

CONSORTIUM – OPEN FORUM FOR CSO DEVELOPMENT EFFECTIVENESS

MEMORANDUM OF UNDERSTANDING

Between **AACC** (All African Conference of Churches), **ALOP** (Latin American Association of Development Organisations), **APRN** (Asia Pacific Research Network), **CIVICUS** (World Alliance for Citizen Participation), **CONCORD** (European NGO Confederation for Relief and Development) and **InterAction** (American Council for Voluntary International Action) under the mandate given by the Global Facilitation Group of the Open Forum for CSO Development Effectiveness on 21 January 2009 in Kuala Lumpur, Malaysia.

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PREAMBLE

This Memorandum of Understanding has been prepared in accordance with the mandate agreed by the Global Facilitation Group of the Open Forum for CSO Development Effectiveness (hereafter "Open Forum") at its meeting in Kuala Lumpur on 20 and 21 January 2009.

The signatories to this Memorandum shall abide by the values agreed during the Exploratory Meeting on CSO Effectiveness (29/30 June 2008, Paris):

- **Inclusive** --To be inclusive at all levels
- **Diverse** --To defend and promote the diversity of CSOs
- **Constructive** -- To propose benchmarks for enabling environments for CSOs as development actors
- **Bottom-up** -- To be a bottom-up process, strongly based on national CSO networks, their experience and expertise
- **Transparent and Accountable** -- To be transparent and accountable towards all stakeholders
- **Engaging/Open** -- To engage in a political dialogue with donors and governments regarding CSO development effectiveness, the role, rights and voices of CSOs

The governing body of the Open Forum is the Global Facilitation Group (GFG), composed of 25 national, regional, global and thematic CSO networks. Its Terms of Reference (see www.cso-effectiveness.org) are based on the agreements reached at the Meeting on CSO Effectiveness (29/30 June 2008, Paris). The GFG provides political leadership, operational guidance and oversight, and representation for the Open Forum.

The GFG has nominated 6 CSO networks to build a Consortium of Supporting Organisations to the Open Forum (hereafter "Consortium"). The mandate of the Consortium (see Annex #1), in accordance with the decisions of the GFG (21 January 2009, Kuala Lumpur), is:

1. to facilitate the overall operation of the Open Forum;
2. to assist the GFG in framing and facilitating a political dialogue with other key stakeholders such as multilateral and donor and recipient government entities;
3. to mobilise and manage financial and technical resources to implement the objectives of the Open Forum at the global, regional, and, by prior agreement of the Global Facilitation Group, selected country levels;
4. to implement the approved work plan and report;
5. to design, plan and implement an outreach strategy to make the Open Forum as broad and inclusive as possible;
6. to report periodically on progress in relation on the approved work plan and on the application of resources.

This Memorandum of Understanding (MoU) sets out the working relationships between the members of the Consortium regarding the implementation of the GFG

mandate. The members of the Consortium enter this agreement in a spirit of mutual trust, respect and shared commitment for the establishment of a partnership in development effectiveness for CSOs. This Memorandum of Understanding is therefore a statement of mutual intent to which the members are bound.

1. Parties to this Memorandum of Understanding (MoU)

1.1. Founding parties (see Annex #2) to this MoU are:

- 1.1.1. AACC
- 1.1.2. ALOP
- 1.1.3. APRN
- 1.1.4. CIVICUS
- 1.1.5. CONCORD (team leader)
- 1.1.6. InterAction

1.2. The Consortium establishes a Management Committee comprising one representative from each consortium member organisation. This representative is to be independently selected by each Consortium member.

1.3. Consortium members are collectively accountable to the GFG through a combination of periodic joint progress reports and joint GFG-Consortium meetings.

1.4. This MoU does not prevent each party from working independently with other development partners.

2. Operating Principles

This MoU is guided by the following operating principles:

1. **Shared values** as demonstrated through full compliance with the values agreed at the Exploratory Meeting on CSO Effectiveness and as set out in the Preamble to this Memorandum.
2. **Joint commitment** to the objectives of the Open Forum and to meeting the overall expectations of the global CSO community as evidenced through a diligent implementation of the mandate of the Consortium as defined by the Global Facilitation Group.
3. **Equitable power relationships** demonstrated through transparent and participatory decision-making mechanisms of the Management Committee.
4. **Mutual accountability** as addressed through a responsive attention to donors' and stakeholders' needs and interests.

