

# THE FOUNDATION OF ACTIONAID INTERNATIONAL

## Memorandum of Understanding

Final Document  
17th September 2003

**act:onaid**  
international

# part one - foundation

## 1.1 Prologue

The origin of our commitment to transforming the ActionAid Alliance into an international organisation, governed and managed with vision and leadership and made up of people from the north and the south, can be found in our recognition that in our fight against poverty we can have greater impact when we are able to act together, in coalition and partnership with others, at all levels from local to national to global.

The structures that reinforce inequity, injustice and poverty are all closely intertwined across geographical and cultural boundaries. Traditionally funded by goodwill from the north, Non Governmental Organisation (NGO) development projects, whilst producing positive outcomes at local levels, are certainly not sufficient to eradicate poverty and often are not sustainable. They have not been able to change the overall pattern of massive and increasing poverty and inequity. The solution lies in a global movement, led by poor and marginalised people, for action against poverty that cuts across national and south-north boundaries. The founding of ActionAid International is our participation in, and contribution, to such a movement.

The founding of ActionAid International represents a structural transformation in the creation of a new organisation of affiliates governed by an International Board and supported by an International Secretariat. It also involves a cultural transformation through the development and sharing of a unifying set of core values, common vision, identity, mission, strategy, standards and systems for collective and determined action across organisational and national boundaries. The process of internationalisation and the consequent founding of ActionAid International is also based on the premise of respect for democratisation and diversity. These foundations make our governance resilient and enhance our legitimacy and accountability to our supporters, collaborators, partners and poor people in the countries where we work. ActionAid International aims to create a new and enhanced international profile and platform that will attract greater attention not only from those we wish to influence but also other organisations which would like to join us with the poor and marginalised people in the fight against poverty.

The founding of ActionAid International is our response to the changing external context of our work. We must respond to the changing nature and causes of poverty, be responsive to the ways in which international powers are organised and behave, and the ways our peers, partners, collaborators and poor and marginalised people organise themselves and

respond to the changes. In order to be relevant, effective and responsive in the fight against poverty, we must act as one organisation in solidarity with poor and marginalised people and others.

## 1.2 Purpose of this Memorandum of Understanding

The purpose of this Memorandum of Understanding is to:

- (i) Mark the founding of ActionAid International;
- (ii) Express the values, vision and mission of ActionAid International;
- (iii) Describe the nature and characteristics of the organisation, its affiliates, its governance and its management;
- (iv) Outline the guidelines and framework within which details such as the constitution, by-laws, licensing agreements, strategy and other aspects of the organisation can be developed.

This Memorandum of Understanding is a statement of intent. This is a one-off foundation document, which is not legally binding. This Memorandum of Understanding will form the basis for developing:

- (i) The Constitution for legal registration of ActionAid International in the Netherlands;
- (ii) The By-laws and regulations for guiding the operation of ActionAid International;
- (iii) Licensing Agreement (Affiliates/Associates Agreement) for guiding the relationship between ActionAid International and national organisations;
- (iv) Charter with the higher level commitments and declarations of the organisation for guiding the behaviour of the organisation;
- (v) Strategy for guiding the direction, resource allocation, objectives and activities of the organisation for a defined period.

It will be the prerogative of the International Board to interpret or amend any part of this Memorandum of Understanding.

## 1.3 Founding of ActionAid International

### 1.3.1 Founders of ActionAid International

As a result of a process of negotiations, ActionAid Brazil,

ActionAid Hellas, ActionAid Ireland, ActionAid (UK), ActionAid USA, Ayuda en Acción and Azione Aiuto have agreed to found a new organisation called **ActionAid International**.

ActionAid Brazil, ActionAid Hellas, ActionAid Ireland, ActionAid (UK), ActionAid USA and Azione Aiuto will be affiliates to ActionAid International.

Ayuda en Acción will be associated to ActionAid International through a special associate agreement to be negotiated between itself and ActionAid International. It is hoped that Ayuda en Acción will continue to engage fully in the internationalisation process as it moves forward with the aim of taking a phased approach towards becoming a full affiliate in the near future.

It is also hoped that Aide et Action will work with ActionAid International through the signing of a special agreement to be negotiated between itself and ActionAid International.

