



CANADA'S COALITION TO END GLOBAL POVERTY
ENSEMBLE POUR ÉLIMINER LA PAUVRETÉ DANS LE MONDE

CODE OF ETHICS



PREAMBLE

The Code of Ethics sets out the minimum ethical standards Council members must meet in conducting their affairs. Many factors propelled the Council to originally develop the Code in the early 1990s. Changes in the nature of development work, in the structure of NGO institutions and in the relationships between northern and southern NGOs had transformed development into a complex enterprise, replete with management, administrative and communications challenges undreamt of 30 years before. The original sections of the Code, resoundingly approved at the 1995 CCIC Annual General Meeting, outline the principles of development, standards for governance, organizational integrity, financial management, fundraising communications and management practice and human resources. By the very act of adopting the Code, members confirmed their desire to work together towards higher and higher levels of ethical understanding and practice.

The political climate had once again begun to change by the time members came together for 2002 CCIC AGM. A global atmosphere of stricter state security, including tough anti-terrorism legislation placed the CCIC membership at a crossroads. They were concerned that they would face demands for increased accountability and control. Following this path would fundamentally change established development practices, undermining work toward equitable partnerships with southern CSOs. Instead, members chose to see this as an opportunity. The swift political changes highlighted the need to set down their collective understandings about equitable partnerships that had been developed over many years of solidarity work. Once again they looked to the Code of Ethics as a place to articulate their desire to reinforce ethical approaches to international cooperation. Members chose to work together to provide an understanding of the vision and ethical principles that guide our partnerships with Southern civil society organizations. Ratified in May 2004, the revised Code of Ethics captures these understandings and provides CCIC with a set of standards for assessing and building more equitable North/South partnerships over the long term.

A Guidance Document complements this Code of Ethics and is designed as a learning tool to help members interpret and apply the ethical standards. A self-certification process is the means through which each organization assesses its level of compliance and takes the steps needed to reach full compliance with the standards.

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The Canadian Council for International Co-operation (CCIC) is a coalition of Canadian voluntary sector organizations working globally to achieve sustainable human development. The council seeks to end global poverty, and to promote social justice and human dignity for all.

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For further information on the Code of Ethics, the implementation process or the Guidance Document, contact:

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1.0 DEFINITIONS

IN THIS CODE OF ETHICS:

"CCIC" means the Canadian Council for International Co-operation;

"CCIC Board of Directors" means the duly constituted board of directors of CCIC, or its legal equivalent;

"Member Organizations" means organizations that have been accepted as members by the CCIC Board of Directors;

"M.O. Board of Directors" means the duly constituted board of directors of each Member Organization, or its legal equivalent;

"Organization" refers to both CCIC and the Member organizations;

"Organization Board of Directors" refers to both the CCIC Board of Directors and the M.O. Board of Directors;

"Partners" means organizations and groups an organization is working with in a partnership relationship.

2.0 PRINCIPLES OF DEVELOPMENT

2.1 INTRODUCTION

- 2.1.1 The following statement sets forth a view of development which emerges from the collective experience of the CCIC members reaching back over many years and, in some instances, several decades and which is informed by reflection on that experience.
- 2.1.2 Development must give primacy to the needs and aspirations of the poorest and most marginalized of the world's people. It also addresses the urgent demands of fundamental human rights, the natural environment and the peaceful management of conflict. Development is a social, cultural and political process and not merely a set of economic investments.
- 2.1.3 CCIC subscribes to the *United Nations International Bill of Human Rights* and the *Declaration on the Right to Development* and supports its implementation through advocacy activities before the Government of Canada, international agencies and other bodies.
- 2.1.4 Because CCIC represents Member Organizations which themselves form part of Canadian civil society, it is naturally concerned with the advancement of a flourishing civil society in countries abroad. The strengthening of people's organizations, voluntary agencies and other socially beneficial institutions is integral to the practice of development.

