

INGO ACCOUNTABILITY CHARTER REPORT 2013



SOS CHILDREN'S
VILLAGES
INTERNATIONAL



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1 STRATEGIC COMMITMENT TO ACCOUNTABILITY

1.1 Statement from the most senior decision-maker of the organisation

What we do

For 65 years SOS Children's Villages has been dedicated to supporting vulnerable children who face a life without parental support. We do it by creating family environments and providing practical help over the long term so that each child can develop resilient relationships and face life's challenges in the future.

In 2013 the member associations of SOS Children's Villages provided care and support to some 410,800 children, young people and adults worldwide. Of this total, 82,100 children and young people received direct care and support in either SOS families or youth programmes. Our family strengthening programmes helped another 328,700 children and adults in their biological families. In addition, we provided 147,000 children and young adults with educational opportunities through our kindergartens, schools and vocational training centres.

While our core work has always been long-term alternative child care and education for children, young people and their parents, emergency relief services are increasingly becoming a larger part of the work we do around the world.

When communities where we are already present are struck by natural disasters, armed conflict or other sources of turmoil, our focus is always on ensuring that the children are cared for. This can mean we help reunite children with their families or, if a child has no family to turn to, we provide a new home for them in the community. We help families cope with the challenging environment by providing whatever is most needed: emergency supplies, food, habitable living spaces, Child Friendly Spaces and, after the height of the disaster has subsided, with programmes to help parents restore their livelihoods so they can provide for their children in the long term.

Our emergency relief efforts in 2013 were focused on the Philippines, where Typhoon Haiyan claimed more than 6,000 lives and displaced some 4 million people, and on the Central African Republic, Mali and Syria, three countries where brutal civil wars and ethnic violence have displaced millions, endangering the welfare of children.

The challenges faced by the world's children are too big for any single organisation to address alone, so we often work in cooperation with other INGOs, including Child Fund International, Plan International, Save the Children, UNICEF, World Vision, Médecins sans Frontières, Habitat for Humanity and the World Food Programme, to ensure that no child is forgotten.

Accountability is key

Accountability is fundamental to our promise to our donors and each child with whom we work. Achieving full membership in the INGO Accountability Charter was an important milestone for us and one which we take seriously as an opportunity to further improve our internal processes.

In 2013 our International Senate approved the [SOS Children's Villages Good Management and Accountability Quality Standards](#). The development and eventual ratification of this document was itself a fully collaborative exercise in accountability, spanning four years, numerous workshops, multiple drafts and feedback from stakeholders. The high level of collaboration ensures that these standards represent tested 'good practice' for the organisation and that their implementation is taken seriously by everyone in the federation.

While such documents are important for raising awareness and enforcing standards, we also believe we owe it to our donors, partners and the children we serve to adapt to present needs and manage the organisation as effectively as possible.

Despite sustained growth over the last few years, including a 7% increase in our fundraising income compared to 2012, it was becoming increasingly clear that our operations model and decision-making structures lacked the speed and accountability demanded of modern, global organisations.

To address these concerns, a comprehensive organisational review was undertaken with the pro bono support of Boston Consulting Group. Significant management changes were made in 2013 as a result. These include the creation of a Management Team with a CEO, CFO and COO; a Management Council with representatives from

eight of our member associations plus the Management Team; and new committees within the International Senate to guide programme audits, finance audits and leadership selection.

Moving beyond our management structure, we have also made changes to our funding model to ensure that, from a financial standpoint, we are on a 'sustainable path' as a federation and can continue to fulfil our promise to be there for vulnerable children and communities for as long as we are needed. We have therefore challenged 35 of our member associations in emerging fundraising markets to become financially self-sufficient by 2020, so that the federation can focus group resources on countries that have the greatest need for outside help.

Another noteworthy result of the organisational review is that we were inspired to formalise our existing commitment to knowledge sharing and collaboration and we invested in further developing our online collaboration tools, including team sites for managing projects and webinars for peer-to-peer learning. These initiatives are building capacities and helping to increase transparency and organisational learning.

Ultimately, the review and reorganisation are strengthening the way we work together as a federation and improving our decision-making processes and accountability to each other and our external stakeholders.

Assessing our impact

Another way in which we are working to improve accountability is to enhance our ability to measure and demonstrate the impact we have on the children, families and communities with whom we work. Throughout 2013 we continued the project of capturing information about the development of the children, families and communities we serve in a global programme database to provide better evidence of our results. Today, more than half of all our family strengthening programmes worldwide are entering information into this programme database.

We are constantly reviewing our programmes to ensure that they meet the current needs of the community. This has meant that the concept of the children's village is necessarily evolving too. An example is how we increasingly work in partnership with state-run foster care systems, providing support to foster families, sometimes even bringing foster families into our villages. In a nutshell, we know that there must be greater focus on building strong social support networks across communities to ensure that vulnerable families have a safety net.

Local and national governments must be accountable to the children and families in their communities, and we will continue to strengthen relationships with local partners to ensure that our efforts complement theirs.

Future Directions

Our plans include the development of a results-based management model to track the short- and long-term outcomes of all our activities so that we can better manage our impacts on children and society.

At the same time we will continue to implement the SOS Children's Villages Programme Policy formalised in 2009, concentrating on providing family-based care (for children who have lost parental care) and family strengthening programmes (supporting children within their biological families), and advocating for children's rights at national and international levels.

In all of these we seek ways to involve children and young people in the planning and decision-making processes, for example in our campaign to give the world's most vulnerable children a voice and a prominent place in the post-2015 global development agenda.

Our involvement with the INGO Accountability Charter has helped us better understand how principles of accountability can be integrated into our strategy and used to improve how we work. As a result of the feedback received from the independent review panel of the Charter we have already made some significant improvements to our management structures and some decision-making processes, and our attention is drawn to the importance of fostering a culture of openness, transparency and sharing within the organisation. This in turn helps us to better coordinate our cooperative efforts as a federation and our relationships to other actors and partners in the INGO community and beyond. Most importantly, it helps us evaluate our strengths and weaknesses, find solutions and develop as an organisation, so that we can remain viable and serve our most important stakeholders – children in need.

A handwritten signature in black ink, appearing to read 'Richard Pichler', written in a cursive style.

Richard Pichler
Chief Executive Officer

2 ORGANISATIONAL PROFILE

2.1 Name of the organisation

SOS Children's Villages International (SOS CVI) – General Secretariat (GSC)

2.2 Primary activities

2.2.1 We care for children

SOS Children's Villages is a non-governmental and non-denominational child-focused organisation which provides direct services in the areas of care, education and health for children at risk of losing parental care and those who have lost parental care. The organisation also builds the capacities of children's caregivers, their families and communities, so that they can care for their children. SOS Children's Villages speaks up on behalf of children without parental care and those at risk of losing it. The UN Guidelines for the Alternative Care of Children and the UN Convention on the Rights of the Child form the international framework for our action.

SOS Children's Villages works with different kinds of families: biological families, SOS families and foster families. Our work in supporting biological families and helping them cope with difficult situations ensures that they can care for their children adequately, so the family can stay together. For the child who has already lost parental care, SOS families provide a caring environment with the support of SOS Children's Villages. The SOS carer leads the SOS family and is directly responsible for the care and development of each child. Other forms of family-based care, such as foster care, are also organised by SOS Children's Villages or stakeholders with whom we work.

Within the SOS Children's Villages Programme, action is taken through three types of intervention:

1. **Direct essential services** to ensure the child's survival, protection, development and participation rights. This always includes education so the child can develop the knowledge and skills required to become a self-supporting adult. Our educational interventions also involve other children from the community whose rights to education are being violated.
2. **Capacity building** to support caregivers, families, communities and other duty bearers and service providers in developing the attitudes, knowledge, skills, resources, systems and structures to protect and care for the child. By sharing knowledge and training caregivers, families, other duty bearers and service providers, we support them in strengthening their capacities to respond appropriately to the situations of individual children. This includes supporting duty bearers and alternative childcare services in promoting and securing the child's development within a caring family environment. Finally, we support educational service providers in developing the capacities to provide relevant services.
3. **Advocacy** aims to improve the overall framework conditions for the children in our target group by bringing about changes to policies and practices that undermine their rights. We help duty bearers, particularly governments, become aware of their responsibilities to children. We promote quality family-based care with other alternative childcare service providers. As active participants in civil society, we initiate and support movements that can lead to sustainable social changes for the benefit of the children in our target group.

2.2.2 We raise funds for our work with children

To be able to do our work for children, we need a sound financial basis. We create this by raising funds through various channels, from sponsorships via governmental subsidies to corporate partnerships. For more information about our fundraising channels and income sources, please refer to section [2.8](#). We are guided by principles and policies that ensure ethical and accountable fundraising, as described in section [5.21 PR6](#) of this report.

Most of our member associations run their own child care, education and healthcare programmes, and also conduct local fundraising. Some of our other member associations, called Promoting & Supporting Associations (PSAs), do not run their own programmes but specialise in fundraising to support the programmes of fellow member associations. The PSAs exist to provide financial support for member associations located in countries where local fundraising is extremely difficult.

2.3 Operational structure of the organisation, including national offices, sections, branches, regional and field offices, main divisions, subsidiaries and joint ventures

As the operational body of the federation, the GSC is responsible for implementing decisions taken by the General Assembly, the International Senate and the Management Council. The GSC serves individual member associations and the whole federation by helping to develop worldwide quality standards, monitoring their implementation, supporting the global strategy and representing the organisation in international forums.

Based on a comprehensive review, the organisation has undergone changes that also affect the structure of the GSC. The goal of the organisational review project was to find ways in which the federation as a whole can operate more cooperatively and hence more effectively but also more efficiently. The major organisational changes for the federation and the reasons for the organisational review are described in detail in section [2.9](#).

Before the organisational changes, the GSC was organised in a matrix structure consisting of five continental and ten regional offices plus an International Office (IO). Following the organisational review a new structure was developed and is in the process of implementation, which will enable the organisation to work together more efficiently.

The former three-layer structure of Regional Offices, Continental Offices and IO was reduced to a two-layer structure consisting of the IO and the Regional Offices. The GSC now has six International Offices Regions: Asia, Central and Eastern Europe & Commonwealth of Independent States (EUCB), Latin America & the Caribbean (LAAM) and three Regions in Africa/the Middle East. In Africa the Region Middle East and North Africa will be maintained (MENA) and the other four current regions will be merged into two regions, Eastern & Southern Africa (ESAF) and West & Central Africa (WCAF). This new configuration will allow the provision of more consistent support to member associations.

At the IO the functions are organised into International Competence Centres (ICCs) that bundle skills and knowledge from throughout the federation. This ensures the right competences on international subjects and increases the relevance of IO support & topic leadership.

The newly established Management Team comprises the Chief Executive Officer (CEO), the Chief Operating Officer (COO) and the Chief Financial Officer (CFO). The Management Team is responsible for day to day operations and helps to drive cooperation between member associations, translate strategic directions into specific actions, steer initiatives and projects, and provide stimulus and feedback to strategic leadership. The new Management Team ensures accountability and adequate capacities for alignment with member associations.

The CEO in conjunction with the President act as the key representatives of SOS CVI to the outside world and the main internal stakeholders. The CEO ensures that the management and administration of the federation are conducted economically and with due regard to correct procedures and the federation's interests and goals. The CEO chairs the Management Team and is jointly accountable with the CFO and COO for the overall performance of SOS CVI.