### 1.3.2 Aim

With the founding of ActionAid International we aim to:

- (i) Improve our performance and impact in the fight against poverty;
- (ii) Deepen our legitimacy and accountability to the people, communities and countries where we work both in the north and the south;
- (iii) Strengthen our profile, voice and influence for bringing about changes in attitudes, policies and practices in favour of poor and marginalized people;
- (iv) Raise more funds and support for our work from donors, the general public, identified groups and communities as well as from governments and private organisations
- (v) Expand and diversify our affiliates and associates as well as partnerships, coalitions, alliances and networks for effective solidarity linkages and collective action;
- (vi) Strengthen our identity, coherence and unity, while respecting diversity, through shared values, vision, mission, strategies, standards and systems;
- (vii) Develop and maximise the utilisation of skills, knowledge and capacity of our internal human resources and relationships across various parts of the organisation for increased synergy and reduced wasteful duplication.

## 1.4 Vision, Mission and Core values

### Vision

Our vision is a world without poverty in which every person can exercise her or his right to a life of dignity.

### Mission

Working with poor and marginalised people, our mission is to eradicate poverty by overcoming the injustice and inequity that cause it.

### Core Values

The founders of ActionAid International have agreed the following initial set of guiding values. During the process of developing organisational strategies and a Charter, these values will be reaffirmed and developed further.

- (i) **Mutual respect** – recognising the innate dignity and worth of all people and the value of diversity.
- (ii) **Equity and justice** – requiring us to work to ensure that every person irrespective of sex, age, race, colour, class and religion has equal opportunity for expression and utilising their potential.
- (iii) **Honesty and transparency** – requiring us to be accountable for the effectiveness of our actions and open in our judgements and communications with others.
- (iv) **Solidarity with the poor and marginalised** – our only bias will be a commitment to the interests of the poor and marginalised.
- (v) **Independence** - ActionAid International will be independent of any religious or party political affiliation.
- (vi) **Courage of conviction** – requiring us to be creative and radical without fear of failure in pursuit of the greatest possible impact on the causes of poverty.
- (vii) **Humility** – recognising that we are a part of an alliance against poverty and requiring our presentation and behaviour to be modest.
- (viii) **Efficiency** – commitment to manage our organisation in the most cost effective and efficient manner possible to maximise the impact of resources dedicated to our ultimate objective of eradicating poverty.
- (ix) **Excellence** – striving for the highest quality of work and performance.
- (x) **Proximity** - taking decisions as close to their consequences as possible.

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## 1.5 Scope and nature of ActionAid International's Work

ActionAid International will work in the following main areas towards achieving our vision and mission:

- (i) Anti-poverty programmes in southern poorer countries;
- (ii) Building public constituency and solidarity movements in the north and south;
- (iii) Advocacy, influencing and campaigning in the north and south;
- (iv) Fundraising in the North and South.

## 1.6 Identity

- (i) ActionAid International's identity will be a combination of its name and visual identity, its organisational culture and behaviour, its reputation and its relationships. The Identity will be consistent with ActionAid International's values, vision and mission.
- (ii) ActionAid International will be identified by the following key characteristics and expressions:
  - a) Taking sides with poor and marginalised people and communities;
  - b) Support to a global movement against poverty and injustice through linking people across political boundaries - including sponsorship and solidarity linkages;
  - c) Respect for equity – particularly gender equity – and diversity;
  - d) Accountability to all stakeholders, particularly to poor and marginalized people and communities we work with, and to donors, supporters and volunteers;
  - e) Critical engagement and, where necessary confrontation with people and institutions that cause poverty, injustice and insecurity;
  - f) Coherence, synergy and unity of our collective action;
  - g) Responsive, effective, efficient, participatory and non-bureaucratic ways of working;
  - h) Active collaboration and partnerships particularly with the diverse range of civil society organisations;
  - i) Rigour and depth of analysis as well as active sharing of learning and knowledge.
- (iii) There will be one single visual identity – name and logo – for all affiliates of ActionAid International.
- (iv) ActionAid International, through a staged process (lasting no longer than 5 years from the date of the

- founding of the organisation) and subject to agreement with the current owner of the name, will acquire full ownership of the name 'ActionAid'. ActionAid International will possess, from the time of founding, the complete authority to license the use of the name in all countries. Owners of the name will retain the right to use the name in their own country during the first five years.
- (v) ActionAid International will license out the use of the name and logo to its affiliates and associates. Affiliates' and associates' use of the name and logo will be regulated by a specific licensing agreement to be developed.
- (vi) Affiliates will use the ActionAid International name and logo as the main visual identity in their presentations.
- (vii) ActionAid International may allow affiliates and associates to have a transitional process and period for a gradual phase-in of the ActionAid International name and logo.
- (viii) While giving priority and prominence to the ActionAid International name and logo to the fullest of agreed standards, affiliates may, in addition to this, use a subsidiary local identity. This subsidiary local identity may be ActionAid International written in local language/script or the affiliates' own local visual identity on the understanding that in the judgement of the International Board, this does not counter, contradict or confuse the ActionAid International name and logo.
- (ix) Affiliates and associates will apply common standards and processes with regard to the use of the visual identity and will contribute to, and invest in, the development of the ActionAid International identity.
- (x) ActionAid International will manage the common identity and be responsible for all future visual identity – names, logos and derivatives.
- (xi) All affiliates and associates will use the name in accordance with the licensing agreement with ActionAid International.
- (xii) Associates will clearly identify their association with ActionAid International in all of their public presentations.