2.2 CCIC'S DEVELOPMENT PRINCIPLES

The Canadian Council for International Co-operation and its members organizations are, therefore, committed to the following development principles:

- a) development, itself understood to be a basic right, should foster and promote the full realization of human rights and fundamental freedoms;
- b) development should be people-centred in both its purposes and the distribution of its benefits;

- c) development should enable people, especially the poor, the oppressed and the marginalized, to organize and to improve their political, social and economic situation;
- d) development should ensure the satisfaction of basic human needs;
- e) development should address the root causes of global inequality and not merely its symptoms;
- f) development should be environmentally and economically sustainable and not jeopardize the wellbeing of future generations;
- g) development should promote social justice through the equitable distribution of power, wealth and access to resources;
- h) development should reflect the concerns, perspectives, and experience of women, and enable women to realize their full economic, social, cultural, civil and political rights;
- i) development should both require and facilitate the full participation of individuals and groups marginalized, on the basis of race, national or ethnic origin, colour, religion, sex, sexual orientation, age or mental or physical disability, in political and economic decision-making;
- j) development should respect indigenous peoples and their rights to self-determination, to sovereignty over their own territories and to cultural integrity;
- k) development should respect the cultural and spiritual rights and integrity of all peoples;
- l) development should recognize the hazards of militarism and should promote peaceful solutions to violent conflict, whether international, national or local; and
- m) development is a global process which should link common interests and issues and build an international movement for change.

2.3 PARTNERSHIP PRINCIPLES

CCIC's collective experience has taught that establishing and maintaining relations with civil society organizations on the basis of partnership is key to achieving development outcomes in accordance with CCIC's Development Principles.

For the purpose of this section, partnerships refer to relations between CCIC members and civil society organizations—not individuals or governments—where a mutual agreement has been established committing each organization to a set of agreed principles and actions over an extended period of time .

Building on the Development Principles in Section 2.2, CCIC and its member organizations are committed to the following additional principles applying to partnerships:

- a) partnerships should be vehicles for long term accompaniment that support the right of peoples to determine and carry out activities that further their own development options, through their civil society organizations;
- b) partnerships should advance and exemplify the full realization of human rights and fundamental freedoms, social justice, equitable distribution of global wealth and environmental sustainability;
- c) partnerships should be built on shared visions and goals for society which imply mutual support and solidarity beyond the implementation of specific programs and projects;
- d) partnerships should be formed in a spirit of inclusiveness that respects and promotes the value of diversity;
- e) partnerships should embody equity. Acknowledging that inequalities often exist as a result of power dynamics, especially in funding relations, partners should strive for equitable partnerships;
- f) partnerships should be dynamic relationships built on respect and honesty, in which partners strive for better understanding and appreciation of one another;
- g) partners should be transparent and accountable to one another;
- h) partners should respect one another's autonomy and constraints and strive to foster a climate of mutual trust in all their partnership activities; and
- i) partners should endeavour to learn from one another and facilitate the sharing of knowledge.

3.0 CODE OF CONDUCT

3.1 PARTNERSHIPS

Partnerships with civil society organizations should be established based on the CCIC “Principles of Development” and “Principles of Partnership” as provided in section 2 above and may be enriched by additional development principles proposed and agreed upon by common accord.

3.1.1 Initiating a partnership

- a) Partnerships shall be based on a sense of common cause built on an understanding of each organization’s values, beliefs, goals, objectives and constraints.
- b) Partnerships shall be backed by mutually acceptable signed agreements, demonstrating that all parties have negotiated objectives, expectations, roles, responsibilities, and contributions to the partnership.
- c) Agreements between partners shall ensure shared responsibility for attaining the negotiated goals, objectives and stated outcomes.

3.1.2 Maintaining and strengthening a partnership

- a) Strong partnerships include action to address inequalities due to power imbalances. Partners shall identify and attempt to adopt concrete measures to enhance equitable relations.
- b) Partners shall strive to deepen their understanding of one another through transparent sharing of information. The activities relating to the partnership shall be open and accessible to the other parties, while respecting the right of individuals to privacy.
- c) Respect for differences—including cultural, religious, socio-economic and political differences—shall be a hallmark of every partnership.
- d) Partners shall engage in regular and open communications for the general health of the partnership and to ensure that all partners are properly represented and that no organization unilaterally speaks on another’s behalf.