The CFO provides financial guidance, alignment and risk management for the federation. In addition, the CFO ensures financial transparency and compliance with financial policies and develops financial frameworks and budgets. He/she executes efficient financial management based on a state-of-the-art finance strategy with a particular focus on financial health and sustainability.

The COO ensures proper development and innovation to optimise the child care service/programme work of SOS Children's Villages. This includes applying the global standards and strategy to regional conditions and requirements relating to local issues and programme/services-related topics. The COO leads the work of SOS Children's Villages in the regions and drives the strategic prioritisation and expansion of the organisation. The establishment of the position of COO and the corresponding office ensures more management time and attention for the regions. Member associations are also guaranteed clear regional counterparts as the new organisational structure transfers certain roles and tasks from the centre to the regions.

The function of PSA Relations was set up to provide the best possible support to the PSAs. The PSAs are independent national SOS Children's Villages Associations and make a major contribution to the funding of SOS Children's Villages' activities all over the world, particularly in countries and territories where children's needs are great but fundraising potential is low. About half of the PSAs also run SOS Children's Villages programmes

in their own countries. PSA Relations has the very specific task of liaising with PSAs in close cooperation with the CEO and ICCs.



The GSC executes all common activities in the federation. It leads the federation's daily business, facilitates member cooperation, and implements, monitors and enforces the decisions of the federation's legal bodies. The GSC also provides services to member associations, focusing on member capacity development.

The position of SOS Children's Villages International Representative (CVI Representative) was introduced in order to optimise support to member associations. The CVI Representatives are the direct GSC line counterparts to the member associations and are authorised to make agreements on support. The regional Directors of functions and the CVI Representative will report to the International Director of the Region (the highest position of the GSC structure in the Regions).

2.4 Location of organisation's headquarters

SOS Children's Villages International
Hermann-Gmeiner-Str. 51
6020 Innsbruck, Austria

2.5 Number of countries where the organisation operates, and names of countries with either major operations or such that are specifically relevant to the accountability issues covered in the report

SOS Children's Villages works in 134 countries and territories. For more information please see <http://www.sos-childrensvillages.org/Where-we-help/Pages/default.aspx>

2.6 Nature of ownership and legal form. Details and current status of not-for-profit registration

SOS Children's Villages International is registered as an association in the Register of Associations at the Federal Police Headquarters in Innsbruck, Austria. As laid down in its statutes, the association is a non-governmental, non-political and non-denominational organisation and operates as a non-profit charitable social development organisation pursuant to Art. 34 ff. of the Austrian Federal Tax Code (BAO) working exclusively in the public interest or in support of people in need. All association funds and surpluses are employed to further the association's objectives. The GSC is the executive arm of SOS CVI.

In most countries where SOS Children's Villages operates, an autonomous national association (or a legal set-up similar to a foundation) is formed as a separate legal entity with its own statutes and board of directors who work on an honorary basis. These associations are members of the international umbrella organisation and, as such, must comply with the SOS Children's Villages' International statutes and principles for childcare and education,

as well as a predetermined set of financial and administrative practices. At the same time, they have the right to apply for PSA funding through the umbrella association and to request services from the GSC.

2.7 Target audience: Groups of people we serve including geographic breakdown

The federation of SOS Children's Villages is active across five continents (Africa, America, Asia, Europe and Oceania). As mentioned in section 2.5, an overview of our programmes and the countries and regions where we are active can be found on our [website](#).

Our principal beneficiaries and stakeholders are children who are without parental care or at risk of losing it, their families and their communities. This group is not limited to children and adults that are directly supported by our programmes: through our advocacy work at national and international levels, we support children and adults worldwide who are part of our target group.

Other affected stakeholders, whom we also consider as the target audience of this report, are our donors, sponsors, staff, volunteers, external partners, governments, national and international institutions, foundations, academic institutions and the organisations with whom we work or who support our activities to improve the lives of our target group.

2.8 Scale of the reporting organisation

SOS CVI works in 134 countries and territories around the world. As of December 2013, we had 116 full member associations in 110 countries. Additional countries are in the process of becoming full members. As stated in our [Annual Report 2013](#), in 2013 we had a total gross revenue of €991.5 million.

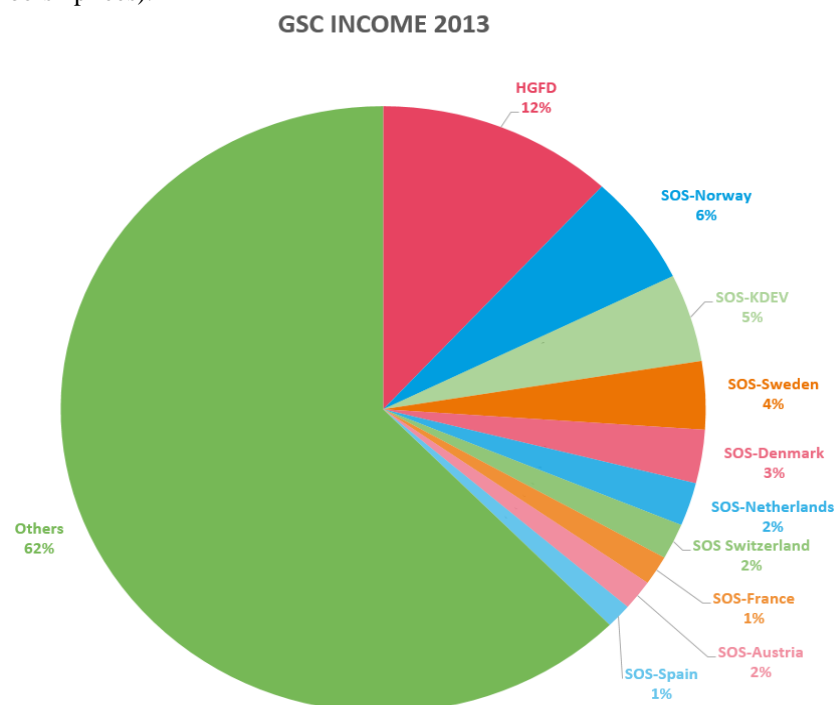
According to the statutes of SOS CVI, each member association is required to pay a membership fee. In 2013, changes in the membership fee system were introduced in order to reach a more balanced and equitable financing of the GSC.

The new membership fee system contains two fee elements which cover the expenses of the federation:

- A governance fee covers the expenses for leadership and management of the federation.
- A support fee linked to funding partnerships between member associations covers the federation's expenses for direct support for members.

The national association (NA) membership fees are paid by the PSAs on behalf of the member associations, which are supported by international funds, in order to save transfer costs and administration effort.

Both fee elements apply to all member associations in the same way. GSC income in 2013 was EUR 34.5 million (EUR 3 million of local income and EUR 31.5 million of international income, of which EUR 29.2 million was membership fees).

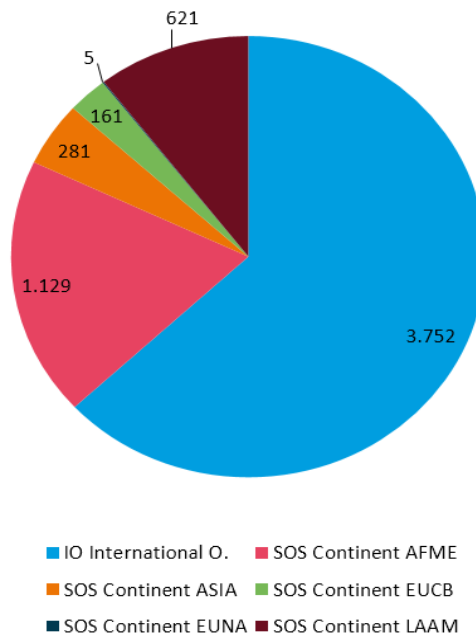


HGFD: Hermann-Gmeiner-Fonds Deutschland e.V.; KDeV: SOS-Kinderdorf e.V.

Others:

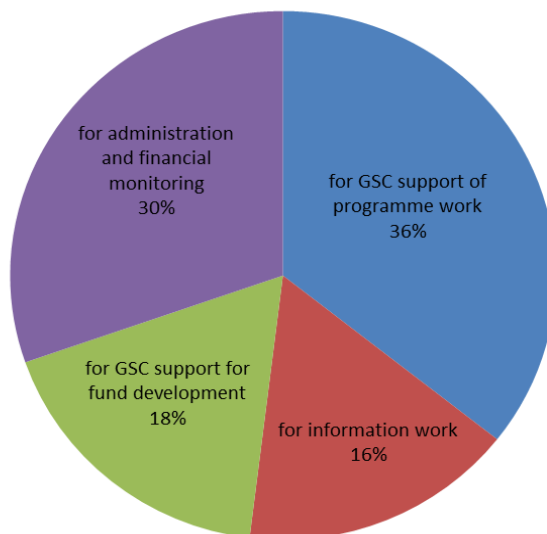
- membership fee from NAs paid by PSAs,
- other income and direct membership fees from SOS Children’s Villages United Kingdom, SOS Children’s Villages Luxembourg, SOS Children’s Villages Italy, SOS Children’s Villages Belgium, SOS Children’s Villages Canada, SOS Children’s Villages United States, SOS Children’s Villages Iceland, SOS Children’s Villages Finland, SOS CVI
- other SOS associations and local income from GSC offices (occasional donations, legacies and bequests, donations in kind, direct donations from abroad, revenues, fees from other facilities, sale of assets, rent, bank interest and miscellaneous revenues).

GSC assets



Amounts of GSC assets are in thousands of euros and include property and land, buildings, furniture, vehicles, equipment & machines, projects under construction, licences, 6 royalties and leaseholds. Total expenditures of the GSC is EUR 36.2 million which corresponds to 3.7% of the total expenditures of SOS Children’s Villages worldwide. This expenditure is distributed as follows:

GSC expenses by segment



The number of employees can be found in Section [5.12 \(LA1\)](#).

2.9 Significant changes during the reporting period regarding size, structure, governance and ownership

The organisation has gone through a major organisational review affecting the organisational structure and the functioning of the whole federation. After an eight-month long process of analysis and developing recommendations, the International Senate decided on major changes on 15th of March 2013, based on the organisational review.

The key themes of the review have been to make the organisation more “efficient and effective” plus to enhance “closeness and cohesion” in the federation. The tools to make this happen are the new governance and management structure and the federation processes. The closeness of member associations in the federation and that of all individuals governing, managing and working in the 134 countries and in the GSC are key to this.

Why was the Organisational Review necessary?

In the past, SOS CVI could rely on strong cohesive forces to balance local requirements (e.g., customisation of programmes, adaptation to local donor needs) and global requirements (e.g., strategic overview and common standards). While global complexity is currently increasing (with e.g. a changing donor base, increasing economic/financial risk), the range of local requirements is also growing (e.g. donor demands, a larger programme scope, etc.). This is weakening the organisation’s cohesive forces.

The key objective for meeting these challenges is to regain and enhance the closeness within the federation. In particular this means fostering a culture of openness, mutual trust and understanding, while still accepting our diversity and cooperating with each other. An organisational structure to enable the federation to work together more efficiently is another key element.

The changes involve the following five aspects and should lead to major improvements in the federation and for member associations: federation model, federation management, federation governance, federation processes and federation people and culture.

Federation model

Common principles of cooperation in the federation have been clarified and agreed upon. These core principles include a shared vision and mission, interdependence and dual status of members, trust, cooperation and transparency. They describe how we work together in a spirit of partnership within the federation. The core principles serve as a basis for defining shared activities carried out by the federation on behalf of all members, including the role of the GSC. This framework aims to improve the cooperation between member associations within the federation.

