followed to maintain transparency. Copies of advertised job openings from newspapers, website or any other medium, job description, resumes and appointment/contract letters issued to fulltime, part time, volunteers or consultants should be in place.

Employees’ benefits should be clearly described and communicated. Copy of health insurance of employees done by the organisation, and written policies related to human resource, gender, diversity and anti-sexual harassment should be provided to the staff. The Organisation should make appropriate financial arrangements to protect its ability to honour its
obligations to employees.

The Organisation's expectations of its employees and volunteers should be clearly defined and communicated. Lastly, organisation should have policies that elucidate the need to promote gender and minority equity in recruitment, hiring, training, professional development and advancement.

**Principle III: Financial Resource Management/Financial Controls:**

The Organisation should conduct its finances while assuring appropriate use of funds and accountability to donors. The indicators for financial accountability would include a copy of annual audited financial statement by a qualified and independent chartered accountant; copy of financial manual/policy containing written procedures, financial rules, routines and process; minutes of annual general meeting containing financial statements; copy of auditor’s report; copy of balance sheet and treasurer’s report.

The Organisation's combined fundraising and administration costs should be kept to the minimum necessary to meet its requirements. Allocations of expenditures to administration, fundraising, and program services should reflect the organisation's purposes and actual activities, and their records should be duly made in accordance with generally accepted accounting principles. In case of funding from foreign sources, copy of FCRA certificate by the MHA should be available. A separate book of accounts for foreign money, its expenditure and exchange in accordance with applicable laws and government approvals should be maintained. Copy of certificate from chartered accountant along with audited balance sheet, income and expenditure statement, and receipt and payment statement need to be provided by organisations receiving foreign contributions.

The organisation should operate according to the budget approved by the Board. It is required to exercise adequate internal controls over disbursements to avoid
unauthorized payments. The organisation should not have any funds that are not accounted for and prohibit any unaudited transactions or loans to Board members and staff. Important indicators which ensure this are the copy of monitoring and evaluation report submitted to the donor; and the copy of accounts disclosing the funds raised by the organisation. Accurately disclosing the amount raised and spent ensures transparency and maintains ethical standards of fund raising.

Principle IV: Communication to the public:

Organisation should be committed to full, honest, and accurate disclosure of relevant information concerning its goals, programmes, finances, and governance. Fundraising solicitations should be truthful; accurately describe the organisation’s identity, purpose, programmes, and only make claims which the organisation can fulfil; and avoid placing excessive pressure on donors. There should be no material omissions or exaggeration of facts, no use of misleading photographs, nor any other communication that would tend to create a false impression or misunderstanding. Information in the organisation’s appeals should give accurate balance to the actual programmes for which the funds solicited will be used. The organisation should not undertake negative advertising or criticize other member organisations to benefit themselves. Copy of flyers, publications, and any material used for communication with the public should be available. Moreover, organisations should encourage participation of its partners in the formulation of communications to the public.

An organisation’s communications should respect the dignity, values, history, religion, and cultures of the people served by the programmes and not indulge in producing prejudices and biases. Maintaining copy of pro-active sharing of information policy is an important parameter in this regard.
Principle V: Programme standards:

Minutes and reports of programmes conducted should be made available to participants, donor agencies and other stakeholders in order to improve the efficacy of the programmes. List of public policy and advocacy activities in which the organisation is involved, especially if lobbying, are important indicators to ensure that organisation’s activities are consistent with the mission and defined public interest. Documentation of best practices or case studies depicting the impact of advocacy, photographs or any other relevant document is also a good practice. Availability of monitoring and evaluation reports of programmes, which includes well defined evaluation procedure for the board, staff and projects is an important indicator of mutual accountability/regular monitoring.

Gender and diversity sensitisation, and disability inclusion strategies should be enmeshed with programme activities of the organisation. For this, regular review of programme planning, proposal and evaluation reports should be undertaken.

Guided by Self-Certification principals, The CSOs would be committed to take proactive actions to improve and be fully accountable for their development practices. Equally important will be enabling policies and practices by all actors. Through actions consistent with these principles, donor and partner country governments demonstrate their agenda that they “share an interest in ensuring that CSO’s contributions to development reach their full potential.