- e) Organizations shall give credit to their partners' contributions, respect intellectual property rights and acknowledge appropriate ownership of products and results arising from partnership initiatives.
- f) Healthy partnerships are strengthened by prompt and constructive responses to differences of opinion that may arise between organizations. Partners shall proactively agree how conflicts shall be handled.
- g) Partnership agreements shall specify timelines for evaluating whether and how the partnership shall continue.
- h) When a transfer of funds occurs within a partnership, there shall be a negotiated and jointly signed contract within which there are mutually agreed upon reporting requirements to ensure that all parties use development funds as agreed.
- i) In the event of catastrophic circumstances, such as a major shortfall in funds available within a funding partnership, all parties shall promptly implement a mutually negotiated and agreed upon contingency plan.

3.1.3 Ending a partnership

- a) Terms, conditions and appropriate procedures for ending the partnership shall be included in the partnership agreement.
- b) In the event of unforeseen circumstances, all partners shall endeavour to maintain the same standards of conduct when winding down the partnership as were agreed upon for the operations of the partnership.

3.2 GOVERNANCE

3.2.1 Organizations shall be governed fairly, impartially, and responsibly by their respective Board of Directors.

3.2.2 Each organization shall have an independent, active, and informed Board of Directors, serving without compensation as directors. The Board shall 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). The Board may designate an Executive Committee, will define its role and will review its reports. The Board shall 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.

- 3.2.3 An Organization's Board of Directors shall adopt a policy which prohibits direct and indirect conflicts of interest by Directors of the Board of Directors, and/or employees and volunteers of the Organization. Such a policy should address issues such as: the receiving of gifts from or an affiliation with an actual or potential supplier of goods and services, recipient of grant funds, or organization with competing or conflicting interests; and the degree and nature of disclosure required by the person in the potential conflict of interest situation.
- 3.2.4 The Organization's Board of Directors shall approve policy statements and annual programs.
- 3.2.5 The Organization shall adopt a policy requiring that no person be refused membership or excluded from participation in the Organization, denied the benefits of membership in the Organization, or be otherwise subjected to discrimination by the Organization, on the basis of race, national or ethnic origin, colour, religion, sex, sexual orientation, age or mental or physical disability.

This does not supersede the right of the Organization to self-define when it is done in compliance with the law.
- 3.2.6 The Organization's Board of Directors shall have policies which work towards gender equity and participation of minorities.
- 3.2.7 The Organization shall be committed to full, open, and accurate disclosure of relevant information concerning its goals, programs, finances, and governance.
- 3.2.8 The Organization shall periodically reassess its respective mission and operations in light of the changing world environment through an on-going planning process.

3.3 ORGANIZATIONAL INTEGRITY

- 3.3.1 The affairs of the Organization shall be conducted with integrity and transparency. The activities of the Organization shall, upon request, be open and accessible to scrutiny by its respective donors, except for personnel matters, legal matters and proprietary information, including anything specified by provincial or federal laws.
- 3.3.2 The Organization shall ensure that allegations made by a member, employee, volunteer or director of that Organization of misconduct or other irregularities on the part of anyone associated with the Organization are dealt with impartially, respecting the rights of the involved parties for confidentiality and disclosure.
- 3.3.3 The Organization shall oppose and shall not be a participant to any wrongdoing or financial impropriety in any of its activities. It shall take prompt and firm corrective action whenever and wherever wrongdoing of any kind has been committed by any one of the Directors of its Board of Directors, or by anyone of its employees or volunteers.
- 3.3.4 In all of its respective activities, the Organization shall respect the dignity, values, history, religion, and culture of all people, irrespective of race, national or ethnic origin, colour, religion, sex, sexual orientation, age or mental or physical disability.
- 3.3.5 The Organization shall recognize that all of its activities impact on the public perception of the international co-operation community, and that it shares a significant responsibility to enhance the public trust, and act accordingly.

3.4 FINANCES

- 3.4.1 Without limiting any obligations that may exist at law, the Organization shall conduct its finances in such a way as to assure appropriate use of funds and accountability to donors.
- 3.4.2 The Organization shall have an annual audited financial statement, conducted by a qualified, independent accountant. The audited financial statement shall comply with Generally Accepted Accounting Principles and Requirements according to the Canadian Institute of Chartered Accountants.

