

A Proposal for a Code of Ethics and a Code of Conduct for Non-Governmental Organisations in the Arab World

Introduction:

The Human Development Report, prepared by the United Nations Development Programme, as well as the successive human development reports in the Arab States raise several issues regarding the state and future of political, economic and social progress in the Arab World. The most important finding of these reports is probably the pessimistic view that clearly exposed a weakness in the democratic progress, a lack of respect for human rights and general freedoms in some Arab States, and low-income rates versus high rates of poverty and unemployment as well as social marginalization. The UNDP Human Development Report also indicates the low and weak status women hold on the social scale, their weak participation in public life and affairs, and the increase in discrimination against them in all respects.

The lack of regional security and peace in the Arab World, and the persisting regional and global conflicts have left a deep mark on the state and future of democratic progress in the Arab World, and therefore the responsibilities of all stakeholders. The present condition in the Arab World clearly indicates that democracy, pluralism, respect for human rights, comprehensive and balanced development and justice are important elements in enhancing national security and independence for the Arab States in face of any outside threats, wellbeing and political, economic and social progress.

In order for the NGO sector in the Arab World to be able to respond to all these variables, and play an integral and central role in the desired change, it needs to work on several levels, most important of which is bringing about radical changes in the moral, developmental, structural and organisational frameworks.

The incessant adoption of old institutional methods based on charity, political individualism and sectarianism, tribalism and narrow geographic conflicts, holds no promise for promoting democracy and respect for human rights, nor will it engender an effective, balanced and sustainable development. NGOs in the Arab World need to adopt new values and effective strategies, and

define their objectives clearly and accurately; but most importantly, to manage the transition process from relief to development and from the natural society to the civil society with the utmost effectiveness. For NGOs in the Arab World to be able to perform their roles, radical changes need to be made to their structural makeup and institutional framework so they can become more transparent, democratic and accountable to the local communities.

In this spirit comes Bunian's initiative to create and develop a group of guiding general principles, as well as elements and components of an ethical code for NOGs in the Arab World. And the timing of this initiative is perfect as the criticism of transparency and accountability in NGOs is mounting, and NGOs are striving to bring about radical changes to their performance and governance principles.

Developing an ethical code of conduct is an important tool in promoting transparency and accountability in the work of NGOs, and helping them enhance their democratic and societal roles. But this step will not be sufficient without a clear implementation mechanism, and a real commitment by NGOs to implement all the components of this mechanism. The main objective of the code of ethics and code of conduct is to enhance transparency and the principles of Good Governance in the work NGOs, a step that will enable them to perform their roles efficiently, and to seriously contribute to the processes of democratic transition and development in the Arab World.

In our search for a code of ethics for NGOS in the Arab World, we will not be starting from scratch, as there are presently dozens of attempts to create ethical systems to govern the non-governmental work, and define its public policies; we will rather rely on a group of elements from several codes of ethics and conduct. It is also noteworthy that forming these preliminary elements is the beginning of the process not its end, and that extra effort will need to be made in the future for these elements to be finalized.

A- Conceptual/ Ethical/ Developmental Framework

I. The cultural/ ideological principles the code of conduct needs to rely on:

The creation of cultural vision and an appropriate moral scale for the work of NGOs in the Arab World needs a serious discussion

that relies on various factors, some regional, some international and other related to the history of the region. But based on the past experience of NGOs' work in the Arab World, and after reviewing some of its ethical and cultural frameworks, we suggest the following ethical and cultural bases:

1. A culture not based on violence but on respect for life.
2. A culture built on solidarity and the formation of a just economic system.
3. A culture built on tolerance and a life based on respect for the truth.
4. A culture based on social, ideological and political pluralism that guarantees equal rights for all citizens irrespective of sex, belief or religion.
5. A culture built on participation from both men and women.
6. A culture built on a people's right for self-determination.
7. Contemporary international human rights conventions.
8. Democratic legitimacy and pluralism, whether on the level of society as a whole, or the level of work inside organisations.
9. Transparency and accountability according to clear agreed upon systems.
10. The implementation of organised scientific thinking methods where it concerns analyzing the problems of society as a whole, or through their work according to the principles of social care and comprehensive development.