# part two - organisational design

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## 2.1 Organisational structure

ActionAid International is founded with a global personality and mentality. As a unified organisation of organisations, ActionAid International will have the following key distinct structures:

### National Organisations

National organisations are either affiliates or associates. [Refer to 2.2]. Of the founders, ActionAid Brazil, ActionAid Hellas, Action Aid Ireland, ActionAid (UK), ActionAid USA and Azione Aiuto have agreed to become affiliates. ActionAid International will invite and actively seek other new organisations as associates or affiliates.

### International Board

An International Board is constituted for the governance of ActionAid International. The International Board is made up of a representative from the Board of each affiliate organisation as well as independent individual members. Independent members will be invited according to the knowledge and skills they offer, based on those that the International Board has considered necessary for the international governance of the organisation.

### International Secretariat

The International Secretariat is the management structure of ActionAid International. The International Secretariat will be headed by a Chief Executive appointed by the International Board. The International Secretariat will be a multi-locational structure. The International Secretariat will have the following range of structures and offices:

- (i) **International Office:** This will be the registered principal office of ActionAid International situated in Africa where the Chief Executive of the organisation will be based.
- (ii) **Regional Offices:** Regional Offices are parts of the International Secretariat located in various continents or sub-continents closer to the country programmes or affiliate organisations for representation, coordination and/or management of international work.
- (iii) **Country Programmes:** Country Programmes are a national level structure of the International Secretariat established for the representation, management and coordination of ActionAid International's work in the country. The International Secretariat will actively support a process to develop existing Country Programmes into affiliates of ActionAid International within five years, wherever possible, of the foundation of ActionAid International.

- (iv) **Other offices:** ActionAid International will also have sub-regional and project offices, hosted or managed by a Regional Office or Country Office or an affiliate within the overall management of the International Secretariat or directly managed by the International Secretariat.

## 2.2 Affiliation to ActionAid International

ActionAid International will have the following categories of affiliations:

**Affiliates** are those organisations, which join and own ActionAid International and agree to take part fully in the governance as well as in the fulfilment of ActionAid International's values, vision, mission, strategies, standards and systems. ActionAid Brazil, ActionAid Hellas, ActionAid Ireland, ActionAid (UK), ActionAid USA and Azione Aiuto are the first six affiliates of ActionAid International.

**Associates** are other organisations, which join ActionAid International with the intention of and in the process of becoming full affiliates.

Affiliates or Associates are legally registered organisations with their own governance and management structures, who join ActionAid International in accordance with the criteria set out by ActionAid International and upon approval of the International Board.

### 2.2.1 Affiliation or association criteria

In order to be eligible to become an affiliate or an associate of ActionAid International an organisation will:

- (i) Be actively committed to justice, equity and the eradication of poverty and marginalisation;
- (ii) Share, support and uphold ActionAid International's values, vision, mission, identity, strategy, standards and systems;
- (iii) Have legal registration and status; for a minimum of one year in the case of a Country Programme or other organisations created by ActionAid International affiliates or associates but a minimum of three years in the case of any other organisation;
- (iv) Have a Governing body;
- (v) Have public contact, constituency and support;
- (vi) Have financial and management integrity, capacity and viability;
- (vii) Be independent either from a management or a funding perspective (not exceeding 50% of the total budget)

from any one governmental or private individual, company and/or institution other than another ActionAid International.

### 2.2.2 Affiliation

- (i) ActionAid International will actively seek new affiliates within a strategic framework designed to fulfil the purposes of Action Aid International.
- (ii) ActionAid International will have provision for only one affiliate from one country. However, the International Board, in exceptional cases, may also invite and give approval for a regional or international organisation to be an affiliate of ActionAid International. New affiliates will come from among existing organisations, from the transformation of ActionAid International Country Programmes or from the building of new organisations.
- (iii) The International Board will have the authority to invite and approve both associates and affiliates to ActionAid International.
- (iv) The International Board will prioritise those applications for affiliation with the greatest potential to achieve ActionAid International's strategic objectives.
- (v) New organisations can join ActionAid international first as an Associate. Associates may only become affiliates of ActionAid International after passing through a period of *association* and *familiarisation*. Association will be a transitional phase towards full affiliation. Under normal circumstances this will have a maximum duration of 3 years.
- (vi) Associates can only pass to full affiliation when they are able to comply with the above mentioned criteria for full affiliation.
- (vii) A standard contract will be signed between the affiliates or associates and ActionAid International covering agreed aspects regarding identity and image, auditing, standards, activities and procedures.