- 3.4.3 The audited financial statement, full or summary, shall be provided to any inquirer upon written request within a reasonable time.
- 3.4.4 Each Member Organization shall submit an audited financial statement to CCIC, within ninety (90) days after the Member Organization's annual general meeting or the meeting at which the audited financial statement is approved.
- 3.4.5 Upon written or verbal request from CCIC, each Member Organization shall, within ten (10) days of the request, submit to CCIC an Annual Report including a statement of the Member Organization's purpose, full or summary financial statement, description of the goals, summary of overall program activities, results of the work of the Member Organization, and a list of the current Directors of the M.O. Board of Directors.
- 3.4.6 The Organization's combined fundraising and administration costs shall be kept to the minimum necessary to meet its needs. Allocations of expenditures to administration, fundraising, and program services shall reflect the Organization's purposes and actual activities, and shall conform to generally accepted accounting principles.
- 3.4.7 The Organization shall operate a budget approved by the Board. It shall account for funds from the moment they are received or committed until they are used in the project or services. It shall exercise adequate internal controls over disbursements to avoid unauthorized payments. The Organization shall not have any funds that are not accounted for and it shall prohibit any unaudited transactions or loans to Board members and to staff.
- 3.4.8 Contributions shall be used as promised or implied in the fundraising appeal or as requested by the donor.

3.5 COMMUNICATIONS TO THE PUBLIC

- 3.5.1 Fundraising solicitations shall be truthful, shall accurately describe the Organization's identity, purpose, programs and need, shall only make claims which the Organization can fulfill, and shall avoid using high-pressure tactics in

soliciting donations. There shall be no misleading information (including material omissions or exaggerations of fact), no use of misleading photographs, nor any other communication which would tend to create a false impression or misunderstanding. Information in the Organization's appeals should give accurate balance to the actual programs for which the funds solicited will be used.

3.5.2 In all its fundraising activities, the Organization shall ensure that:

- (i) its donors are informed of the Organization's mission, of the way the Organization intends to use donated resources, and of the Organization's capacity to use donations effectively for their intended purposes;
- (ii) the Board exercises prudent judgment in its stewardship responsibilities;
- (iii) its donors have access to the Organization's most recent audited financial statements and to a list of the Organization's current Board of Directors;
- (iv) donations will be used for the purposes for which they were given;
- (v) its donors receive appropriate acknowledgment and recognition;
- (vi) Information about donors and donations shall be treated with respect and in accordance with the donor's wishes as well as relevant law;
- (vii) its donors are informed whether those seeking donations are volunteers, employees or hired solicitors of the Organization; and
- (viii) its donors are encouraged to ask questions when making a donation and to receive prompt, truthful and forthright answers.

- 3.5.3 Any and all communications to the public by the Organization shall respect the dignity, values, history, religion, and culture of the people supported by its programs. In particular, the Organization shall avoid the following:
- messages which generalize and mask the diversity of situations;
 - messages which fuel prejudice;
 - messages which foster a sense of Northern superiority;
 - messages which show people as hopeless objects for our pity, rather than as equal partners in action and development.
- 3.5.4 The Organization shall control all fundraising activities conducted on its behalf. All fundraising contracts and agreements shall be put into writing.
- 3.5.5 The Organization will encourage the participation of its partners in the formulation of communications to the public.
- 3.5.6 The Organization will ensure that the content of the messages sent out in disaster appeals does not undermine the work of development education which calls for long-term response.
- 3.5.7 No organization shall discredit another member organization or CCIC in its public communications; nor shall it give out misinformation about its affairs or those of other members.

3.6 MANAGEMENT PRACTICE AND HUMAN RESOURCES

- 3.6.1 The Organization shall endeavour to follow sound management and business practices appropriate to its mission, operations, and governance structure.
- 3.6.2 The Organization shall have clear, well-defined, written policies and procedures relating to its employees and volunteers, including host country nationals and expatriates.
- 3.6.3 Such policies shall clearly define and protect the rights of employees, assuring fair treatment in all matters.
- 3.6.4 Employee benefits shall be clearly described and communicated and the Organization shall make financial arrangements to protect its ability to honour its obligations to employees.
- 3.6.5 The Organization's expectations of its employees and of its volunteers shall be clearly defined and communicated.
- 3.6.6 The Organization shall promote gender and minority equity, in recruitment, hiring, training, and professional development and advancement.
- 3.6.7 The Organization shall endeavour to recruit and retain staff that combine professional competence with a commitment to the mission of the organization.



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