II. The developmental principles the code of conduct needs to rely on:

1. The process of development should concentrate its efforts on and give priority to fulfilling the needs and aspirations of the poorest and most marginalized people. It should also deal with the current demands of human rights, confront the problems of natural environment, and strive to peacefully resolve social conflicts.
2. Development is a social, cultural and political process not simply mere economic achievements.
3. Development programmes should direct their efforts to support civil society organisations, and voluntary organisations should make an active contribution in this process.

4. Development, which is a basic right, should aim at achieving a proper implementation of human rights and ensuring basic freedoms.
5. Development should concentrate on people whether in the process of forming objectives or distributing outcomes.
6. Development should help the poor, the oppressed and marginalized to come together and organise themselves in order to improve their political, economic and social conditions.
7. Development should fulfil basic needs.
8. Development should target the roots of inequality not just its symptoms.
9. Development should be sustainable and not negatively affect the needs and future of coming generations.
10. Development should strive to achieve social justice through the fair distribution of power, and wealth and the freedom of access to resources.
11. Development should reflect the interests, vision and expertise of women, and allow them to attain their economic, social, cultural, civil and political rights.
12. Development should require and facilitate the full participation of marginalized individuals and groups, irrespective of sex, religion, age or ethnicity, in the process of decision making on the national level in general and the developmental level in particular.
13. Development should respect ideological and political pluralism and the political, economic, spiritual and cultural rights of all citizens under the umbrella of an effective democratic system.
14. Development should identify the harms of militarism, and aim at achieving peaceful resolutions for violent conflicts whether international, national or local.
15. Development is a universal process, and should connect between the common interests and causes, and set the groundwork for a global and universal movement for change.

B- A Code of Conduct and Demeanour

We have previously drawn attention to the importance of the moral and cultural framework in the work of NGOs. However, creating this framework and adopting it is not enough to develop and enhance the role of NGOs in the Arab World unless it is coupled

with a clear organisational institutional vision, elements and framework based on the suggested moral framework. In this light, we will attempt to draw up some ethical principles as a reference for the process of governance and management in NGOs, after which we will discuss some practical measures to enhance transparency and accountability in the work of NGOs.

I. Governance and management in NGOs – moral and ethical principles:

1. Each organisation should have an independent active reference committee that ensures that any necessary information reaches all its members, and on condition that the committee work on a voluntary basis without any financial benefits. There should also be clear policies and procedures to regulate its work, especially with regards to the recording of its meetings and their regularity, and electing it on a periodic basis.
2. Reference committees should adopt a clear policy that prevents any conflict of interests whether with regards to the organisation's members, directors, or staff.
3. The reference committee should, at least, endorse the general vision, strategies and policies of the organisation, and ensure safety, transparency and accountability in its work. But it should be noted that the process of deputizing the committee with responsibilities and powers should be based on the free choice of the people responsible for it, and according to the organisation's internal bylaws. In this regard, and in order to lend non-governmental organisations a proper and adequate legal protection, including a description of the duties and powers of the members of the reference committee, NGOs need to adopt an internal bylaw consistent with its objectives and organisational structure.
4. The reference committee needs to adopt a clear policy and professional criteria for membership. Because denying someone membership in the committee maybe understood as a discriminatory act based on sex, ethnicity, nationality, colour, religion, age or mental or physical handicaps.
5. The reference committee should adopt a general policy that encourages and seeks equity and equality between the sexes and participation from the minorities.
6. The reference committee needs, in collaboration with other stakeholders, to reevaluate its objectives, programmes and

projects in light of the change in the international, regional and local environment through a continuous process of strategic planning.