Challenges for self-regulation:

The diversity of self-regulatory initiatives reflects the fact that their form is shaped by contextual factors such as the level of development of civil society, the resources that are available, and the nature of relations with the state. The different initiatives represent the efforts of the organizations to raise the standards of the sector and also their accountability priorities. For example, most of the initiatives
involving development organizations still give precedence to governance and financial management. There is still much work to do on focusing on beneficiaries and letting them shape priorities.

Another important challenge for the sector is how to raise standards without these being prohibitive for smaller CSOs. Usually, the higher the stringency of compliance mechanisms, the more the time and resources are needed. Certification schemes, for example, are very stringent as organizations are certified and monitored against a known set of standards. However, they will usually require organizations to pay a fee to get the accreditation or label, which smaller organizations are unable to afford.

Self-regulation is a rapidly evolving field, with the vast majority of initiatives having emerged over the past decade and many still currently in development. While the research methodology for building the inventory was designed to minimize oversights, the inventory is a work in progress and will rely on its users to keep it up to date.

As a sector grows particularly those that affect public interest, some level of regulation is necessary and desirable either by government, by NGOs themselves or both to ensure that the members of the sector are able to uphold responsibility in their work in the course of addressing public interest. However, the scope of such regulatory environment needs to encompass the sector as a whole. Locally and globally, the high profile role that NGOs play in their advocacy efforts is not matched by their ability to communicate their capacity to discipline themselves.

Accountability cannot be imposed; first and foremost, those that are still unaware must be made to understand that NGOs’ noble intentions to serve public interest comes with great responsibility and that such responsibility needs to be exercised towards a variety of stakeholders. Self-Certification are noteworthy but they need to be popularized and there need to be enforcement mechanism to give them “teeth” so that NGOs that subscribe to them will take them seriously. Bothwell
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shares an example of how the codes of conduct of two U.S. coalitions of NGOs were not enforced because they did not promote them properly among their members. The challenge is how to make these tools available to NGOs so that they can choose the more appropriate ones or they can develop their own to demonstrate their accountability. Accountability can be both an end in itself -- representing democratic values -- and a means towards the development of more efficient and effective organisations. Politicians and public servants are given enormous power through the laws and regulations they implement, resources they control and the organisations they manage. Accountability is a key way to ensure that this power is used appropriately and in accordance with the public interest. Accountability requires clarity about who is accountable to whom for what and that civil servants, organisations and politicians are held accountable for their decisions and performance. Accountability and the rule of law require openness and good information so higher levels of administration, external reviewers and the general public can verify performance and compliance to law.

There is broad social consensus, locally and globally, about the important role of civil society in building social capital and strengthening democracy, however public disenchantment with civil society could also foment apathy and indifference among people. NGOs need not blame themselves entirely for this situation. Certainly unscrupulous groups that have exploited the political value of “civil society” are more to blame. However, the irony about a society that hosts one of the most advance NGO communities in terms of self-regulation that has also lost confidence in this community is quite disconcerting. There is urgent need to take great effort for the NGO community to remedy this situation and to prove that they are capable of regaining their important role in society.

NGOs need to realize that they will inevitably need to engage the public in their work. The next big source of funding to sustain development work is the public. However, tapping public funding at this time will be extremely difficult for NGOs because of their low level of credibility. Thus, apart from establishing sector wide
as well and institutional level measures of accountability, NGOs will have to face the challenge of soliciting public participation in reporting on errant NGOs through complaints and grievance mechanisms to show that NGOs are confident to face public scrutiny and are willing to face the consequence of reprisals.

Also self-regulatory system of NGOs must be inclusive and conceived as one that is open to reflection, evaluation and change over time and that it should be an educational and capacity building process for all concerned.