Federation management

Guidelines to redesign the structure and operations of the GSC have been developed and implemented. These include:

- Only two tiers with dedicated functional staff and clear tasks and responsibilities
- A suitable geographical shape, which means that each regional office supports around 10 to 20 countries
- Direct guidance of Regional Offices by the COO
- Effective global functions organised as International Competence Centres

More information on the federation management can be found in section [2.3](#).

This has been a major reorganisation effort in the GSC with many challenges at the organisational and individual levels. The overall process of change will only be completed during 2014.

The new federation management allows for increased transparency, enhanced accountability, improved and faster information flow and better cost efficiency.

Federation governance

Governance structures and bodies have been updated in order to improve the participation of the member associations in decision making, to ensure clear accountabilities and avoid overloaded timetables. For more information on the federation governance, please refer to section [4.1](#).

Federation processes

Recommendations for the review of strategic and financial planning processes have been developed and implemented. The aim was to improve the participation of stakeholders in these processes and to increase the efficiency of the processes. Optimised processes facilitate the overall goal of achieving closeness.

Federation people and culture

As purely structural measures are not sufficient to foster closeness within the federation, a comprehensive approach was developed to influence the organisational culture. Initiatives to enhance the SOS culture are based on transparency, involvement and mutual understanding.

2.10 Awards received in the reporting period

SOS Children's Villages International did not receive any awards in 2013.

3 REPORT PARAMETERS

3.1 Reporting period

January – December 2013

3.2 Date of most recent previous report

The period January – December 2012

3.3 Reporting cycle

Annual

3.4 Contact point for questions regarding the report or its contents

Ms Manuela Radelsboeck, Organisation Development Coordinator

3.5 Process for defining report content

A cross-functional project team was set up to write the second report. The compilation and development of the report has been done following the process which was defined in the course of writing our first report on the year 2012. The Management Team provided the key guidance for preparing the report and oversaw the progress and final outcome, thus also providing a formal internal approval of the report and its contents.

Much of the content is drawn from existing sources such as the Annual Report of SOS CVI and our global intranet. On certain issues we consulted colleagues who are experts in the relevant fields, and we also used the good practice examples provided by the Charter. The relevance for the reader was always discussed for everything we wished to include in the report.

The report will be shared internally on our global intranet in addition to being published externally on our website.

3.6 Boundary of the report

Membership in the INGO Accountability Charter is held by the GSC which is the operating arm of SOS CVI. This report therefore focuses on the activities and policies of the GSC itself. The organisational structure and functions of the GSC are described in detail in section [2.3](#); our legal framework as a non-profit charitable social development organisation is detailed in section [2.6](#).

However, given that the majority of our programmes are implemented by our member associations, we include information on the entire organisation of SOS Children's Villages where we think it will help the reader to understand the role and operations of the GSC.

We partner with individuals and organisations on specific programmes and for fundraising, but these partnerships are not part of this report. Our partners are listed in our [Annual Report 2013](#).

3.7 Material content limitations

There are some areas for which the organisation currently still has either no or limited information (for example, greenhouse gas emissions). The Management Team has prioritised several areas for 2014 and subsequent years. In particular, we will address the need to improve the Feedback and Complaints Handling Process. We are already in the process of reviewing and strengthening our advocacy approach, and the panel's feedback on this in last year's report provides guidance and added impetus.

It must also be stated with regard to the figures that they are compiled from a number of externally audited reports. At the time of submitting this report we do not have one general audit report for 2013 for the whole GSC.

3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities. Assurance that national entities comply with accountability commitments.

SOS CVI is a shareholder of Joint Systems Fundraising- & IT-Services GmbH which provides outsourced services such as fundraising systems and fundraising expertise. The reason for outsourcing is primarily to facilitate access to expertise which is not available in-house.

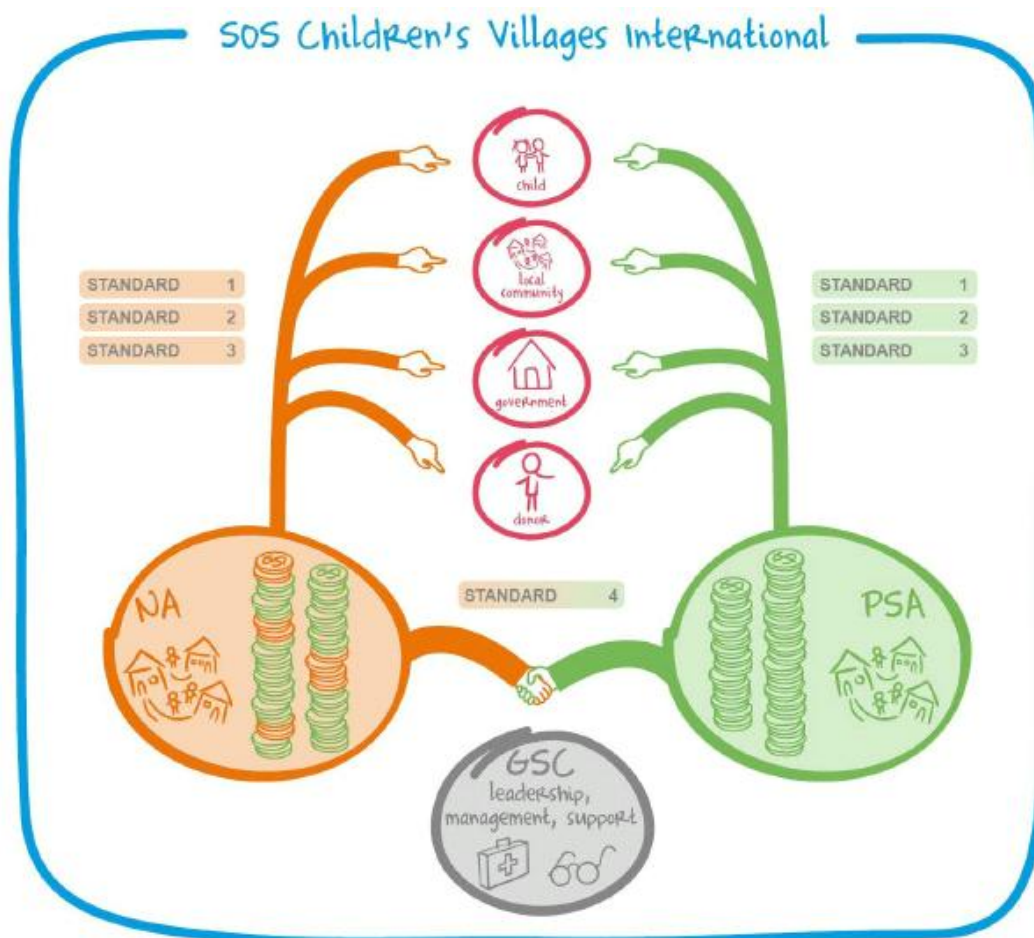
SOS CVI is a shareholder of the International Civil Society Centre (ICSC) and further information on the general cooperation can be found on the website of the [ICSC](#).

In recent years, some tasks have been transferred from the GSC to member associations because their geographical proximity allows a better assessment of the needs of the beneficiaries. The costs of these services are part of the costs of the member associations and do not affect the GSC data.

SOS CVI is the federation that defines the policy framework for all member associations. The international statutes provide the framework for these policies, requiring all member associations to comply with policy manuals and quality standards.

The [Good Management and Accountability Quality Standards](#) set the quality standards in the areas of management and transparency, integrity of the organisation and protection of assets. The quality standards are mandatory for all entities of the federation and apply to all member associations, specifically to board members and members of management who have a leading role in ensuring good management and accountability. The quality standards set a direction which will be progressively implemented over the next few years through additional policy support documents. All member associations will need to implement these regulations in accordance with local law.

Accountability relationships within the federation



Standard 1: Good management and transparency

A sound and shared management cycle is in place to support the healthy development of each member association.

To maximise impact, we work to align plans and actions at a strategic level. Member associations share a set of common tools and methods to use for strategic planning, financial management, monitoring and audits. This helps members to meet their obligations within the federation according to the international statutes and to share a common direction.

Standard 2: Fighting fraud and corruption

We do not accept fraud or corruption within our association and follow a “zero-tolerance” approach. A transparent approach is in place to prevent fraud and corruption, taking into account not only illegal acts but any acts involving the misuse of a person’s position or authority in order to further personal interests. Co-workers and board members are informed about the processes and tools which are used to prevent, report, investigate and respond.

We take the steps required to prevent fraud and corruption and to fight them effectively when they do occur. We deal with allegations in a fair and transparent manner and report suspected illegal and/or criminal activities to the appropriate authorities for investigation and action. Our zero-tolerance approach means that fraud and corruption always result in action on our part. This action varies according to the situation and ranges from criminal prosecution in serious cases to training and individual development measures for minor offences.

Standard 3: Proactive protection and management of assets

We try to manage our assets wisely and with great respect for the serious needs they address and the contributions of our donors, sponsors and partners. This provides us with a solid and sustainable platform for the long-term development of the organisation. Consistent standard procedures are in place to continuously manage and protect financial reserves, personal information about children, donors and co-workers, IT infrastructures, data, buildings and the surrounding environment and other assets of significant value.

Standard 4: Strong funding partnerships involve additional obligations

Common approaches and systems ensure that financial resources can be shared between associations with confidence. Member associations follow agreements on the transfer of PSA funds and the flow of information within a strong and reliable partnership. The partnership is two-way, with obligations for both PSAs and national associations. Each partner agrees to take on these obligations to ensure that the accountability to children, local communities, governments and donors is met, not only in one country but across the federation.

3.9 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report

There are no significant changes from the previous reporting period in terms of timeframe, boundary or measurement methods. In terms of scope, the report still covers the GSC, but as explained in section [2.9](#), the structure of the GSC has changed in 2013.

3.12 Reference Table

Not applicable.

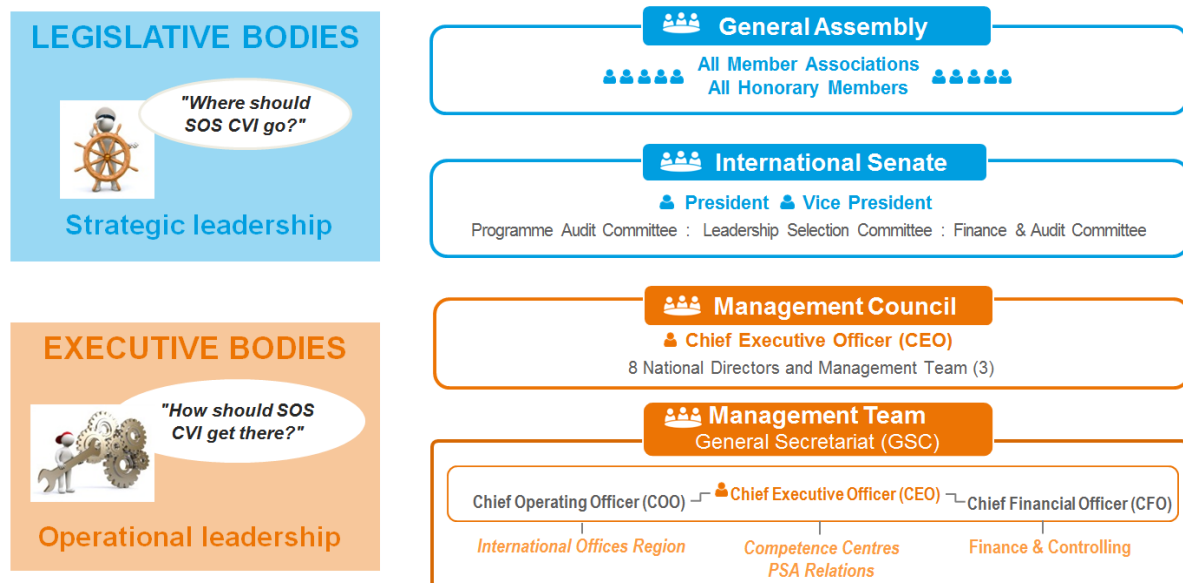
4 GOVERNANCE STRUCTURE AND KEY STAKEHOLDERS

4.1 Governance structure and decision-making process at governance level

Good governance of the SOS CVI federation is based on distinct responsibilities and accountability of governing bodies, observing a clear separation of powers.