7. NGOs should declare:
 - their values, vision, goals, mission and policies.
 - the mechanisms and methodologies of their work, and the activities they conduct.
 - their geographic outreach.
 - their structure, especially how they are run and the process of decision-making they adopt.
 - their reference committees and the extent to which their members are connected with other organisations.
 - their funding sources, and how the money is used and their methods of internal supervision.
8. All of the organisation's functions should be conducted with integrity and transparency, and all information regarding any of its activities should be accessible to all stakeholders.
9. The organisation should guarantee that any accusation or complaint by a member, employee, volunteer or director about any misdemeanour or any irregular act from any party in the organisation is dealt with integrity and without bias, and that the right of all parties to confidentiality and privacy is respected.
10. The organisation should refrain from participating in any dubious financial activities, and repair any damage that may arise in that respect, whether from any members of the reference committee/s or the staff.
11. The organisation should respect the dignity, values, history, religion and culture of the local community in all its activities, irrespective of race, religion, identity, colour or age.
12. The organisation should make serious efforts of attain self financing to ensure its independency and capacity to achieve its vision, mission, values and objectives and cater for the interests and goals of its targeted groups.
13. To ensure that the process of fund raising does not harm the interests of other organisations, in light of a broader perspective that takes into account the benefit of the NGO sector as a whole.

II. Practical measures to enhance transparency and accountability:

A- Financial Management

Financial management in NGOs should be efficient with high professional standards, and should aim at developing the capacities of NGOs and the continuity of their work. And in order for NGOs to manage their financial affairs, they should:

1. use grants in a way that ensures accountability to all concerned parties.
2. conduct an annual audit by an independent and certified public accountant, and the audited financial report should be congruent with the accounting principles agreed upon internationally, as well as with the programmatic and actual condition of the organisation.
3. give the audited financial report to any party that asks for it whether in full or summarized upon a written request and in a specified period of time.
4. implement the budget after getting it approved by the reference committee. Moreover, NGOs should be accountable about all grants from the moment they receive them until they are used and spent on the different projects and activities. They should also adopt an effective and transparent internal bylaw for financial supervision.
5. totally refrain from giving any amount of money or grant not included in the budget agreed upon by all stakeholders, as well as giving money/ grant not possessing any supporting documents.
6. ensure that the grants are spent on the goals set for them.
7. totally refrain from giving money to the members of the reference committee.
8. ensure that the conditions for contracts, grants, agreements, procedures, schedules and reports are acceptable to both parties upon negotiating with donor organisations about receiving the desired grants or drafting contracts
9. accept grants and sign contracts that adhere to their goals and objectives, and that:
 - do not compromise their independency.
 - do not burden them, or be more than what they can manage.
10. try to avoid depending on single, narrow, or temporary funding sources; and when possible, it would be better to rely on an increasing number of donors and long-term grants.
11. ensure that all administrative and programmatic expenditures have been accurately accounted for and included in the budgets, and that adequate resources have

been designated to fulfil these various aspects when preparing budgets and calculating costs.

12. possess sufficient and adequate procedures to monitor and review financial matters.

III. Management

The management of NGOs should be qualified and efficient, and aim at expanding the capacities of NGOs, and ensuring the continuity of their work. Managerial efforts should include setting measures for:

1. an effective management and an efficient mechanism for daily decision making according to the principles of accountability and following clear duties, powers, and job descriptions for all staff members, and an accurate definition of roles, duties and internal relations.
2. planning activities, programmes and projects.
3. constant monitoring, following-up and reviewing of activities, programmes and projects.
4. evaluating activities, programmes and projects with the participation of beneficiaries whenever possible.
5. optimum use of the human resources in the organisation, and expanding capacities and developing skills whether for the members of the reference committee, staff, volunteers or beneficiaries based on the principles of equal opportunities and equality between the sexes.

IV. Public fund raising

1. The process of fund raising should enjoy the credibility and trust of the local community. It should also accurately describe the identity, objectives, programmes and needs of the organisation. In addition to that, the grants the organisation really needs and can manage efficiently should be defined. On the other hand, and among the things the organisation should refrain from doing are: using misleading information (like deliberately withholding information or exaggerating facts ...etc), using misleading photographs or using any means of communication with the purpose of creating a false impression or wrong perception among the public.
2. When conducting public fund raising, the organisation needs to ensure that:

- the donors are fully aware of the organisation's mission, and the way it intends to spend the donations, as well as its ability to use the grants efficiently and effectively and according to the set goals.
- the donors have the right of access to the most recent audited financial reports, and a list of the members of the reference committee.
- any information pertaining to grants is treated with the utmost secrecy, if the donors wished so, and to the extent allowed by law.
- all measures are taken to guarantee its accountability to the public.