A comparison with Different Model of accreditation:

The political environment in which NGOs operate has changed irrevocably over the past decade. Good intentions and values used to provide a sufficient basis for NGO legitimacy, but there is now increasing pressure on NGOs to provide evidence that they are having a positive impact and are effectively representing those they claim to support. In recent years, NGOs have gained increasing influence over national and international policy and they are now providing many public services. With growing resources being channelled into the sector, it has become imperative that NGOs, regardless of the sector or country in which they work, are able to demonstrate to whom and for what they are accountable. While some NGOs are addressing the issue of accountability individually, many are also tackling it collectively. Self-regulation mechanisms such as codes of conduct and self-certification are attempting to develop common norms and standards around to whom and for what they are accountable. Accreditation by an agency such as Guide Star and Credible Alliance provides more rigorous evaluation methods, technical assistance in identifying and correcting organizational weaknesses, and substantial responsibility on the part of rated organizations to produce evidence of compliance with each standard. Because of its rigor, this mechanism is likely to be meaningful to donors, the public, and others relying on the certification, but its high cost and high standards may place it out of reach for many small or new organizations.
NGO accountability is a complex issue. Organizations need to be accountable to many different sets of stakeholders which, separately and collectively, play an integral part in their operations. Institutional donors provide funding, Government provide regulatory framework and Beneficiaries provide the basis for an organization’s purpose and moral legitimacy.

Accreditation is the independent evaluation of certification bodies against recognised standards to ensure their impartiality, competence and consistency. It is not surprising that a sector, so visible and so vocal, has attracted, from time to time, the attention of commentators who have raised questions about the credibility and accountability of several of these institutions. Now and then, reports have also appeared about the blacklisting of certain VOIs by official agencies, based on deficiencies noticed in their functioning or reporting practices. These have further dented the image of the sector. The accountability of not-for-profit organizations has been the subject of substantial debate and analysis. The increased interest in not-for-profit accountability has been attributed to a number of factors, including rapid growth of the sector and its emergence as a major economic actor, the concomitant increase in funding to the sector, increased influence of NGOs in shaping public policy, and the crisis of legitimacy stemming from highly publicized scandals.

The rising interest in accountability has been accompanied by increased interest by the sector in addressing accountability issues through self-regulation. As a result, a variety of self-regulatory programs have been created worldwide. These efforts have involved the promulgation of standards for ethical behavior by which member or rated organizations are expected to govern themselves. In India too the voluntary sector has been alive to these questions concerning its own credibility. When you critique other sectors and institutions, government and corporate, you have to be ready for stones thrown at your own glasshouse. Attempts have been made in the past, therefore, to evolve certain codes of conduct to improve the image of the sector. VANI have tried to formulate guiding principles for their
member organizations.

Many organisation like Give India, Credible Alliance and HAP do the accreditation but it is not accessible to all as In India there are a lot of organisations who work in the interior, in rural setup and are doing some incredible work but due to the lack of resources they could not afford to get accredited by these big accreditation agencies and which resulted them losing a lot of good projects and resources. That is the reason VANI has developed Self- Certification document for the NGOs as Self-certification is low cost, easy to administer for both the rated and the rating organization, and is accessible to a wide range of organizations. But the effectiveness of this mechanism depends in large part on the seriousness with which individual organizations. Accreditation by an accreditation agency provides perhaps the most significant assurance that an organization meets certain standards of quality in its delivery of services. It is without question one of the most expensive types of mechanisms to implement, both for the rating and the rated organization.

There are three main models for certification-type mechanisms, which have the following strengths and weaknesses:

1) **Peer Review** is one of the more rigorous evaluation methods examined in this study. The methodology is characterized by independence of the raters, technical assistance in identifying and correcting organizational weaknesses, and substantial responsibility on the part of rated organizations to produce evidence of compliance with each standard. Because of its rigor, this mechanism is likely to be meaningful to donors, the public, and others relying on the certification, but its high cost and high standards may place it out of reach for many small or new organizations.

2) **With ratings organization evaluation,** a program functions much like a traditional charity watchdog. Organization it solicits information from the organization and rates it according to the standards, and publishes its
conclusion as to whether an organization has met the standards, as well as a report detailing its findings, for public consumption. These programs depend heavily on the credibility of the rating agency.

3) **Accreditation by an accreditation agency** provides perhaps the most significant assurance that an organization meets certain standards of quality in its delivery of services. It is without question one of the most expensive types of mechanisms to implement, both for the rating and the rated organization.

