# 2021

Figures, insights and an outlook. HQAI. So you can #TrustAid.



HUMANITARIAN QUALITY ASSURANCE INITIATIVE



## The standard we use.

Every day, all over the world, countless people from all walks of life are moved to act in response to the humanitarian imperative - the desire to prevent and alleviate humanitarian suffering wherever it happens.

The Core Humanitarian Standard on Quality and Accountability (<u>CHS</u>) sets out Nine Commitments that organisations can use to improve their work. As a core standard placing people affected by crisis at the centre, the **CHS describes the essential elements of principled, accountable and high-quality humanitarian aid and development work.** 

## Core Humanitarian STANDARD

The CHS is a measurable standard and this is where CHS Verification comes into play: those who measure can track progress over time towards compliance with the standard. Doing it independently is the most rigorous way. This is what HQAI does. **When we measure, organisations improve.** 

© SHG Markundi, EFICOR. The resilience of women.



## What we do.

"ADRA Denmark is now more intentional from the very beginning of a project. We are conscious about being open and transparent and informing more about who ADRA is and how community members can complain. This

#### change is being recognised by the communities we work with."

Helene Ellemann-Jensen Programme Director ADRA DENMARK



HQAI is an independent auditor for the humanitarian and development sector. Professional, not-for-profit and nongovernmental. Our auditing services against the CHS include certification, independent verification and benchmarking.

HQAI's services are intended to build capacity\* in the sector and provide consistent measurable data in the delivery of quality action, thus **improving a principled**, **accountable and efficient provision of aid**.

We are not doing this alone. The sector has a growing interest in HQAI's contribution to the localisation agenda and the delivery of some of the Grand Bargain commitments; in particular on work stream 2 "support and funding tools for local and national responders,"

work stream 4 "reduce duplication" and

work stream 9 "harmonise and simplify reporting requirements".

\*audit capacity to measure against the standard



Small, big, national, international, network, group, humanitarian, development ... the diversity of HQAI's audited partners (status 31.12.2021) demonstrates the flexibility of the CHS and of HQAI's methods to measure its application.

## Benefits for the entire sector.

## **LOCALISATION AGENDA**

HQAI audits have the dual purpose of improvement and building trust. National organisations create a bond of trust with governments and INGOs alike. The Group scheme allows for significant economies of scale and builds local auditing capacities, while the brand-new Facilitation Fund can subsidise national organisations, individuals and localisation projects.

41% of the organisations covered by HQAI's services are national.
2 new groups of NGOs have been set up in Palestine and Tanzania.
24% of HQAI auditors are located in the Global South.

**90%** of the cost of an audit can be subsidised through HQAI Facilitation Fund.

**670'000 CHF** have already been granted for subsidies to local NGOs in 11 countries.

**3** individuals received subsidies for their training as HQAI auditors.

## **IMPROVEMENT**

Professional auditing brings added value to the entire sector, for organisations, donors and - most importantly - for vulnerable and at-risk people and communities.

Organisations engage in a multi-year process of continual learning. The formality of HQAI's external processes stimulates **faster** improvement. Feedback from NGOs demonstrates that the audits effectively impulse both important changes in the organisations' systems for accountability to people, and the integration of more robust quality assurance systems in all areas of the CHS.

© EFICOR. Watershed project.





## Benefits for the entire sector.

## SIMPLIFICATION IN DONOR DUE DILIGENCE

HQAI Quality Assurance: 70 organisations are covered by HQAI's schemes.

**3** services: certification, independent verification, benchmarking.

136 audits have been conducted since the inception of HQAI, each producing a wealth of information.

"A woman told me that thanks to the support by (organisation) she now was no longer a victim but a leader. Such first-hand testimonies

give us a better understanding of how organisations operate."

Jorge Menendez INDEPENDENT AUDITOR

#### People at the centre.

HQAI collates data from documents, interviews, observation and direct feedback from people affected by crisis. After triangulation, such input from communities directly informs the audit findings and is reflected in the audit reports.

Donors and governments who require and/or recognise CHS Verification in their own processes reduce the administrative burden and create room for significant harmonisation of due diligence (DD) requirements.

Subsequent economies of scale for the sector are only one of the positive outcomes.

Denmark and UK's Disasters Emergency Committee (DEC) require independent CHS audits from their partners.

Germany and the Dutch Relief Alliance provide **shortened** DD assessments for organisations that have undergone CHS Verification.

DG ECHO accepts FPA assessments conducted by HQAI based on CHS audits. This opens the door to alignment and significant savings.

Denmark, Luxembourg, the UK and HQAI conduct a project to pilot the use of CHS certification to allow direct funding to national NGOs.