V. Human Resources Management

1. The organisation should follow and apply effective and efficient management methods conforming with its mission, operations and managerial structure.
2. The organisation should make sure it has written, clear and definite policies, as well as clear procedures regarding its staff and volunteers.
3. These policies should be well defined, and should protect the rights of all members of the staff, and guarantee a fair treatment in all matters.
4. The organisation should make sure it has all the financial procedures in place to safeguard its ability to meet all its financial commitments towards its staff.
5. The organisation's expectations from the staff and the volunteers should be accurately defined and circulated among all workers.
6. The organisation should support equity and equality between the sexes, as well as equality for minorities in employment, training and professional advancement.
7. The organisation should ensure that it employs people who possess professional abilities and a commitment to its mission, values and objectives.
8. The organisation should ensure the professional advancement of all its workers.

Annex of Some Detailed Questions Concerning Transparency Inside NGOs

These questions have been derived from the institutional analysis methodology called: Organisational Capacity Assessment Tool (OCAT).

I. Governance

A- Boards of directors and trustees:

1. Does the reference committee set the public policies of the organisation and take on general supervision duties.
2. Does the reference committee ensure accountability and credibility in the organisation.
3. Does the reference committee have the ability to perform main roles like designing policies, fund raising, public relations, financial supervision and monitoring as well as lobbying and advocacy.
4. Does the reference committee consist of committed members representing the interests of the different stakeholders.
5. Are there adequate tools and mechanisms that facilitate securing the contributions of all concerned parties.
6. Does the reference committee exercise its role as advocate for the local community.

B- Vision, mission and objectives:

1. Has the NGO drawn a clear mission and objectives.
2. Do all concerned parties understand the organisation's mission and objectives.
3. Do the organisation's strategies conform with its mission and objectives.
4. Do strategies and the ways of their implementation have to be clear.
5. Are work plans designed and developed by the high management, workers and some of the relevant stakeholders.

C- Legal status

1. Is the organisation registered according to the law of non-governmental organisations.
2. Does the organisation enjoy all privileges afforded to it by the law.

C- Stakeholders

1. Is the organisation capable of identifying all stakeholders.
2. Are stakeholders (concerned parties, committees) acknowledged as partners.
3. Are the needs of the organisation and stakeholders taken into consideration during the planning process.
4. Do stakeholders (the local community in particular) participate in the process of reviewing the mission and strategies of the organisation.

D- Leadership

1. do reference committees and high management have a clear understanding of their different roles and responsibilities as supervising bodies over the policies of the organisation.
2. Is the leadership model of management a participatory one.
3. Is the higher management accountable to the main stakeholders.
4. Do all stakeholders have access to the organisation's management.

II. Managerial practices

A- The organisational structure and culture of the organisation:

1. Does the NGO have an organisational structure with a clear line of authority and responsibility.
2. Are the organisation's management policies clear in order to ensure a follow-up process of the implementation of the organisational structure.
3. Do management policies reflect the principle of accountability between workers.
4. Are there fixed systems to ensure that the culture of work and execution conforms with the organisation's mission and objectives.
5. Are there clear systems to guarantee the participation of both male and female workers in decision-making.
6. Does the organisation have policies and procedures to ensure mutual accountability between all stakeholders.

B- Planning:

1. Are the contributions of stakeholders taken into consideration in the planning process.
2. Do the executive plans reflect the strategic plans.
3. Are the executive plans constantly developed and updated.

4. Are resources put in place and used in a satisfactory manner.
5. Is there flexibility in altering plans as a result of the follow-up and monitoring process.

C- Human Resources:

1. Are there clear criteria for selecting employees.
2. Is the employment method clear.
3. Is there an accurate and definite job description for all workers.
4. Is the employment method transparent and does it allow for free competition.
5. Does the management encourage mutual respect between employees.
6. Are there clear procedures for the work of employees.