5. **Shared ownership of the workplan and related achievements** as evidenced through joint activity design, implementation, monitoring and evaluation, and mutual feedback.
6. **Mutual respect and trust** as evidenced through better knowledge and understanding of each partner's organisational realities and recognition and value of its competencies and contributions (individual skills, comparative advantage of the partnership).
7. **Balanced flow of information** as demonstrated through the level of internal and external availability, access, flow, and exchange of critical information through update reports, annual reports, financial reports and briefs on external but relevant contacts/communications.
8. **Operational clarity** as evidenced through clearly defined and adopted individual agreements for each Consortium member containing workplans, detailed budgets, expected results, and programmatic and financial reporting schedules.

CONCORD, as team leader, will organise periodic internal reviews of the Consortium's operations. These internal reviews will assess members' performance vis-à-vis these principles.

3. Objectives

Parties to this MoU seek to honour the agreed mandate, as set out in the preamble to this Memorandum.

4. Activities

The activities of the Consortium and its members are defined by the workplan of the Open Forum. The identified activities will be implemented through a global and specific regional action plans over a period up to December 2011. For their longer-term impact and sustainability, activities are expected to have synergetic and strategic linkages with other CSO initiatives regarding development and aid effectiveness, specifically with the Better Aid Coordinating Group and other CSO efforts aimed at monitoring the implementation of the Accra Agenda for Action at the national level and/or improving the effectiveness of CSO operations in development and humanitarian actions.

5. Roles and responsibilities

5.1. Management Committee

- The Management Committee is responsible for the implementation of this MoU and related program and activities, in accordance to the mandate given by the GFG.

- The Management Committee approves the terms of reference of any full employment post created in relation to the work of the Open Forum.
- The Management Committee monitors the budget of the Open Forum.

5.2. Team leader

CONCORD serves at the **team leader** of the Consortium. More specifically CONCORD will:

- Chair the Management Committee and arrange for the appropriate secretarial and logistical support it might need to perform its duties;
- Provide and manage the Secretariat of the Consortium;
- Assume coordination and facilitation responsibilities within the Consortium, including around planning, programme implementation, progress reporting, fundraising and internal and external communication with the GFG, the Open Forum, and all other stakeholders;
- Liaise with the GFG, in particular the co-chairs; the team leader is also responsible for facilitating the full involvement of the GFG co-chairs in the meetings and operation of the Consortium;
- Facilitate the strategic and synergetic coordination with other CSO initiatives, in particular with the Better Aid Coordinating Group;
- Serve as fiscal agent and lead representative of the Consortium with donors regarding all activities, income and expenditure related to the Open Forum.

CONCORD is also responsible for outreach activities in its region (Europe).

5.3. Consortium members

5.3.1. Consortium members will be individually responsible for nominating a representative to the Management Committee and contributing to the work of the Committee.

5.3.2. Each Consortium member will be responsible for fully supporting the team leader in implementing the mandate of the Consortium on a needs basis. The nature and timing of this support will be determined by the collective responsibilities of the Consortium, including carrying out collective tasks such as fundraising and communications.

5.3.3. Each Consortium member is responsible for actively participating in the planning and implementation of all Consortium activities. More specifically, each Consortium member is responsible for implementing clearly defined and adopted bilateral agreements containing workplans, detailed budgets, expected results, and programmatic and financial reporting schedules. The overall objective of these bilateral agreements focuses on regional outreach and direct support to national consultations as identified in the workplan of the Open Forum.

5.3.4. Each Consortium member will assign appropriate staff resources to carry out its responsibilities under this MoU, as specifically highlighted in the terms of reference approved by the Management Committee. Designated or selected

employees of Consortium members shall coordinate their operations closely with the Secretariat.

5.3.5. All Consortium members shall respect the objectives, principles and benchmarks of the Open Forum agreed at the Exploratory Meeting on CSO Effectiveness (29/30 June 2008, Paris) and by the GFG.

5.4. Geographical coverage

Together, the 6 consortium members cover outreach activities to all types of civil society organisation working in development around the globe:

Region	Consortium member
Africa	AACC
Asia and Middle East	APRN
Latin America and Caribbean	ALOP
Europe (geographical Europe)	CONCORD
North America and Pacific	INTERACTION
International CSO networks	CIVICUS

In specific and justified cases, a Consortium member may ask another Consortium member to cover a specific country of its region. Ultimate responsibility lies with the team leader.