#### "The pilot aims to build a clear bridge between

a CHS audit and existing DD requirements."

Peter Taylor Head of Safeguarding Unit, FCDO



"HQAI offers a helping hand for partial alignment of DD processes (...) as an addition to specific criteria catalogues of individual donors."

Dr. von Weyhe, Head of Division, Humanitarian Assistance, International Disaster Response. Humanitarian Mine Action, **GFFO** 



HQAI CHS certification mark: an icon of trust



## One year and its news.



#### Training:

HQAI's e-learning modules go live, including a free induction.

Safeguarding: HQAI provides clarifications to UK's IDC Report.





Simplification: the CHS recertification audit helps Act Church of Sweden meet the requirements for ECHO funding.

Advocacy: Do not reinvent the wheel - HQAI's response to an appeal for independent mechanisms to measure accountability.





<mark>Clarity</mark>: This 3-minute anir

This 3-minute animation explains the audit journey.

Trust: Accreditaition maintained. HQAI's certification scheme continues to conform with ISO17065.







Contribution: HQAI obtains special consultative status with ECOSOC.

> Due Diligence: HQAI's Round Table sheds light on 3 ways to simply align Donor Due Diligence.



Localisation:

Launch of HQAI Facilitation Fund, for more localisation under HQAI auspices.

#### SEAH:

HQAI is featured on UK's Safeguarding and Support Hub.





Growth: At the end of 2021 a total of 70 audited partners are covered by HQAI's services.

### An outlook. By Pierre Hauselmann, Executive Director

When HQAI was created five years ago, we wanted it to become a tool that benefits local organisations and, thanks to its universality, offers significant improvements when it comes to meeting the requirements of multiple donors. All this with the objective to improve the delivery of aid to people and communities. While recognising that there is still much to do, I am very proud to say that 2021 was a pivotal year in the fulfilment of this ambition.

Boosted by the COVID crisis, HQAI has significantly refined its remote auditing techniques. We can now reach more distant communities. This does not replace site visits, but adds another layer of depth to the data collected from communities.

Processes were stabilised and streamlined, freeing up resources

to focus on developing HQAI's own localisation plan: facilitating access to independent quality assurance for national organisations, and providing tools to expedite the sector-wide localisation agenda. This culminated in 2021 with the creation of HQAI Facilitation Fund. The result? We were proud to announce in 2020 that 33% of organisations covered by our services were national organisations. It is 41% in 2021!

This report highlights, among other things, the tools that HQAI developed to cover ECHO's due diligence requirements on the basis of a CHS audit; we call that a "bridge". This important achievement goes significantly beyond mere savings of resources. The method is reproducible with other sets of requirements, including those of other donors. This has led DANIDA (DK), FCDO (UK), the Ministry of Foreign Affairs of Luxembourg and HQAI to jointly develop a project to pilot the direct financing of national NGOs on the basis of a slightly extended CHS audit. If the outcomes of the pilot are positive, this will mark an important milestone toward two of the Grand Bargain objectives: more direct funding for local responders and the simplification of administrative requirements.

These are only four salient aspects of our work in 2021. There are many more.

When HQAI says "So you can trust Aid", not only do we mean it, but we have the tools to deliver! |



#### "We used the CHS certification audit to cover **80% of the ECHO** assessment.

I appeal to donors and organisations to have a deeper look at these mechanisms and align their due diligence processes with CHS external verification."



Coleen Heemskerk Int. Director of Strategic Planning, Act CHURCH OF SWEDEN "I am inspired by the staff of audited organisations. Their dedication to motivating change and improvements across their organisation, and constantly pushing to **do better** and to **be better** is really motivating."



Sarah Kambarami INDEPENDENT AUDITOR "Audits can be a means to improve for all organisations supporting vulnerable and at-risk communities. **Our Fund facilitates local access** to quality assurance both through subsidies and capacity building projects."



Sawako Matsuo Chair of HQAI Facilitation Fund Management Committee



Independent, objective, professional. HQAI's certification scheme is accredited under ISO/IEC 17065:2012.



With the generous support of HQAI's strategic and funding partners.



HQAI is a not-for-profit NGO registered as a Swiss association. We are empowered and driven by people with an incredible diversity of experience, skills and knowledge. Visit our website to discover the multiple corporate bodies behind the HQAI brand and see our smiles.

Confederaziun svizra



HQAI Chemin de Balexert 7-9 1219 Châtelaine Switzerland www.hqai.org

#### Follow us!

Twitter\_HQAILinkedinHQAIInstagramhqai.genevaFacebookHQAI.Geneva

ukaid

Do you have a complaint against an organisation audited by HQAI or against HQAI or a member of our staff? Visit www.hqai.org or send an e-mail to complaints@hqai.org