### 2.2.3 Affiliates - duties and privileges

Affiliates of ActionAid International will have the following duties and privileges. They will:

- (i) Respect and follow the values, vision, mission, strategies, standards and systems of ActionAid International
- (ii) Actively contribute towards respecting, developing and working in accordance with the constitution, by-laws, charter, strategies, standards and systems of ActionAid International;
- (iii) Contribute financially to the work of ActionAid

- International in a way to be agreed.
- (iv) Abide by the licensing agreement, ActionAid International constitution, by-laws, contracts and charter. Breach of contract may imply withdrawal of the right to use the name and affiliation to ActionAid International;
- (v) Share the framework for finance, human resources, information technology, impact assessment and other administrative systems;
- (vi) Actively promote and strengthen the ActionAid International organisation and its identity, profile, reputation, work, accountability and impact;
- (vii) Respect the ranges and ceilings set as rules of in-country expenditure for administration, advocacy and fundraising as indicated by the International Board;
- (viii) Respect the policy of one affiliate, one country and avoid working in any form in any other affiliates' country or jurisdiction area. Joint and collaborative work in the sub-region, region and globally will be encouraged;
- (ix) Use the ActionAid International name, logo, identity;
- (x) Share ActionAid International systems, offices, learning, staff, contacts and information;
- (xi) Play a key role shaping and strengthening ActionAid International's direction, strategies and performance;
- (xii) Have one representative seat with voting rights on the International Board.

### 2.2.4 Associates - duties and privileges

The associates will:

- (i) Respect the values, vision, mission, strategies, standards and systems of ActionAid International;
- (ii) Abide by the licensing agreement, ActionAid International constitution, by-laws, charter and contracts for associates. Breach of contract may imply withdrawal of the right to use the name and the right of association with ActionAid International;
- (iii) Contribute towards the promotion and strengthening of the ActionAid International organisation, identity, profile, reputation, work, accountability and impact;
- (iv) Contribute financially to ActionAid International on a basis to be agreed.
- (v) Respect ranges and ceilings set on how much can be spent in-country on administration, advocacy and fundraising as approved by the International Board;
- (vi) Respect the policy of one associate or affiliate, one country and avoid working in any form in any other affiliates' or associates' country or jurisdiction area. Joint and collaborative work in the sub-region, region

and globally will be encouraged;

- (vii) Use the ActionAid International name, logo, identity and profile in addition to its own;
- (viii) Clearly state on all documents their status as an associate of ActionAid International;
- (ix) Share ActionAid International systems, offices, learning, staff, contacts and information;
- (x) Nominate one non-voting representative each from their Board on the International Board.
- (xi) In case of associates coming from the process of transformation of existing country programmes or new organisations formed by ActionAid International, continue to be managed directly by the International Secretariat until becoming an affiliate.

#### 2.2.5. *Disengagement: resignation or expulsion of affiliates and associates*

- (i) Any affiliate or associate may leave ActionAid International with an advance warning of no less than 24 months, at the end of which the outgoing organisation will be free from the duties and privileges of ActionAid International affiliates.
- (ii) The ActionAid International board may decide to expel affiliates or associates in breach of contract, duties and commitment in relation to ActionAid International either immediately without warning for proven violation of integrity or through a gradual process of no longer than 24 months.

## 2.3 ActionAid International Board

### 2.3.1. *The Founding and constituent ActionAid International Board*

- (i) Board members will be non-paid volunteers representing affiliate organisations or independent individuals. Board members will be reimbursed for expenses related to their position on the International Board.
- (ii) The International Board will be made up of up to 21 members consisting of majority (more than 50%) members from affiliates' representatives (one each) and the rest (less than 50%) being independent individual members invited and appointed by the International Board.
- (iii) Independent individual members will be invited and appointed based on the expertise and experience required by the International Board. An independent member will not be a serving member on any of the

national Boards of affiliates or associates of ActionAid International or on the Boards of those organisations in the process of application to be an affiliate of ActionAid International.