6. Funds

6.1. The management of all funds mobilised for the Open Forum will be centrally coordinated by the team leader.

6.2. The team leader will coordinate all fundraising activities for the Open Forum, in accordance with the guidelines and strategies approved by the GFG. Consortium members and members of the Global Facilitation Group are expected to assist with this activity. The Consortium expects to raise two types of funds against the agreed budget: *pooled fund* and *special fund* to accommodate donors unwilling or unable to contribute to the pooled fund. Consortium members raising special funds can act as the fiduciary agents for these funds but shall work closely with the Consortium leader in the delivery and management of these funds.

6.3. The team leader will allocate operational funds to Consortium members on a quarterly basis upon receipt of respective workplans and related budgets and/or financial and programmatic reports which shall demonstrate compliance with the bilateral agreements and when applicable, be accompanied by supporting documentation.

6.4. The team leader shall not advance funds to Consortium members before funding from donors is available.

6.5. **Liability:** The Open Forum shall only be liable for the reimbursement of costs incurred by Consortium members and/or any other organisation(s) implementing

planned activities/projects if these costs are included in the collectively approved budget(s) or pre-approved in writing by the team leader after consultations with all Consortium members and the Management Committee.

6.6. Property ownership: Funds of the Open Forum should not be used for the acquisition of equipment of value greater than Euro 200.00 (Two Hundred Euro) per unit. The purchase of specific items such as computers should be subject to approval of the Management Committee. Any equipment or goods purchased with grant money shall remain the property of the Open Forum until the collective mandate of the Consortium is successfully completed. At the successful completion of the activity, all property shall revert to the Consortium members and/or any other organisation(s) chosen by the Management committee.

7. Management

7.1. Staffing

7.1.1. Each Consortium member, including the team leader, should demonstrate to the Management Committee and the Consortium that it has the appropriate staff resources (expertise and manpower) to carry out its responsibilities under this MoU, as stipulated in the individual agreements.

7.1.2. Each staff working on the objectives of the Open Forum is primarily an employee of the Consortium member that entrusted her/him with these responsibilities. As such, he/she will report to the internal structure of the employer. However, the carrying out of tasks specific to the Open Forum's objective will be done in coordination with similar positions in both the team leader and other Consortium members.

7.2. Programmatic Management

Each Consortium member is responsible for managing the day-to-day implementation of the work as stipulated in its individual agreement. The team leader will be responsible for the management of the overall workplan of the Open Forum and related activities as approved by the GFG. In this function, the team leader will ensure both coordination and oversight in the Consortium's operations. The Management Committee will provide timely management and decision-making support to all Consortium members on a needs basis.

7.3. Financial Management

7.3.1. The team leader will manage the overall budget of the Open Forum, as approved by the GFG. Any amendment to the overall amount of the budget must be approved by the GFG. Any amendment regarding allocations to specific budget line items which do not affect the overall amount of the budget must be approved by the Management Committee.

7.3.2. Each Consortium member is responsible for the management of the financial resources allocated to it, based on its approved individual agreement. To assist the team leader with the responsibilities of managing the overall budget, each Consortium member will report to the Consortium on the management of its budget according to the reporting schedule agreed upon in its bilateral agreement.

7.3.3. All financial information necessary for transparent management and accountability of the Open Forum funds should be identified upfront and integrated into the periodic financial reporting on and reviews of the use of these funds. It is the team leader's responsibility to organise periodic internal (to the Consortium) reviews of the use and management of the Open Forum's resources. These periodic reviews should be conducted along the programmatic reviews. Funds held by Consortium member shall be subject to audit through their normal annual procedures. All audited accounts shall be submitted to the Consortium.

7.3.4. The management of the Open Forum funds by Consortium members shall be in line with generally accepted accounting rules and practices. All Consortium members must safeguard any financial information and supporting documents (related to Open Forum project/activity expenses) that might add to the transparency and accountability of the use of the Open Forum resources.

8. Monitoring and evaluation

The team leader, in collaboration with the other Consortium members, shall develop an internal monitoring and evaluation plan. This plan should consist of or include review/discussion sessions on the overall performance of the implementation of the work plan of the Open Forum, at global and regional level. These review sessions may be open to members of the GFG. The results of these reviews will be made public. The Consortium shall commission an independent external evaluation for the overall Open Forum workplan for the GFG and all Open Forum donors.