Following decisions taken after the organisational review, the governance structure described below was implemented during 2013.

In the federation, the legislative (policy-making) and executive (management) bodies take on separate tasks and responsibilities, primarily segregating strategic leadership and supervision (legislative) from operational leadership and implementation (executive).



The General Assembly

The General Assembly which is convened every four years is the supreme decision-making body of our organisation. Each member association (currently there are 116) has the right to participate and vote at the General Assembly of SOS CVI.

The General Assembly is charged with the following main tasks:

- to elect the organisation's President, Vice-President and the International Senate
- to lay down the basic policy of the organisation
- to ratify the acts of the International Senate
- to take decisions relating to the statutes
- to receive the four-year activity report and the financial statements for approval
- to receive the statement of affairs and a preview of the organisation's future activities

In response to the panel's request for clarification on the interaction among national members (excluding the General Assembly) the following can be stated:

As the overall intention of the organisational review was to increase closeness, exchange and interaction between member associations is especially encouraged and fostered. In addition to physical meetings, close links are enabled and strengthened by means of virtual collaboration. Virtual networking tools are available to all member associations and allow for close collaboration with co-workers all around the world.

The following examples of physical or virtual meetings and interactions among member associations are available:

- Federation Town Hall:**
The newly established Federation Town Hall is an online communication forum where the whole SOS world has the opportunity to get together. For more information see section [4.4](#).

- Physical meetings of presidents and national directors in each region: Presidents and/or national directors of national associations meet in all regions for regular exchange and better cooperation. In addition, there is frequent interaction between members, for example regular virtual meetings between neighbouring countries.
- Global projects, strategic plans and policies: There is also a range of global projects, in which different member associations take an active part. Each member association can participate in the development of international strategic plans and policies by reviewing and contributing to key documents as they develop.
- Interaction through virtual collaboration tools, such as community sites, blogs and commenting on the intranet, in order to foster knowledge-sharing and exchange.

From a governance perspective some member associations also interact in the International Senate and the Management Council.

International Senate

The International Senate consists of the President of the Association, the Vice-president and a maximum of twenty persons. The members are elected for a maximum six-year term of office. The term of office terminates with the election of a new International Senate which is held at every ordinary General Assembly every four years. Members of the International Senate are eligible to be re-elected for second and further terms of office.

Election

The General Assembly elects the President, Vice-president and other members of the International Senate. Nominations are lodged with the GSC four weeks before any ordinary General Assembly. According to the statutes the International Senate shall be made up as follows:

- The President and Vice-president of the Association
 - Ten seats on the Senate shall be allocated to those ordinary members who have made the largest financial contribution to the international activities of the Association
 - Four seats shall be reserved for representatives from four different continents on which the Association is represented
 - The remaining seats shall be taken by representatives of other ordinary members or by honorary members
- (In practice the 20 members are composed of association board members from the 10 largest PSAs and 10 members from regions).

Apart from the President, all International Senate members are board members in their national associations. In line with a clear separation of powers, all International Senate members are non-executive and do not receive remuneration.

The CEO is obliged ex officio to attend meetings of the International Senate as a non-voting member. The COO and CFO also attend the Senate meetings as non-voting members.

Some of the main tasks of the International Senate are:

- Discussing and deciding fundamental questions relating to the policy of the organisation
- Submitting proposals to the General Assembly setting out aims and priorities of the organisation's future activities
- Approval of the annual budget and annual financial statement of SOS CVI
- Election and appointment of members of other committees and staff
- Admission and exclusion of member associations

On 1 February 2013 the International Senate decided to create these three Senate Committees:

- Senate Committee on Programme Audit
- Senate Committee on Leadership Selection
- Senate Committee on Finance & Audit

Any Senate member can propose candidates (including themselves) for committee membership. These proposals are given to the President, who then makes a formal proposal to the Senate for final decision. Each Senate member can only be part of one committee. Each committee consists of four Senate members, with one acting as the chairperson. The President and the Vice-president each chair one of the committees. The three members of the GSC Management Team are each ex officio members of one Senate committee, but without voting rights.

Independence is a key feature of the profile of (national) board members, but also for all association members (for more information regarding the board member profile, please refer to section [4.10](#)). This is in line with the

organisation's character as a non-governmental, non-political and non-denominational organisation, operating as a non-profit charitable social development organisation.

Programme Audit Committee

The Programme Audit Committee shall ensure that high priority is given to programme quality issues, create transparency on actual programme quality and drive continuous improvement in the federation.

Leadership Selection Committee

To fulfil the organisation's mission, the Leadership Selection Committee shall ensure quality, diversity and gender balance among key managers through selection and appraisal. The Committee shall also recommend candidates for the Management Council to the International Senate (excluding the 3 PSA nominees from the largest PSAs).

Finance & Audit Committee

The Finance & Audit Committee shall identify to the Senate any matter relevant to the quality and efficiency of SOS Children's Villages' financial planning and management and shall ensure that the Senate is provided with timely and appropriate information on any matter relevant to SOS CVI's financial accountability, risk management, accounting, reporting and controls. The Committee shall also monitor financial planning and budgeting of the federation's GSC.

The President

The President (jointly with the CEO) represents the federation externally, ensures consistency across the legal bodies and assumes overall leadership of the federation, supporting cohesion.

The Management Council

The Management Council is a new organ created as an outcome of the organisational review. Through discussions and exchange between members of all parts of the federation, the Management Council decides on recommendations for Senate decisions, operationalises Senate decisions for the GSC, approves the work plan developed by the Management Team, prioritises GSC activities and defines targets.

With all members playing a federation role, the Management Council takes decisions by consensus on:

- Recommendations to the Senate
- Matters put forward by the Management Team relating to GSC operations
- Matters referred to the Management Council by the Senate

The Management Council consists of the GSC Management Team (Secretary General/CEO, COO and CFO), four members representing those member associations contributing to the international programme work (the three biggest contributors and one with a smaller contribution) and four fund receiving members representing the regions.

The Management Council is chaired by the CEO, who also represents it in the Senate.

The Management Team

The Management Team steers the daily business of the federation within the framework specified by the International Senate and leads the GSC, which provides support and services to the member associations. It is responsible for preparing, implementing and monitoring the decisions taken by the General Assembly, the International Senate and the Management Council, when necessary also taking corrective action. Candidates for the positions in the Management Team are selected by the Leadership Selection Committee and appointed by the International Senate. More information on the individual roles of the Management Team members (CEO, CFO, COO) can be found in section [2.3](#).

4.2 Division of powers between the highest governance body and the management and/or executives

The SOS CVI President is a legislative, non-executive position. However, the President does receive remuneration, since the presidency is a full-time commitment. This is the only paid legislative position in the federation.

The President is responsible for the day to day appraisal of the Management Team and the Leadership Selection Committee provides support by organising appraisal talks.

Separation of powers is a key guiding principle in SOS CVI governance. Please refer to section [4.1](#) for details. Further information about how SOS ensures the effectiveness of its national boards and the selection process of board members can be found in section [4.10](#).

4.3 Number of members of the highest governance body that are independent and/or non-executive members

All members of the International Senate are non-executive. For more information about our structure, please refer to Section [4.1](#).

4.4 Mechanisms for internal stakeholders (e.g. members or employees) to provide recommendations or direction to the highest governance body

The most direct link is the presence of all member associations in the General Assembly, where they give feedback and guidance on the organisation's strategy, mission, vision, etc.; have the right to vote; and can raise any issues they deem important. As already mentioned, the International Senate consists of 20 representatives from different member associations who represent not only their individual association but all the member associations in their region.

The Management Council recommends and prepares topics for International Senate decisions. These are prepared with the involvement of stakeholder employees of SOS CVI.

Almost all national boards have one member who is a representative of the global federation (CVI Representatives), who also ensures regular exchange of ideas and information between the federation and its members. For more information on CVI Representatives, please see section [2.3](#).

When developing our current strategic plan, all member associations' boards were asked for input, as well as children, co-workers and external stakeholders. This was a structured and comprehensive process where more than 2000 voices were heard, in order to ensure relevance and ownership of our strategy.

To address the Charter's request for more information on how internal stakeholders are informed of actions by the International Senate and the other legal bodies, we would like to draw attention to the following channels:

- Information on decisions of the International Senate and Management Council is shared with internal stakeholders through the "Management and Senate News" section of our global intranet which is available to every employee with internet access in the SOS Children's Villages federation. This shows the results of all meetings of the International Senate, the Management Council and other globally relevant meetings, such as General Assemblies.
- Management and Senate News are also sent directly to upper-level GSC and Member Association management via an email newsletter.
- In 2013, the Federation Town Hall was introduced. This newly established channel is an online communication forum that allows the whole SOS Children's Villages world to get together. The senior management of member associations (i.e. National Directors and Managing Directors) are invited to participate live in the online information session and ask questions. All co-workers with internet access can watch the town hall live or via a rebroadcast on the intranet. Besides sharing the latest information about current top-level decisions, the goal is to engage and interact with the wider SOS CVI federation. The Federation Town Hall takes place twice a year following International Senate meetings.

4.5 Compensation for members of the highest governance body, senior managers, and executives (including departure arrangements)

Apart from the President, all International Senate members are board members in their national associations. All are non-executive and work without remuneration.

The Management Team is accountable to the International Senate and its performance as a team is assessed by the President and the leadership selection committee of the International Senate.

We have compensation systems in place which also apply to Management positions. In setting up compensation structures we benchmark with other NPOs and the local labour market, with the aim of positioning ourselves better in the market. There is currently no direct link between performance and salary.

4.6 Processes in place for the highest governance body to ensure conflicts of interest are identified and managed responsibly

Principally, a strict division of powers is established to avoid conflicts of interest. There is a strong focus on avoiding conflicts of interest in the selection of national board members. For example, current co-workers, relatives of a co-worker or board member, or persons with a commercial relationship to SOS Children's Villages are not eligible to become members of the board. With regard to International Senate members, a key potential conflict of interest is the requirement to think globally and for the whole federation, which might potentially contradict local interests as board members of national associations. The issue of possible conflicts of interest is addressed in the orientation phase of new Senate members, thus raising awareness in order to handle any potential problems.

4.10 Process to support the highest governance body's own performance

Detailed procedures concerning the election of International Senate members can be found in section [4.1](#). As mentioned, members of the International Senate are members of their national association boards and thus have been selected based on a profile of characteristics and competences. Based on the experience of many national boards as well as current governance research, the characteristics and competences below have been identified as important for members of the association (national general assembly) and board members. These competences focus on the key role of the board in engaging with the national director to steer the future development of the association and to bring a guiding perspective to the issues that most demand organisational attention. The first column refers to all members of an association while column 2 and 3 refer to the members of a board.