- (iv) At the time of the founding of ActionAid International, the representatives of affiliates on the Board will invite and appoint the independent members. Thereafter, it will be the responsibility of the full International Board to invite independent individual members to the Board.
- (v) The first constituent Board appointed at the time of the founding of ActionAid International will have a fixed term of three years, after which a new Board will be constituted. The new Board will seek continuity through retaining at least one third of the Board members for the second term.
- (vi) A Board member will be appointed for a term of 3 years at a time and will serve for a maximum of 2 consecutive terms. The retirement and new recruitment of members of the Board will be done in a staggered manner so as to ensure that the Board retains continuity.
- (vii) Each **affiliate** will have one representative (**voting member**) from its own national board in the International Board.
- (viii) Each **associate** will have one **non-voting member acting as an observer** on the International Board.
- (ix) Independent Board members will come from a broad spectrum of society – with particular emphasis on the communities and organisations of diverse groups of people we work with and people who have the appropriate aspirations, experience and expertise to contribute to ActionAid International's work. The aim is to have a balanced gender and geographical mix of individuals from Africa, Asia, Europe, Latin America & Caribbean and North America, .
- (x) All members of the International Board will strive to serve the larger and common interest of ActionAid International.
- (xi) Ideally, the following range of skills will be represented on the board: General management, Finance, Marketing, Human Resources and Organisational Development, Media / Communication, Development – gender, Development – children, Development – economics, Development – education, Development – food, Development – HIV/AIDS, Development – human rights, Development – labour/trade union, law, Development- civil society.
- (xii) The Chair of the Board an Independent member from the Board as nominated/elected by the full Board.
- (xiii) A presence of 40% of the Board Members will be the required quorum for the meeting.
- (xiv) International management team members will be invited

to attend the International Board meetings.

### **2.3.2. Subsequent ActionAid International Boards**

The details regarding the composition and constitution of subsequent International Boards will be described in the Charter of the organisation as mentioned above in section 1.2 of this Memorandum of Understanding. During the tenure of this constituent International Board, the possibility of a two-tier governance structure (a General Assembly plus an International Board) in order to accommodate the participation of expanded affiliation will be developed, consulted upon and agreed.

### **2.3.3. Responsibilities of the ActionAid International Board**

The International Board will have the overall responsibility for the governance of ActionAid International. Governance of the organisation is recognised as being distinctly separate from the management of the organisation, which will rest with the ActionAid International Chief Executive and the International Secretariat including other international, regional and national staff. The key governance responsibilities of the International Board will be as follows:

- (i) Ensure that ActionAid International has the necessary structure, resources, people and capacity to remain compliant with the constitution and to deliver statutory obligations;
- (ii) Determine and uphold ActionAid International's values, vision, mission, strategy, and standards;
- (iii) Ensure that measures (including auditing, reviews and evaluation) are taken to protect and enhance ActionAid International's viability, identity, people, property, integrity (financial and other), gender equity and reputation;
- (iv) Ensure accountability to poor and marginalised people and communities we work with as well as to donors and other stakeholders;
- (v) Ensure safety and security of all employees and volunteers of ActionAid International;
- (vi) Continually assess and review (including external review) the capacity and performance of the International Board and take measures to develop and strengthen the International Board;
- (vii) Invite or elect and induct new members – including independent individual members– onto the International Board;
- (viii) Assess and approve new affiliations and association as well as approve resignation, sanctions or expulsion of

affiliates and associates;

- (ix) Approve and ensure appropriate licensing agreements;
- (x) Appoint and if necessary dismiss the Chief Executive of ActionAid International. Provide supervision, guidance, encouragement, resources and space to the Chief Executive for the building and strengthening of the management team and for the effective implementation of ActionAid International's mission;
- (xi) Assess and approve ActionAid International's global strategies, plans and where appropriate resource allocation;
- (xii) Assess and approve the opening of new Country Programmes and markets for fundraising;
- (xiii) Review, update and develop By-laws and Charter;
- (xiv) Take decisions on any exceptions to the stated articles and clauses of the By-laws and Charter.
- (xv) Resolve disputes within the ActionAid International family.

### **2.3.4. Decision Making**

- (i) Ideally all decisions should be reached by consensus. If this is not possible then a vote can be called.
- (ii) For the following, if unanimity is not possible, a vote of at least  $\frac{3}{4}$  (75%) of all membership shall be necessary to pass decisions on:
  - a) Changes to the By-laws and Charter.
  - b) Protection of the name and integrity of ActionAid International, including the granting or withdrawal of the right to use the name and logo;
  - c) Admission or expulsion of an affiliate or associate;
  - d) Any change to the apportionment formula according to which affiliates contribute funds and other resources to the ActionAid International budget expenses.
  - e) Appointment (and dismissal) of the Chief Executive of ActionAid International.