D- Preparing and developing programmes:

1. Do employees and other stakeholders participate in the planning, implementation, follow-up and evaluation of programmes.
2. Does the planning of programmes include activities relevant to follow-up, monitoring and evaluation.
3. Do the alterations made to the programmes take into consideration results of the activities relevant to follow-up and evaluation.

E- Administrative procedures:

1. Is there a guide for administrative procedures.
2. Are these procedures adhered to.
3. Are the administrative procedures constantly updated.

F- Risk management

1. Are there fixed systems to decrease organisational and administrative violations.
2. Is there a regular inventory of assets.
3. Does the organisation conduct an annual external examination of its administrative procedures.

G- Information systems:

1. Are there systems for gathering, analyzing and delivering information.
2. Are workers trained on information systems management.
3. Are systems used to process and evaluate information.

H- Writing and preparing reports:

1. Does the organisation have the ability to issue reports.
2. Are there regular reports prepared about activities.
3. Are there regular reports prepared regarding the evaluation of activities.
4. Does the organisation publish reports about its activities and make them public.
5. Are the report forms flexible and diversified, and do they respond to the different requirements of the stakeholders.

III. Financial resources

A- Accountancy

1. Are there clear and transparent financial procedures.
2. Are there separate accounts for the different programmes.

B- Budgets

1. Is the process of preparing the budget included within the executive plans.
2. Is there a financial unit responsible for preparing, managing and implementing annual budgets.
3. Are there estimated annual budgets.
4. Are annual budgets implemented.
5. Is the budget monitored according to regular bases.

C- Monitoring of assets

1. Is there a system for monitoring assets.
2. Is there a follow-up of the process of monitoring assets.
3. Are there clear contractual procedures.
4. Are the contractual procedures used.
5. Is there a regular internal audit.
6. Is there a regular external audit.
7. Are expenditures monitored according to the different items in the budget.

D- Financial reports

1. Is there an audited financial report by a licensed certified public accountant.
2. Does the organisation include a balance sheet in its reports.
3. Does a financial committee from the board of directors and trustees review the financial reports.
4. Are reports used in the planning and constant revision of objectives.
5. Are the financial reports published and made public.

E- The variation of the list and sources of funding

1. Does the organisation contract a various number of donors.
2. Is there a plan for financial independence or covering of costs.
3. Does the organisation have the ability to compete for contracts and projects.
4. Does the organisation have a plan to diversify the sources of support.

IV. External Relations

A- Relations with stakeholders

1. Does the organisation have credibility in front of the stakeholders.
2. Is the organisation considered a rich source for experience, information, knowledge, skills ... etc
3. Is the relation between the organisation and the stakeholders that of partnership to attain a mutual goal.

B- Relations between different NGOs

1. Do organisations promote networking and exchange resources.
2. Does the organisation hold activities with the participation of other organisations.

C- Cooperation with the government

1. Does the organisation keep contact with decision makers.
2. Does the organisation have the ability to include decision makers in the different dialogues.
3. Is there an exchange of resources between the organisation and the government.
4. Are the activities and recommendations of the organisation included in the government's plans for development.

D- Cooperation with donors

1. Does the organisation have various relations with donors.
2. Does the organisation have credibility in front of donors.
3. Is the organisation conceived of as a source of credibility and expertise in front of donors.
4. Does the organisation have the opportunity to hold open and frank dialogues with donors.

E- Relations with the public

1. Does the organisation have relations with the public.

2. Are the organisation's objectives clear to the different stakeholders.
3. Does the organisation hold a positive image with the public and stakeholders.
4. Does the information about the organisation's activities get distributed.

F- Local sources

1. Does the organisation have relations with the private sector in order to get the necessary technical experience and human resources.
2. Does the organisation participate in societal partnerships.
3. Does the organisation have certain structures in place that will help foster the relations with other civil society organisations.

G- The media

1. Does the organisation have a strategy for work with the media.
2. Does the organisation attract attention from the media.
3. Does the media consult with the NGOs about certain issues.

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