Vision, Mission and Values	Governance	Commitment
Ethical Integrity This includes willingness to provide police clearance and sign the Code of Conduct	Holistic View <ul style="list-style-type: none"> willing to think outside the box and outside of individual expertise takes strategic viewpoint thinks ahead 	Board Member Time Investment <ul style="list-style-type: none"> preparing for board meetings participating in board meetings own orientation and learning participating in work groups on specific topics of strategic nature
Independence Fits with the non-political, non-denominational, non-profit, social development character of SOS Children's Villages	Steering <ul style="list-style-type: none"> able to identify and analyse challenges willing to probe strategic direction regularly, plans and monitors results ensures efficient and appropriate use of assets 	Chairperson Time Investment Additional to above for <ul style="list-style-type: none"> coaching and advising national/managing director public representation other legal requirements
Enthusiasm and Passion <ul style="list-style-type: none"> for child rights and social development for the mission of SOS Children's Villages for improving the situation of children and families in their country for raising funds for our mission 	Development <ul style="list-style-type: none"> inquisitive, seizing opportunities to learn interested in developing the association, the board and the national management to meet future needs 	Engagement <ul style="list-style-type: none"> willing to engage as a board member to give the best possible steering to the national association able to take sound decisions in timely manner willing to practise accountability and basic good management according to the standards of the SOS organisation as well as according to national law and regulations
No Conflicts of Interest <ul style="list-style-type: none"> not a current co-worker not a relative of a co-worker or board member not in a commercial relationship with SOS 	Diverse Perspectives <ul style="list-style-type: none"> from a range of different backgrounds, including social affairs, child rights and corporate well aware of the local and 	

Children's Villages	national context <ul style="list-style-type: none"> • various age ranges • gender and ethnic mix 	
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4.12 Externally developed environmental or social charters, principles or other initiatives to which the organisation subscribes

Our work is guided by two externally-developed frameworks: *The UN Convention on the Rights of the Child (UNCRC)* and the *UN Guidelines for the Alternative Care of Children*. Additionally, we support the *Millennium Development Goals (MDGs)* to end poverty and are working actively to help frame their successor through participation and leadership in the international Post-2015 discussion.

4.14 Stakeholder groups of the organisation

Our stakeholders include, in the first place, the children, families and communities with and for whom we work. Our stakeholders are also our donors, sponsors, co-workers, volunteers, external partners, governments, national and international institutions, foundations, academic institutions and organisations with whom we work or who support our activities to improve the lives of our target group. Please see also section [2.7](#).

4.15 Process for identification, selection and prioritisation of key stakeholder groups

Identifying the children, families and communities with whom we engage is an integral part of the programme planning process which is carried out in line with the SOS Children's Villages Programme Policy and other organisation policies. In order to develop programmes at locations where there is the greatest need and in areas where we can have the highest impact, the programme planning process includes a country-specific Child Rights Situation Analysis (CRSA) conducted by external experts. Besides identifying where to work, the CRSA helps us to define what kind of programmes to establish and to set the scope of our response, with due respect to national conditions and in the spirit of the UN Convention on the Rights of the Child and the UN Guidelines for the Alternative Care of Children.

Analysing the status of our target group in a particular country is a crucial step in reconfirming why the organisation should establish a programme in that country, or to justify the need for more programmes. Once the decision has been made to establish more programmes in a specific country, a feasibility study which includes an in-depth needs assessment is made in a selected location/area. Supplementing the Child Rights Situation Analysis, the feasibility study encompasses the data collection, analysis and assessment necessary for preparing the project design and provides background information on:

- The overall justification for the project
- The potential target groups, their needs and anticipated positive/negative effects
- Important assumptions which may be decisive for the success or failure of the project

Importantly, this needs assessment applies various participatory methods, including consultation with children. As part of these studies a package of appropriate responses – our programme interventions – are then designed in accordance with the best interests of the children. Furthermore, our programme interventions are rooted within the community and build on existing initiatives and resources, in the interests of building solid foundations for sustainability. Partnerships and networks are developed for the purposes of service provision, capacity building and advocacy at national level. In cooperation with community-based partners, SOS Children's Villages sets up a process to identify the beneficiaries of our programmes when the implementation phase of the programme starts. Please see also sections [5.6 NGO6](#), [5.21 PR6](#) and [5.13 EC7](#).

5 PERFORMANCE INDICATORS

5.1 NGO1 – Involvement of affected stakeholder groups to inform the design, implementation, monitoring and evaluation of policies and programmes

Child participation is anchored in SOS Children's Villages' core policy, the SOS Children's Villages Programme Policy. It expresses the organisation's stand on how to best approach the situation of children in our work and sets a framework for action for the SOS Children's Villages organisation. The policy has been implemented by co-workers and other relevant stakeholders within the organisation and has an impact on all aspects of the organisation's work. The policy is centred on four principles, one of which is child participation: children are involved in finding solutions to the challenges they face in their lives. SOS Children's Villages recognises the role of the child as well as duty bearers and other service providers in addressing the child's development needs and standing up for their rights.

Involvement of children and families in decisions that directly affect their lives

We are aware of each child's personal development and ensure that the child development planning process is executed with the full participation of each individual. A formal development planning process is carried out for each child in our family-based programmes. Individual development planning meetings are held once a year for each child and an individual development plan is drafted. Meaningful participation of the child is ensured in this process, taking into account his or her age, giving the child the opportunity of developing his/her capacities and of gradually gaining the skills to become independent. Besides the child, the other actors involved are the primary caregiver (for example the SOS parents) and child development co-workers (such as the psychologist, social worker, etc.). Informal follow-up meetings are held regularly to review the development plan depending on the on-going needs of the child.

A similar process exists for the children and families in our family strengthening programmes. A Family Development Plan is drafted by a family strengthening case co-worker with the input of the children, parents, other family members and a multi-disciplinary team. The Family Development Plan draws on the areas of strength and competencies of the child/young person, the parents/carers and the wider family and their community, and identifies how the following will be addressed:

- The developmental needs of the child/young person which are identified
- The parents'/caregivers' difficulties or problems which are having an impact on their capacity to respond to the needs of their child
- Wider family and environmental factors which are having a negative impact on the child/young person and his/her parents

The Development Plan is reviewed regularly and adapted to the needs of the child and family.

Involvement of children and families in our programme and advocacy work

As mentioned in Section 4.15, the programme planning process and particularly the feasibility study includes a needs assessment which applies various participatory methods, including consultations with children.

Strengths and areas for improvement are identified through the self-evaluations carried out in our programmes in line with the standards set out in the Children's Village manual, and can then be reflected in the objectives and actions to be taken each year. Programme managers/coordinators and staff assess the effectiveness of their programme or project on a routine basis. Primary stakeholders and representatives of local entities and service providers are involved in this process. The self-evaluation demonstrates the extent to which current programme practices are in line with the Children's Village Programme Policy and related policies (education, child protection). The results form the basis for planning any action required to align the SOS Children's Villages Programme Policy.

Youth participation and empowerment were an important part of SOS Children's Villages' *I Matter* advocacy campaign which was carried out in 21 countries in Europe and Central Asia to address the needs of young people leaving alternative care and moving to independence. An International Youth Council (IYC) was created in order to promote the participation of young people with care experience in the campaign. During 2013, the last year of the campaign, the IYC finalised recommendations on youth participation for SOS Children's Villages to ensure that the campaign will have a lasting impact when it comes to including young people's input in the decisions of

the organisation. In 2014, the GSC will decide how to use and implement the recommendations of the IYC. Please see Section [5.5 NGO5](#) for more details.

In 2013, SOS Children's Villages also supported the involvement of children and young people in the formulation of demands and proposals for the post-2015 framework which will define the world's development agenda once the Millennium Development Goals no longer apply. A guide was developed to help SOS co-workers engage children and young people from care in the [My World Survey](#), a global survey set up by the United Nations to ask people to choose their priorities for a better world. This guide can be consulted [here](#).

Involvement of community-based stakeholders in our programmes

Children and their families are part of the community. Recognising the roles, capacities, resources and existing initiatives of all relevant stakeholders within the community, SOS Children's Villages works with these stakeholders to develop strong social support systems for children and their families. Through cooperation with government, community and other duty bearers, families in need are supported to meet their obligations towards children. By working alongside the other stakeholders, SOS Children's Villages develops comprehensive social 'safety nets' and alliances for the protection and promotion of children's rights. Our programmes build on existing capacities and initiatives within the community and support communities to strengthen their capacity to provide assistance to children and families.

For instance, in Jos, Central Nigeria, child protection experts from SOS Children's Villages provided training to the local community-based organisation (CBO) partner on children's rights, child protection, sexual and reproductive health, parental skills and child participation. This training was replicated in the community with community leaders, faith-based organisations and other groups, with the aim of filling the gaps in caregivers' knowledge of and experience with childcare and parenting-related issues. As a consequence of the training, a local child protection committee was established in the community: this has been working to address cases of child abuse and neglect. The programme has also been engaging traditional leaders in regular dialogue to support this local child protection committee, which has enabled the community to report cases of child abuse to the authorities.

The programme has also trained children and young people on their rights and responsibilities as well as on sexual and reproductive health issues. These training courses have also been taken into schools. Follow-up activities are being developed for teachers to bring them up to the same level of knowledge and awareness as their students. As a result, caregivers have become more responsive to the care and support needs of their children. Regular follow-up household visits by programme staff and CBO volunteers ensure that improvements in care are maintained and developments are monitored.

Another example is the training of SOS co-workers in Malawi in child participation strategies. SOS staff trained CBOs on the importance of child participation in decision-making processes. SOS Children's Villages and the CBOs then formed a community club for children where children receive psycho-social support, learn to speak up for themselves and discuss issues that affect their lives. The community takes the priorities of the children into consideration and integrates them in its plans. In this particular case, the CBOs encourage the children to join the community club while SOS Children's Villages provides the resources.

Also in 2013, SOS Children's Villages conducted the study "Strong social support networks for children and their families". Some 58 interviews were conducted with SOS Children's Villages staff and representatives from local partner organisations in 16 locations in Ethiopia, Ghana, Kenya, Malawi, Mali, Nigeria, South Africa, Togo, Uganda and Zimbabwe. The aim was to learn from their experiences and to get to know what works in empowering communities, in achieving local ownership of the family strengthening activities and in being sustainable. The research results will be published in 2014. Outcomes and key lessons learned will be used to improve programme practices and internal policy development processes.

Development of SOS Children's Villages policies

Our international policies represent the agreed foundation for the operations of member associations. Wide member participation is ensured in the development of these policies. The development of basic policies – the highest level policies in our system – is supported by the GSC and final approval lies with legal bodies.

Our plans for stakeholder involvement include having a representative of each stakeholder group (for example caregivers, programme directors, national directors, board members, etc.) in our expert team who then determine the design, implementation, monitoring and evaluation of policies.

5.2 NGO2 – Mechanisms for stakeholder feedback and complaints on programmes and policies and in response to policy breaches

Complaints handling mechanism with new Integrity & Compliance Unit

We have started the process of setting up an Integrity & Compliance Unit (ICU) which will be responsible for establishing a complaints handling mechanism (including whistle-blowing). Further information on the ICU and our anti-corruption policies can be found in section 5.19 [SO3](#). We will be able to provide more information on the setting-up of the complaints handling mechanism in the next (2014) report.