## **2.4 National organisations**

### **2.4.1. Roles and responsibilities of affiliates**

Each affiliate organisation will have the following roles and responsibilities in relation to their organisation and country of jurisdiction within the framework of the ActionAid International's values, vision, mission, strategy, standards and systems:

- (i) Designing and managing anti-poverty strategy and

programmes. In southern poorer countries, this will involve projects and programmes to address the causes and symptoms of poverty. In the northern countries, this will involve projects and programmes that address the causes and symptoms of poverty in the southern poor communities and countries;

- (ii) Advocacy and campaigning in relation to the state and government, profit making companies and corporations and international organisations.
- (iii) Working with solidarity movements and facilitating North-South, South-South and North-North linkages for collective action against poverty and marginalisation;
- (iv) Fund raising from individuals, communities, corporations, institutions and organisations;
- (v) Building and strengthening public awareness, public education and a public support base;
- (vi) Building and strengthening relationships with poor and marginalised people, pro-poor networks, alliances and coalitions and other institutions that are also fighting poverty;
- (vii) Owning and developing ActionAid International's values, vision, mission, identity, strategy, standards and systems;
- (viii) Participating in the governance of ActionAid International;
- (ix) Implementing international programmes, projects and functions in conjunction with or on behalf of ActionAid International;
- (x) Shaping the international agenda of ActionAid International;
- (xi) Ensuring gender equity in the organisation and its work;
- (xii) Undertaking to share organisational learning, actively contributing to maintaining good communication and providing support to ActionAid International affiliates as and wherever possible

#### **2.4.2. Roles and responsibilities of national Boards of affiliate organisations**

Each national Board will have the following roles and responsibilities in relation to their own organisation

- (i) Determining and upholding the values, vision, mission, identity, policies and standards of the organisation in question;
- (ii) Ensuring the necessary structure, staff, resources and capacity for the national organisation to deliver its commitment to the poor and marginalised people it works with, through national and international actions;
- (iii) Ensuring that measures such as audits, reviews and capacity strengthening are taken to protect and develop

identity, viability, people, property, integrity, gender equity and reputations;

- (i) Actively engaging in support to profile building, fundraising and advocacy work;
- (v) Assessing and approving the strategies, plans and budgets of the organisation;
- (vi) Ensuring accountability to poor and marginalised people and communities we work with as well as to donors and other stakeholders;
- (vii) Ensuring safety and security of all employees and volunteers of the organisations concerned;
- (viii) Continually assessing and reviewing (including external review) the capacity and performance of the national Board and take measures to develop and strengthen the national Board and if necessary dismiss members;
- (ix) Inviting or electing and inducting new members onto the national Board;
- (x) Appoint and if necessary dismiss, in consultation with the Chief Executive of ActionAid International, the Director of the affiliate organisation. Providing supervision, guidance, encouragement, resources and space to the Director for the building and strengthening of the management team and for the effective implementation of the organisation's mission;
- (xi) Appointing auditors and holding auditors accountable;
- (xii) Representing both the affiliate organisation and ActionAid International in the country wherever appropriate;
- (xiii) Nominating a representative to the ActionAid International Board;
- (xiv) Contributing to the shaping and development of the international agenda of ActionAid International;
- (xv) Reviewing and updating the By-laws, Charter and Strategies of the affiliate organisation as necessary.

#### **2.4.3. Formation of National Boards in the process of becoming associates of ActionAid International**

- (i) It is recommended that a two-tier governance structure be adopted at the national level. This would involve organising a larger General Assembly composed of up to 40 people and a National Board composed of up to 15 people elected from and by the General Assembly. A two-tier system would encourage (a) larger participation of the people – mostly poor and marginalized people in the south and the supporter constituency in the north – that we work with in the governance of the organisation and (b) greater accountability of the National Board.
- (ii) The formation of new organisations and governance structures will be the responsibility of ActionAid