9. Reporting and Communication Protocols

There are three levels of communication in the Consortium.

9.1. *Quarterly reports of all Consortium members*

All members of the Consortium commit to produce activity reports containing a financial up-date of their expenditures linked to the Consortium. These reports will be the basis for resource allocation on a quarterly basis. The team leader will assemble all these reports and produce one joint activity report for the GFG's review within 30 days (01 month) of receipt of the individual members' reports. All consolidated reports should be reviewed for feedback by both Consortium members and the Management Committee prior to submission to the GFG and/or donors.

9.2. *Annual report of the Consortium*

All Consortium members will produce annual reports including a self-assessment of the results of their work. The team leader will produce a template version to be used by all Consortium members. The team leader will then assemble all the quarterly

reports and produce one joint annual activity report for the GFG and all donors within 30 days (01 month) of receipt of the individual members' reports. All consolidated reports should be reviewed for feedback by both Consortium members and the Management Committee prior to submission to the GFG and/or donors.

9.3. Reports to donors

The team leader is responsible for producing a consolidated report for all donors on an annual basis in line with any agreed memorandum of understanding with donors, and based on the reports from Consortium members. All consolidated reports should be reviewed for feedback by both Consortium members and the Management Committee prior to submission to the GFG and/or donors.

9.4. Ad hoc contacts

All Consortium members agree to, upon request, react to issues within a timeframe of seven (7) days. Every effort must be made to acknowledge received communication within one (1) working day. Communication must be sent to all contact persons within the organisation. E-mail is the primary mode of communication.

10. Language

The Open Forum and the Global Facilitation Group operate in 3 languages: English, French and Spanish. The Consortium however operates internally only in English. Staff assigned to the Open Forum and members of the Management Committee must be fluent in English.

11. Equity and Justice

All parties shall work together to ensure that no one in the partnership is discriminated against, but all are given equal opportunity to express their opinion and interests through regular consultations in which consensus-driven decisions take precedence. The solidarity to ensure true and frank partnership will be the only parties' bias.

12. Honesty and Transparency

All parties shall be open in judgement and sharing reliable financial and programmatic information related to the Open Forum at all levels through reports and updates.

13. Accountability

All parties shall establish and maintain good record systems, demonstrate probity in all their dealings and ensure that funds are used for the intended purpose(s).

14. Sacrifice and Hard Work

All parties shall keep to agreed-upon deadlines in activities implementation, showing high level of commitment to the initiative and not looking for personal gains.

15. Conflict Resolution

All parties enter this MoU in a spirit of mutual trust and intend that all unforeseen matters on issues that arise, as the relationship evolves, will be resolved in a spirit of mutual understanding. In the event of a conflict, it shall be resolved in a peaceful and amicable manner, accommodating the policies and intention of each other.

The team leader is the primary mediator in the event of conflict between parties to this MoU. The Management Committee is the next level of recourse, with the GFG acting as the ultimate mediator between parties of this MoU.

16. Period of this MoU

This Memorandum of Understanding shall be valid until 31 December 2011, renewable by mutual consent over a period to be defined (and subject to the renewal of the mandate by the GFG).

17. Modification of this MoU

This Memorandum may be modified with the written consent of all signatories, subject to approval by the GFG. Any Consortium member may initiate a proposal for the modification of this MoU.

18. Termination of this MoU

This MoU can be terminated under the following circumstances:

- i. If there is a serious violation of obligations under this agreement by any party. The violating party must first be given written notice to the other parties of the problem with suggested recourse from aggrieved parties and given 30 days resolution period to address the matter. Following the unsuccessful resolution period, the aggrieved parties may terminate the agreement with a 30 day written notice.
- ii. If no funds are available
- iii. If all the parties agree in writing to nullify this agreement.

A signatory to this Memorandum may terminate their obligations by giving written notice of three months to the Management Committee.

19. Effective Date

This MoU takes effect from May 1st, 2009.

Signed:

CONCORD INTERACTION _____

Date: _____ Date: _____

APRN ALOP _____

Date: _____ Date: _____

AACC CIVICUS _____

Date: _____ Date: _____