Policy on Good Management and Accountability Quality Standards

The SOS Children's Villages Policy on Good Management and Accountability Quality Standards was developed during 2011 and 2012 and adopted by the federation in March 2013. It is still in the process of being fully implemented throughout the federation.

The policy includes a section on reporting and responding to cases of mismanagement and fraud to ensure that co-workers and managers have a clear understanding of how to report suspected corruption. Employees themselves are personally responsible for reporting such cases. Boards and managers are responsible for reviewing and investigating reported cases.

- There are four main channels for identifying suspected fraud and corruption: internal controls, management concerns and suspicions, whistle-blowers and external complaints.
- Through an established and documented reporting procedure, people are able to raise legitimate issues in an open and honest way, without fear of reprisal.
- All legitimate allegations of fraudulent activities or corruption are investigated, and the investigative processes and findings are clearly documented.
- Information is provided to relevant stakeholders, including the person who originally raised the issue.
- The identity and the job of the person making the allegation are protected.

Child Protection

SOS Children's Villages is unique among child-focused NGOs in that we are child care practitioners with guardianship and/or daily responsibility for the direct care (including housing, education and healthcare) of over 82,000 children and young people. We do this in 1,171 programmes in 124 countries around the world.

Through the SOS Children's Villages Child Protection Policy, procedures have been implemented at all levels of the organisation and throughout the federation to educate caregivers and other co-workers on the types and symptoms of abuse and relevant reporting mechanisms, and to ensure a timely and appropriate response to any type of abuse reported in the SOS Children's Villages programmes.

All employees and associates of the SOS Children's Villages are obliged to report any concerns, suspicions or allegations of any child abuse. Types of child abuse are described in the [SOS Children's Villages Child Protection Policy](#) along with the mandatory steps to be taken by the employee if a case of abuse is suspected. The [SOS Children's Villages Code of Conduct](#) emphasises that each employee is personally responsible for reporting.

In any case of suspected abuse, the very first priority is to immediately secure the safety and well-being of the alleged victim. In practice, this means that we take particular steps to ensure that the victim is not 're-victimised' by isolation or removal from the healthy, supportive elements in his or her environment and, at the same time, that the necessary emotional, medical and any other support are provided.

The steps for dealing with these reports vary depending on the type of abuse, the individual context and the local laws, but each concern or incident reported is taken seriously. Reported allegations of child abuse are *assessed, managed and documented by the child protection team* within the framework defined in Reporting and Responding Procedures. The National Director is ultimately responsible for any decisions and action taken. Based on the information gathered up to this point, the Referral Meeting considers the nature of the concern and decides on further action. If the reported allegations include possible *criminal offence(s)* the case is *reported to*

the national authorities. Non-criminal cases are either investigated further internally whilst the alleged perpetrator is suspended (presumption of innocence) or, *if evidence is sufficient, disciplinary action is taken*. If information indicates that the *allegations are unfounded or untrue, the name of the alleged perpetrator is cleared*. In the case of malicious allegations by another co-worker, disciplinary action is taken against him/her.

With the ongoing implementation of our Child Protection Policy, many member associations are working hard to raise awareness of the importance of child protection and, at the same time, are implementing much stronger reporting and response mechanisms.

To foster greater transparency and accountability, member associations are strongly encouraged to join and actively participate in or facilitate the set-up of national, external child protection networks, where partners can support each other with investigations.

The Code of Conduct was approved by the Secretary General in September 2011 as part of the implementation of the SOS Child Protection Policy and to date has been adopted by most of the member associations. The main aim of the document is to provide guidance on the appropriate/expected standards of behaviour of adults towards children. As of December 2013, 72% of all GSC co-workers had attended training and signed the Code of Conduct. The Code of Conduct had been implemented by 68% of all member associations.

5.3 NGO3 – System for programme monitoring, evaluation and learning (including measuring programme effectiveness and impact)

During the development of the Monitoring, Evaluation and Learning (MEL) system it became obvious that the scope of the project needed to be extended in order to deal effectively with the high level of complexity of the topic.

In recognition of its great importance for our organisation and in order to integrate the different requirements and needs of all organisational areas involved (besides programme work, areas such as finance and Institutional Partnership Development (IPD)) additional aspects have been added to complement the system. The project scope has therefore been extended and placed on a broader basis.

SOS Children's Villages now aims to develop and implement an organisation-wide results-based management approach (including social impact assessment which has been started as a separate project). We aim to ensure that all processes, products and services contribute to the achievement of clearly stated results by means of a new results-based management approach.

A clear impact assessment approach – within the broader framework of results-based management and building on the existing foundation of work done on programme monitoring and evaluation – will enable SOS Children's Villages to demonstrate the impact of our work through regular assessments in selected 'sample' member associations (and in others according to need). The impact assessment project will build on the foundation of existing work, such as the change matrix, which is a set of indicators that enable a global statement on the results of our work which are comparable over time and aligned to the UN Convention on the Rights of the Child as well as the programme database. The results-based management project can be seen as the umbrella project which includes the impact assessment project which will start in autumn 2014.

5.4 NGO4 – Measures to integrate gender and diversity into programme design and implementation, and the monitoring evaluation, and learning cycle

We have several policies in place within the organisation:

- SOS Children's Villages Programme policy: the policy expresses the organisation's stand on how to approach the situations of children in our target group. It builds "a conceptual bridge" between the various areas of our work.
- Child protection policy: see section [5.2 NGO2](#) for details.
- HIV/AIDS policy: the HIV/AIDS policy sets an action framework for preventing HIV infection; addressing the needs of children families and communities affected by HIV; helping to reduce stigma and discrimination; empowering children and young people to participate in discussions about the disease and in decisions that affect their lives; and building partnerships with key stakeholders to strengthen duty holders' accountability for children's rights.
- Education policy: we ensure access to quality education for all children in our programmes. We do this by supporting free, inclusive and quality education for all; by building partnerships to strengthen the

public schools attended by the children in our programmes; and by continuously improving the quality of our Hermann Gmeiner Schools and kindergartens.

Inclusion policy: SOS Children's Villages works to uphold the rights of children with disabilities to play a role as full, active, and resourceful members of their communities. Our priority lies in strengthening the capacities of these children's families to take care of them. Details can be found in the [INGO Accountability Report 2012](#) (NGO4, p.21). Emergency policy: when children are exposed to emergencies, be this as a result of war or natural disasters, we take action to bring them as quickly as possible from the emergency situation into a caring family environment where their safety can be ensured and their continued development as individuals supported.

Gender

Within our programme database we monitor and evaluate gender and diversity issues. We maintain statistics on the genders of our beneficiaries, as well as caregivers and couples in children's villages and youth facilities, and beyond that of caregivers in family strengthening programmes.

SOS Children's Villages is currently developing a gender policy. The scope and timeline of the policy have been influenced by increased involvement by crucial stakeholders and by the steering and ownership of the topic by the International Senate. We expect to finalise this policy in October 2014 after its approval by the Management Team and the International Senate. An international project team has been working on the document since April 2013. We have carried out almost 200 interviews with children, young people and caregivers, both in family-based care (FBC) and in family strengthening programmes (FSP) in three locations (India, South Africa and Mexico). We performed an internal search of our key documents related to gender equality issues and an external survey of the topic. We carefully studied the gender equality policies of our closest competitors. The first draft of the gender equality policy has been shared globally within the organisation. Written feedback has been incorporated from 38 national associations across all continents as well as the support from an external gender expert.

The main benefits of the project are the following: the gender policy will contain positions to guide internal and external practice. It will set principles of gender equality to guide organisational human resource management and our work with beneficiaries of SOS Children's Villages programmes. This will result in a better understanding of how to make our programmes and human resources practices more gender-sensitive. The focus of the SOS Children's Villages equality policy will be on programme work and co-workers who provide care to children will be given special attention. Clear targets have been set by the International Senate. SOS Children's Villages will increase the number of women in National Director positions and in the management of the GSC to a minimum of 35% by 2016. This figure is planned to rise to a minimum of 40% by 2020. In addition, a baseline will be established on sex-disaggregated data for Board member statistics.

The gender policy is being developed using a rights-based approach. We are taking an integrated, global approach in responding to the situation of our target group within the different local contexts, in relation to the challenges presented by the local context/culture. A quality assurance system is to be developed, including monitoring and evaluation based on clear criteria. In addition, we work in partnership with other organisations (e.g. local women's organisations). This is reinforced by a culture of responsibility. The policy will be a global one, applying at all different levels across the entire organisation.

Principles (DRAFT)

1. SOS Children's Villages aims to prevent all forms of violence against children and women.
2. SOS Children's Villages places an emphasis on equal opportunities for girls and boys to access all levels of education.
3. SOS Children's Villages aims to promote access to education for girls and to improve their safety and sanitation facilities once they are at school.
4. SOS Children's Villages raises the awareness of girls and boys about sexual and reproductive behaviour and promotes maternal healthcare for women and girls.
5. SOS Children's Villages is committed to building the economic self-reliance of young people and vulnerable carers.
6. Transforming gender imbalances and building gender equality within the organisation.

5.5 NGO5 – Processes to formulate, communicate, implement and change advocacy positions and public awareness campaigns

SOS Children's Villages' advocacy positions

Our advocacy positions align with our mission statement and strategic priorities. Moreover, our advocacy positions are grounded in:

- Knowledge and experience coming from our programmes
- Evidence-based research coming from our campaigns and desk research
- External policy initiatives related to our target group.

The United Nations Convention on the Rights of the Child (UNCRC) and the United Nations Guidelines for the Alternative Care of Children (hereafter the "UN Guidelines") are the international frameworks for the actions of SOS Children's Villages and all our advocacy positions are grounded in them. The UN Guidelines represent authoritative international advice on the implementation of child rights as elaborated in the UNCRC. Our advocacy activities at international, regional and national levels aim to promote child rights in line with the UN Guidelines to inspire the necessary and quality reform of social welfare and alternative care systems worldwide. In order to ensure that our advocacy positions are based on our mission and strategic priorities, SOS Children's Villages has rigorous approval procedures involving the organisation's management.

In late 2013 new management structures came into effect and the new Management Council delivered a mandate to investigate and develop a new "Unified Campaign" which will focus advocacy across the federation to support change in national contexts. This initiative is in the very early feasibility stage. In 2014 various topics are being considered to assess the benefits of such a Unified Campaign with a view to approval by the Management Council in 2014, campaign development in 2015, and a launch through the General Assembly in 2016. This process has already engaged external partners in consultation, for example, Plan International, to provide information about developments and potential positions.

The SOS Children's Villages advocacy toolkit is based on five pillars: research, planning, implementation, monitoring and evaluation. The advocacy toolkit is used by advocacy staff at national, regional and international levels to ensure that our advocacy work is effective and efficient.

In 2013, SOS Children's Villages published the following position papers in the framework of its work to influence the post-2015 agenda:

- Creating a world where each child can thrive – SOS Children's Villages' vision for the post-2015 development Agenda
- Protecting the most marginalised children and families – Think piece on social protection
- Equal job opportunities: providing a better future for children and young people – Think piece on Employment
- Every child deserves a healthy life – Think piece on health
- Education for the most vulnerable – Think piece on education

These position papers are all available [here](#) on our website.

As a member of the European Task Force of the Beyond 2015 campaign, SOS Children's Villages contributed to and supports the European NGOs' position on the post-2015 framework. See [5.2 NGO2](#) for more details.