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- International Secretariat jointly with the Country Programme management team including the decision about the most appropriate governance system and the formation of the new General Assembly and National Boards. Subsequent renewal and formation of the National Board and incorporation of new members will be the responsibility of the current National Board and the current General Assembly;
- (iii) Southern National Boards (and General Assemblies) should aim to take at least 50% of their members from groups, communities and movements of the poor and marginalized people;
  - (iv) At any given time, 50% of the members of the General Assembly and the National Board should ideally be women;
  - (v) The National Board and General Assembly composition should also reflect locally significant social and regional diversity as far as possible;
  - (vi) It will be the responsibility of the International Secretariat in conjunction with the Country Programme and based on sound legal advice and consultation in the sector, to decide on a case-by-case basis the most appropriate type of legal registration to seek for the national organisation.
  - (vii) Board members will be non-paid volunteers who are committed both to support the interests of poor and marginalised people and to the ActionAid International organisation in that country. Board members may be reimbursed for direct and indirect expenses (including the actual income foregone in case of the members from poor and marginalised groups or communities) related to their participation on the national Board.
  - (viii) National Assembly members will be recruited through an open and transparent process of sourcing, media advertisement or both and will be coordinated by a Governance Development Committee.
  - (ix) The Chief Executive of ActionAid International will nominate a senior member of the International Secretariat to be an ex-officio member of the National Board.
  - (x) Members of the National Boards and General Assembly will have a term respectively of between 2 to 3 and between 4 to 5 years with a maximum of two consecutive terms. There will be a planned turnover to ensure that the National Board and the General Assembly has some continuity in membership;
  - (xi) Individuals will join National Boards in their personal capacity and will not represent any organisations with which they have connections. Persons with a conflict of interest such as those individuals coming from organisations with which the national organisation

has an on-going funding relationship will normally not be members of the General Assembly or the National Board.

## 2.5 Relationship between the National Organisation and the International organisation

- (i) All parts of ActionAid International including affiliates will operate as parts of one international organisation. ActionAid International is owned, formed and governed by its affiliates. National organisations, as a part of ActionAid International, as the affiliates of ActionAid International, working within the overarching Memorandum of Understanding, By-laws, Charter, Constitution, Licensing agreement, International Strategy and other guidelines, have authority and responsibility to decide on the work and the organisation in the countries where they are founded.
  - (ii) Decisions related to the following matters will be decided by the international board in consultation with the national organisation:
    - a) International programmes and priorities
    - b) Cross-border work outside the national boundaries
  - (iii) Any affiliate or associate organisation planning to make any changes to its Constitution, by-laws and Charter etc should communicate this immediately to ActionAid International as it may imply a revision of its affiliation or association status.
  - (iv) Affiliates or associates will not be expected to abide by any rules set by ActionAid International, that are in contradiction with the laws of the affiliate country.
  - (v) ActionAid International will organise peer-reviews of the affiliate organisation as part of a learning and accountability process once every five years.
  - (vi) Affiliates and Associates are free, and are encouraged to connect, communicate and work directly wherever necessary and within the framework of agreed strategies, standards and systems of ActionAid International- among themselves and with any part of ActionAid International, including country programmes.
  - (vii) ActionAid International will provide proactive support (for agreed international priorities) to the affiliate organisation in addition to reactive support as and when necessary and possible.
  - (viii) Affiliate or associate organisations will be obliged to refrain from taking decisions and actions that will adversely affect or contradict ActionAid International's positions, programmes and priorities.
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- (viii) Affiliate organisations, through their participation on the International Board, the Directors' Forum and in other working groups/task forces/forums which may be set up will direct, appraise, review, advise and support the international organisation, including the International Secretariat.
  - (x) Fundraising jurisdiction:
    - a) Each affiliate has complete freedom and authority to raise appropriate kinds of funds from appropriate sources in the country of registration. Such fundraising should not run counter to the mission, strategy or standards of the national and international organisation.
    - b) Multi-country fundraising will be the responsibility of the International Secretariat but only in conjunction and cooperation with the relevant affiliate organisations.
  - (xi) In case of dispute between a national organisation and the international organisation, the dispute will be resolved according to procedures outlined in this MoU.
- (vi) The International Board's decision in resolving the internal disputes will be final.
  - (vii) All disputes in this manner will be resolved wherever possible internally within the organisation. However, in exceptional cases when internal resolution has unsuccessful, the International Board may agree to approach a mutually nominated external mediator and or arbitrator (person or organisation) for the resolution of the dispute in question.

## 2.7 ActionAid International Secretariat

The International Secretariat is an overall international structure professionally organised to co-ordinate, facilitate and manage the implementation of ActionAid International's values, vision, mission, strategy, standards and systems. Distinctly different from, but linked with, the governance and management structures of the national organisations, the International Secretariat will be a physically dispersed (across countries, regions and continents) but a practically well connected and coordinated structure. The International Secretariat is not conceived as a Head Office or Head Quarters in the centre or the top of the organisation but as one of the organisations in the larger collective of ActionAid International composed of various affiliates and associates. The International Secretariat derives its mandate and authority from the affiliate organisations through the International Board.