**Self-certification** is low cost, easy to administer for both the rated and the rating organization, and is accessible to a wide range of organizations. The Self-certification is to enable the VOs to demonstrate their accountability, legitimacy and effectiveness. This Framework creates a renewed opportunity for collaboration and synergies between CSOs, developing country governments, donors and other aid actors, in support of peoples’ efforts to achieve their own development and claim their rights.

The ground realities, in view of the variations in the accreditation regimes, leave enough flexibility to devise an approach to suit its genius. It nevertheless makes the exercise of picking up the best practices and benchmarking its own formulations an enormously daunting task.

**Conclusion:**

The landscape of CSO self-certification is much more populated than expected, CSO self-certification is a rapidly evolving field with many initiatives having emerged in the past ten to fifteen years. Developments need to be monitored closely and globally in order to keep pace with these changes. Self-certification is influenced by factors such as the level of development of civil society, the resources that are available, and the level of debate on quality and accountability issues and
the nature of relations with the state. Finally, CSO self-regulation has not permeated the sector evenly. Countries and regions where government remains largely authoritarian and the space for civil society to operate remains limited, self-regulatory initiatives tend not to have developed. Countries that are experiencing extensive civil conflicts also tend not to have developed CSO self-regulatory initiatives; many post-conflict countries are just beginning to develop CSO umbrella organisations.

The challenge of bringing about the renaissance era of Indian CSOs is a daunting challenge --- resources are scarce, spirits are low and bad habits are deeply ingrained. It is not suggested here that increasing the accountability of NGOs is the panacea to remedy this serious crisis. Rather, the premise is that promoting good governance among NGOs could be an important step in regaining and enhancing their public credibility. Voluntary Action Network India- (VANI) could play an important role in this process since it is already internationally recognized as good player in NGO self-regulation and have a mass reach. At the same time, it has built the necessary infrastructure to carry out a sector-wide campaign to shore up accountability practices as a measure of regaining public trust and recapturing the NGO community’s essential role in development.

A structure must provide rewards for NGOs to institute accountability practices and increase the risks and sanctions of not doing so. This approach is proposed because experience has shown that accountability cannot be imposed. NGOs need to first understand why accountability is important, become aware of different dimensions and methods of demonstrating accountability then choose the method/s that is/are applicable to their organization depending on their mission and operation. At the most basic level for instance, efforts must be made to make small NGOs with very limited focus and operation aware of the minimum standards of accountability that they need to uphold to enable them to perform their work effectively and sustainably. They should not be “forced” to institute complex accountability systems which would jeopardize the viability of their
operations. At the same time, NGOs cannot also be left to freely decide whether they want to institute accountability measures or not.

There is a need to conduct an information campaign to launch Self-Certification initiative and plan for a sustaining mechanism to broaden and deepen awareness on accountability measures among CSOs. VANI needs to take a leadership role in this by working with NGO networks which have already established systems of promoting discipline among their members as well as other institutions that have the competence to develop the schemes that are necessary to promote greater accountability among NGOs and to sustain development work in the country. The accreditation of the voluntary sector is a topical issue in most of the countries big and small, developing and developed as well as internationally, the accreditation as a due diligence may still be ascribed to be in an evolving phase.

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About Voluntary Action Network India (VANI)

Voluntary Action Network India (VANI) is an apex body of the Voluntary Organisations.
- Founded in 1988 to act as a promoter/Protector and collective voice of the voluntary sector.
- Base of 10000 non-governmental organisations spread in 25 states of India.
- Resource Centre for publications, research work, articles, important documents and information about and related to the voluntary sector.

- As a platform, to promote voluntarism and create space for voluntary action.
- As a network, attempt to bring about a convergence of common sectoral issues and concerns for building a truly national agenda of voluntary action in India. In addition, facilitate linkages of various efforts and initiatives of the Indian voluntary sector, which succeed in strengthening a united and sustainable movement of change.
- An as association, work towards fostering value based voluntary action and long term sustainability especially amongst our members.

- Promoting practices of good governance in the voluntary sector.
- Strengthening networks
- Articulating independent voices of the sector.
- Research and advocacy of policies and law effecting the voluntary sector.

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