In 2013, SOS Children's Villages also co-published the handbook [Moving Forward: Implementing the Guidelines for the Alternative Care of Children](#). This publication was developed by the Centre for Excellence for Looked After Children in Scotland (CELCIS) and child protection expert Nigel Cantwell with the support of SOS Children's Villages, the OAK Foundation, UNICEF, the International Social Service and other stakeholders. The Handbook aims to provide practical guidance on using the UN Guidelines to promote the reform of social welfare and alternative care systems. Furthermore, it highlights the implications for policy-making and provides links to what is already being effectively done on the ground.

Care for ME! Campaign

As highlighted in our previous report, SOS Children's Villages launched its first global campaign "Care for ME! Quality Care for Every Child" in 2012. Care for ME! is mainly focused on the national level and is coordinated by the GSC.

SOS Children's Villages, in cooperation with child rights experts, has developed a tool to assess a country's position in relation to the implementation of the UN Guidelines, measures that support families at risk of separation and factors that cause children to enter alternative care arrangements. Each member association that participates in the Care for ME! campaign uses this tool to assess national childcare systems and to identify areas

for improvement in both law and practice, in cooperation with external national stakeholders. The assessment provides the evidence-based research for the national campaign. The member associations define the change objectives and prepare the project plans of their national campaign based on the issues raised by the assessment and with the support of the GSC. In 2013, 10 member associations conducted the assessment and published their narrative report, which can be accessed on our website [here](#):

The campaign is led and coordinated at the international level by a global campaign manager and a project steering committee. Although each national association carries out the campaign independently, the information from the assessments and campaigns is also used to lobby international agencies and stakeholders. As part of the international aspect of the Care for ME! campaign, working groups have been established to harness the knowledge and experience of the organisation on three topics:

- The working group on monitoring and evaluation aims to prepare and deliver a set of tools that support the MEL (Monitoring, Evaluation and Learning) of the Care for ME! campaign.
- The working group on violence will prepare and deliver a thematic paper on the topic of violence based on the Care for ME! assessments and international research.
- The working group on communication will strengthen external communication efforts at national and international levels.

All working groups consist of SOS staff from international, regional and national levels and external consultants or academics. Outputs from these working groups can be expected in 2014.

In May 2013, the GSC organised an internal advocacy event in which more than 40 member associations participated. The participants shared experience and insight from their national campaigns. Workshops and capacity-building activities on social work and advocacy were organised with experts to discuss campaigning and advocacy techniques and the next stages of the campaign.

I Matter Campaign

The *I Matter* campaign finished in 2013. An external evaluation was conducted and the evaluation report was finalised in February 2014. The insight and experience from the *I Matter* campaign will inform the planned unified campaign. See also [5.1 NGO1](#) for more information on child participation in the *I Matter* campaign.

5.6 NGO6 – Processes to take into account and coordinate with other actors

In the planning phase of any programme, SOS Children's Villages carries out a feasibility study which includes an analysis of the key actors at a local level. Contacts are established during the programme planning stage to ensure good coordination with the activities of other stakeholders. If possible and whenever necessary, these are formalised prior to and/or during the initial phase of the programme implementation. Partnerships are also developed with key actors at national and community-based level for the purposes of service provision, capacity-building and advocacy. Our programmes build on existing capacities and initiatives within the community and support communities to strengthen their capacity to provide assistance to children and families. Our interventions therefore complement the activities of local stakeholders and duplication of work is avoided. For more information and actual examples of how we work together with community-based actors, see also [4.15](#) and [5.1 NGO1](#).

In recent years, international organisations and other international stakeholders have increasingly recognised the special situation and needs of children in alternative care. Collaborating with these organisations and stakeholders is therefore of great importance to SOS Children's Villages to ensure that our international advocacy work is as efficient and effective as possible.

The SOS Children's Villages Handbook "Working in Partnership" provides useful guidance to staff at international, regional, national and local level on strategic development of meaningful and functioning partnerships. Amongst other things, the handbook stipulates that the external partners with whom we work at international, regional and national levels – including civil society organisations, NGO networks, national and international institutions, governments and foundations – should be selected after an assessment of:

- The added value of cooperating or working in partnership:
 - Will it lead to a better and higher impact on our target group?
 - Will and what can it contribute to our mission?
- The mission, objectives and reputation of the partner:
 - What defines our common ground with the potential partner?

- How do we differ and are there conflicting values?
- What can the potential partner contribute to our objectives and mission?
- What are their actual expectations?

At the international level, SOS Children's Villages cooperates closely with international institutions such as the United Nations, the European Union and the Council of Europe. SOS Children's Villages is also a member of or fully supports various NGO networks and groups, of which a comprehensive overview can be found in our 2012 report.

In addition, in 2013 SOS Children's Villages became a member of the following networks:

- Global Partnership for Children with Disabilities
- Girls Not Brides

In 2013 the EU Representative of SOS CVI was re-elected to the Management Board of Eurochild and SOS CVI's Geneva Representative was elected as the President of Child Rights Connect.

In 2012 SOS Children's Villages signed a partnership agreement with the **Council of Europe** to work together to develop a guide for social care professionals working with children and young people without parental care. The result, [Securing Children's Rights: A Guide for professionals working with children in alternative care](#), was published in 2013 and officially disseminated in March 2014 during the Council of Europe's conference "Growing with Children's Rights".

At the end of 2013, country consultations involving about 120 stakeholders took place in Bosnia, Croatia, Estonia and France. The aim of these consultations was to gather national stakeholder feedback on the guide and to discuss its future use at national level.

We are informed about the initiatives and advocacy activities of other actors that are relevant to our work through our participation in various networks and our close cooperation with international stakeholders. As a result, we are able to ensure that our advocacy activities complement and do not duplicate the efforts of others.

5.7 NGO7 – Resource allocation, tracking and control

All entities within the SOS Children's Villages federation allocate resources according to budgets developed through each entity's internal planning processes. All entities follow a set of commonly agreed global operational priorities (based on the Strategic Plan 2009-2016) to guide the annual planning process and resulting budgets. Please note that the figures are provided in section [2.8](#).

Internal financial controls within each entity are in place to ensure that spending is in accordance with the relevant legal requirements as well as with internal operating policies. All material operations are subject to full independent external audit as required by national laws, and these statements together with independent auditors' statements are all published in the relevant jurisdictions. As national legislation varies, national reports are not directly comparable. For the purpose of combined financial reporting, however, the International Financial Reporting Standards (IFRS) are used as the reference standards.

The purpose of our financial system is to support management in using finance as a tool to lead the organisation towards its strategies and objectives. The financial system is simple and transparent. It is based on accountability and defines responsibilities to ensure the proper use of funds.

The International Chart of Accounts of SOS CVI provides entities with an orientation on how to use a particular accounting code, facilitating daily accounting work and a consistent method of book-keeping. Furthermore, it allows consolidation on a world-wide level.

5.8 NGO8 – Sources of funding by category e.g. government, corporate, foundation, membership fees, in-kind donations and other

Eighty-five percent of the income of the GSC comes from membership fees, and 28% of the direct membership fee income is paid by the five biggest supporting associations: Hermann-Gmeiner-Fonds Deutschland (EUR 3.5 million), SOS Children's Villages Norway (EUR 2.0 million), SOS-Kinderdorf Germany (EUR 1.6 million), SOS Children's Villages Sweden (EUR 1.2 million) and SOS Children's Villages Denmark (EUR 2.0 million). Further information about funding from our member associations is shown in Section [2.8](#).

5.9 EN16 – Total direct and indirect greenhouse gas emissions by weight at the organisational level

There is no data available on our total greenhouse gas emissions. However, there are numerous environmental initiatives in place to reduce the greenhouse gas emissions and environmental impacts of our activities. Please see section [5.10 EN18](#) for details.

5.10 EN18 – Initiatives to reduce greenhouse gas emissions at the organisational level and reductions achieved

For over six years the federation of SOS Children's Villages has been actively supporting a range of environmental initiatives to reduce greenhouse gas emissions from our activities around the world. In addition, since 2012, SOS Children's Villages International has had two architects on the staff trained as energy advisors to steer green activities in construction projects worldwide.

As a general policy, we focus our resources and efforts on projects that will make the greatest positive impact on the environment and the well-being of the people affected. This has meant that our focus has been on the following areas: implementing reliable, renewable energy sources in SOS villages; adapting older buildings to improve heat insulation; choosing energy-saving appliances and light bulbs; and reducing air travel within the organisation.

Historically, SOS villages and programme facilities have obtained energy in a wide variety of ways: some are connected to the public grid; others receive electricity as a donation in-kind; still others use diesel generators, as there is no regular electricity supply in the area. We are increasingly changing to renewable energy sources by installing photovoltaic plants, solar plants to heat water and biogas digesters.

In 2013 our member associations financed and implemented several important new photovoltaic plants with the help of external partners. For example, the first African off-grid photovoltaic plant was installed at the SOS Children's Village Dosso in Niger. As a result, they should achieve complete independence from the public electricity supply in 2014. Other off-grid photovoltaic plants have already been completed at SOS villages in the Dominican Republic and Benin.

Significant reductions in CO₂ emissions are being achieved through our new photovoltaic plants. As one example, a photovoltaic plant opened in Mombasa in July 2011 has resulted in reductions of more than 189,000 kg of CO₂ emissions over three years.

We conduct energy audits as a first step with any new construction and retrofit projects specifically to mitigate energy usage or costs. During this process we search for added opportunities to save energy by, for example, using LED lighting and appliances with A+ or better energy-efficiency ratings. New photovoltaic plant installations are dimensioned to meet the actual, calculated energy needs of the programme, as determined in the energy audit.

All construction projects with budgets in excess of €50,000 are subject to the SOS Children's Villages Construction Guidelines which stipulate that local materials and local workers must be used – thus reducing greenhouse gas emissions relating to freight and shipping. In addition, they establish that new buildings must be simple, efficient and built to last. Many of our construction projects in African countries rely more on manpower than machine power – as well as local materials – so they do not generate large CO₂ emissions.

Other SOS villages are paving the way toward a sustainable future with initiatives that include solar energy collection and energy-efficient water purification systems; use of sustainable construction materials; planting trees to restore or mitigate deforestation; and promoting organic gardening. All these activities aim not only to reduce carbon emissions and operation costs, but also to improve the living conditions and health of the people we help.

We see environmental accountability and environmentally-sustainable practices as fundamental to our promise to children and their right to inherit a healthy planet. A culture of environmental stewardship is therefore fostered within the federation through environmental education activities involving children, SOS mothers, families and communities.

For example, children from SOS villages as geographically diverse as Cochin, India, and Portoviejo, Ecuador, are sharing in the activity of collecting kitchen and planting wastes, which are then transformed into cooking gas

at the villages' own bio-gas facilities. SOS Children's Villages Uganda supported families in four different urban locations in building kitchen gardens that are improving the families' nutrition and contributing to greener urban areas and increased composting. In an example of environmental education, pupils from the Hermann Gmeiner School in Hawassa, Ethiopia, researched the complex environmental and social benefits of the oak trees that grow on their village grounds. The recommendation based on their research was: plant more oak trees.

Most SOS Children's Villages' environmental initiatives are developed and managed at the national or even local level. However, priority is again given to projects with the greatest potential to improve environmental quality and the well-being of the people involved.

Research, internal communication and knowledge-sharing also play important roles in our culture of environmental stewardship. In collaboration with an external consultant, SOS Children's Villages International produced the 'Green Policy Scan' – a literature review of notable reports, books and peer-reviewed research on sustainability, climate change and other green issues relevant to the people we help. This document was developed to promote discussion and actions on green issues within the organisation as a whole.