The International Secretariat will be headed by the Chief Executive of ActionAid International reporting to and appointed by the International Board. The Chief Executive will be responsible for the formation of the international senior management team and for the overall representation and management of ActionAid International and its work within the framework approved by the International Board.

Affiliates, associates, Country Programmes and the International Secretariat implement ActionAid International's values, vision, mission, strategy, standards and systems. The International Secretariat's direct national level implementation role will be in the countries where ActionAid International has no national organisations and at the regional and international level. International work may also be delegated by the International Secretariat to affiliates, associates or Country Programmes for implementation.

The ActionAid International Secretariat will have overall responsibility for developing an international framework for the organisation's work and ensuring compliance

## 2.6 Dispute resolution

ActionAid International will resolve internal disputes within its family of affiliates and associates as far as possible at the level at which they arise and as fast as possible. ActionAid International will promote alternative dispute resolution approaches to internal (or external) conflict by resolving issues wherever possible through building agreement and consensus:

- (i) Disputes may vary in nature from those arising out of differences in political positioning, territorial control, risk-sensitivity, operational standards, performance, identity-profile or constitutional issues.
- (ii) The Chairs of the Boards concerned will notify the International Secretariat of any disputes arising between national organisations.
- (iii) Dispute between national organisations will be investigated and resolved as far as possible by the International Secretariat.
- (iv) National organisations, which are dissatisfied with the conclusion taken by the International Secretariat will have the right of appeal to the International Board.
- (v) Disputes that may arise between any national organisation and the International Secretariat will be investigated and resolved by the decision of the International Board or the relevant sub-committee that has been constituted and delegated with responsibility to do so by the International Board.

and accountability from all parts of the organisation. The International Secretariat will also have the responsibility for representing ActionAid International at regional and international levels. The International Secretariat will also ensure communications, connection and collective action between different parts of the organisation as well as between ActionAid International and other external regional and international organisations.

The following will be key specific functions and responsibilities of the International Secretariat:

- (i) Ensuring the development, implementation and compliance of ActionAid International's values, vision, mission, strategy, standards and systems;
- (ii) Strengthening communication linkages, collaboration and partnership within ActionAid International organisation;
- (iii) Listening and responding to the affiliates and associates (General Assembly, National Boards and staff) in the development and implementation of ActionAid International's values, vision, mission, strategy, standards and systems;
- (iv) Providing support to the affiliates and associates towards strengthening core capacity;
- (v) Strengthening shared and coherent culture and identity;
- (vi) Seeking, exploring and developing links with potential new affiliates;
- (vii) Developing the governance standards and practices of affiliates and associates;
- (viii) Managing international programmes (and national programmes through Country Programmes) including emergency work;
- (ix) Managing international advocacy, research, policy development, public education and campaigning;
- (x) Managing and coordinating international fundraising, product development and target setting at an international level;
- (xi) Strengthening human resources strategies, frameworks, and standards, including gender equity, international staff development and succession planning;
- (xii) Finance – ensuring international policy standards and audit and shared financial systems;
- (xiii) Developing and implementing core IT systems;
- (xiv) Promoting innovations and developing and sharing learning;
- (xv) Ensuring accountability, learning, planning and performance and impact monitoring, review and assessment systems are established and operate in line with the values, vision and mission, strategy and standards of the organisation;
- (xvi) Resolving disputes between the national organisations.

## 2.8 Other structures of ActionAid International

There will also be a standing forum of Directors of the affiliates, which will act as an advisory body to the Chief Executive of ActionAid International.

ActionAid International will promote and implement accountable and well-resourced cross-geographical and cross-thematic networks, working groups or taskforces from among the staff of the affiliate countries and country programmes for increased effectiveness and synergy. In addition, staff exchanges and internship, both within and outside the organisation with selected partners, will strengthen the international perspectives and capacity of the organisation.

In addition, ActionAid International will promote and implement forums or networks of members of various National Boards and International Boards. This will not only help governance development but also strengthen international collaboration and partnership.

# agreement

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This Memorandum of Understanding has been agreed in the letter and the spirit by the representatives of all the following founders of ActionAid International. This agreement offers the necessary framework and authority to take the required action towards the founding of ActionAid International and reorganising the organisation and its work accordingly.

Signed by:

\_\_\_\_\_  
ActionAid Brazil

\_\_\_\_\_  
ActionAid Hellas

\_\_\_\_\_  
ActionAid Ireland

\_\_\_\_\_  
ActionAid UK

\_\_\_\_\_  
ActionAid USA

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Azione Aiuto

(Milan, 17th September 2003)