The 'Green Policy Scan' and an ongoing 'Green Blog' on the topic of environmental initiatives are published on the SOS Children's Villages global intranet which is accessible to all co-workers. Written for non-specialist audiences, the 'Green Policy Scan' and 'Green Blog' support all colleagues in understanding the tangible benefits of environmentally sustainable building and 'green' practices, and provide case studies that can be adapted to reduce energy usage and costs at facilities and programmes. These publications are generating internal dialogue about green processes and policies while also serving as a growing knowledge database of good practice.

5.11 EN26 – Initiatives to mitigate environmental impacts of activities and services

The GSC impacts on the environment through the operation of its 16 offices in 15 countries. Energy is consumed and greenhouse gases are emitted through basic facility operations, as well as computing, communications, printing, copying, business travel and commuting.

The main products are information and peripherals, including research publications, reports, policy papers, brochures, posters and correspondence with stakeholders. This of course has significant environmental impacts. A pilot project is underway to explore the use of more digital fundraising products. If these prove to be effective for fundraising, a switch from paper to digital for some donor communications could further reduce our environmental impact.

Practices to minimise the environmental impacts of our activities and services are in place in our office environments. Microsoft Lync videoconferencing is used for a majority of meetings by the 16 offices of the GSC and a growing number of member associations (72 out of 134, as of July 2014), thus reducing transportation-based emissions and costs. We increasingly publish our research and reports digitally, and communicate digitally with partners and other stakeholders to help reduce CO2 emissions as well as costs.

At the international offices in Vienna and Innsbruck, Austria, energy-saving light bulbs are used and employees are encouraged to turn off lights when not in use and to minimise printing. When appliances must be replaced, this is done using energy-efficient ones. When travelling in the region, GSC employees in Austria are also encouraged to travel by train, as opposed to car or aeroplane.

The main environmental impacts of the SOS Children's Villages programmes themselves come from operating the homes, kindergartens, schools, social centres, health clinics, vehicles and administrative offices that, in 2013, were used to provide direct care and/or education and health services to more than 400,000 children, young people and adults all over the world. Apart from the various environmental impacts of running so many facilities, food and basic supplies are transported on a daily basis to the communities where we work and as part of our emergency relief services.

The federation endeavours to reduce the environmental impacts of its facilities by encouraging local sourcing of food and other essential supplies whenever possible. Many of our member associations also have environmentally-sustainable projects in place to grow their own food, reduce fossil fuel usage and reuse and recycle.

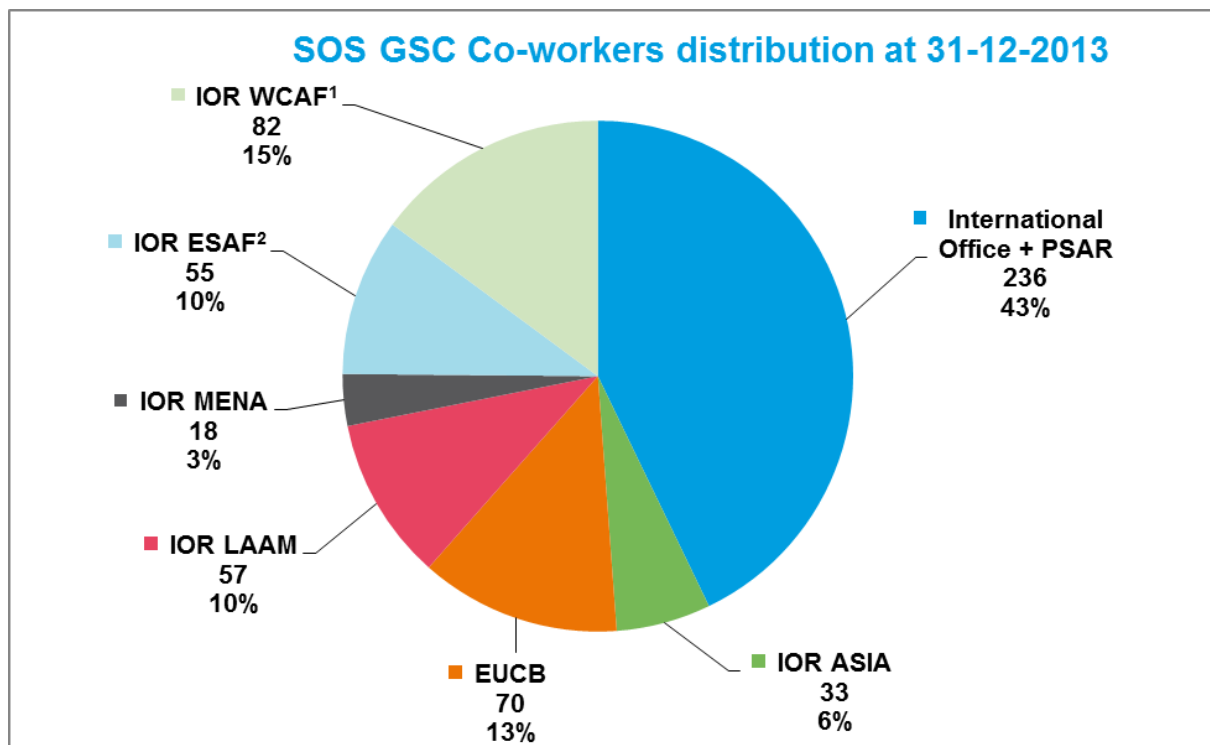
High-impact areas for improvement to further mitigate our carbon footprint and environmental impacts would be continued investment in initiatives to replace diesel generators with renewable energy producers like

photovoltaic plants, solar plants and biogas digesters, and continued refurbishment of older buildings in colder climates to improve heat insulation. Finally, continued efforts in environmental education for children, families and co-workers and knowledge-sharing of good environmental practices throughout the federation will drive positive changes in behaviour that support improvements to the infrastructure.

Environmental assessments are undertaken for all new construction projects and renovations, including environmental upgrades to existing facilities. Clear procedures are followed both to assess and reduce energy consumption related to our operations. Please see section [5.10 EN18](#) for details about the broad range of our environmental initiatives.

5.12 LA1 – Size and composition of total workforce

The following workforce information relates to the GSC. Please note that the figures below represent headcounts (not full-time equivalents), followed by percentage of the total workforce. For information on the new structure including International Offices Regions (IOR) please refer to section [2.3](#).



¹ includes former Continental Africa and Middle East (AFME) Office in Dakar

² includes former Continental AFME Office in Addis Ababa

In order to present an accurate picture, only active co-workers are covered; co-workers on maternity/paternity leave and other temporary absences are excluded. In terms of comparability with last year's report, it should be noted that non-active co-workers were included in last year's report.

Type of contract: co-workers reported can have the following types of contract:

- Unlimited
- Limited
- Internship/Traineeship

We are still in the transition phase and currently setting-up the new structure. This means that the workforce distribution is also in progress. For more information on the new GSC structure, please refer to section [2.3](#).

5.13 EC7 – Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation

In our 116 member associations we employ almost exclusively local co-workers. This is true for both executive staff as well as legal bodies. Hiring locally can therefore be seen to be an applied practice.

Our organisation aims at integrating the children and young people living in our facilities into their society and culture in the best possible way. We believe this can best be achieved by using local staff. In our member associations the policy is therefore to employ local staff for all functions and at all levels

There is no official written policy on local hiring for the GSC of SOS Children's Villages, but in practice we give preference to local applicants over European/North American staff. For the recruitment of regional management staff, diversity targets for the countries served are taken into account.

Starting in 2013 and continuing in 2014, staff were being appointed to the newly established regional offices. It is standard practice to give preference to local applicants for all positions. We are still in the transition phase following the organisational changes (described in sections [2.3](#) and [2.9](#)), but in our next report will be able to provide more information on our experience with local hiring.

Capacity building activities are carried out to develop capacities that are needed but which are not yet offered by local staff markets. For example we are offering local capacity building activities to transfer and develop knowledge in the following areas: fundraising, institutional partnership development and child protection.

5.14 LA10 – Workforce training to support organisational development

Training encompasses all activities and measures, whether in actual or virtual classrooms, that serve to develop the skills and qualifications of the workforce and enable them to improve performance.

Regions are successfully providing training courses to their member associations. An example is the SOS virtual learning community in Latin America and the Caribbean where training is provided to co-workers in member associations in the region on six thematic areas: human rights, child protection, family and community, development of childhood, gender and organisation-related topics. Approximately 1,800 co-workers have been trained and certified in five years since the inception of the programme in 2009.

At the GSC we do not monitor the hours of training per co-worker, but we follow the general policy that 4.5% of the total salary for all co-workers should be invested in training, no matter in which category.

We do record the total hours co-workers spend in the internal training programmes we offer for all co-workers based in Austria, including all International Office co-workers and co-workers from the EUCB Regional Office based in Vienna. In 2013 the average number of hours per employee was 15.14 (a total of 3,966 hours by 262 co-workers). These do not include external training events.

Our internal training programme is based on the results of the individual development plans of our co-workers (as part of the performance management cycle) and on the overall needs of the organisation. Training needs are also identified in terms of our People Management Conferences which will be established as part of the performance and talent management processes.

In 2013 we offered the following training to co-workers in Austria:

Topic	Events	Participants
About the Organisation	29	477
IT	11	85
Languages	13	116
(Self) Management	15	148
Health/Sports	12	176
LEAD-Share for success	5	65

From January to December 2013 an overall total of 85 internal events were organised in Innsbruck, Vienna and on a virtual basis. This was nine more events compared to 2012 (76 events). The LEAD- Share for success events are new from 2013.

In addition, we have a Fund Development and Communications (FDC) Academy, which is part of the FDC global knowledge-sharing and learning initiative. The Academy aligns learning and training activities hosted by the FDC Competence Centre and by the FDC teams in the Regional Offices. Both in-person as well as virtual training activities (Webinars) are offered. Some of these are designed for the specific needs of selected Member Associations while others are open to a broader audience.

Our guiding principle is that training should be available for everyone in our organisation. We therefore place a strong emphasis on webinars, in order to guarantee access to training and development measures for everyone. As an example, Programme & Strategy is hosting a series of webinars on the key, content-related topics of our programme work. In these webinars, presenters from all levels of the global organisation with specific experience or knowledge in a topical field share their insights.

The effectiveness and impact of training events are evaluated in the individual work and development plans of co-workers and discussed in their Performance Appraisal Talks.

We believe that a culture of ongoing training and life-long learning are key to improving co-workers' performance and to reaching our goals as an organisation.

5.15 LA12 – Performance reviews and career development plans

A well-defined talent management process is in place to systematically identify future skills and competence needs and to train staff to ensure that we have co-workers with these talents within the organisation. Starting in 2013, people management conferences are to be piloted as an essential component of our talent and performance management process.

The key element of talent management is annual people management conferences where supervisors discuss the skills and competences of their co-workers and see how these match the needs of the organisation.

We have a performance management guideline in place that prescribes not only an annual performance appraisal talk, but also a mid-point review and on-going feedback and support throughout the year. During the appraisal talk the supervisor and co-worker discuss the achievements of the previous year and agree on new work and development objectives for the next 12 months. Part of the discussion is also a medium-term outlook at possible career development.

Within the GSC, the percentage for performance appraisal talks in the year 2013 was as follows:

Area	%
International Office	73
ESAF	No figures available
WCAF	No figures available
MENA	100
ASIA	100
EUCB	85
LAAM	30
Average	72.4

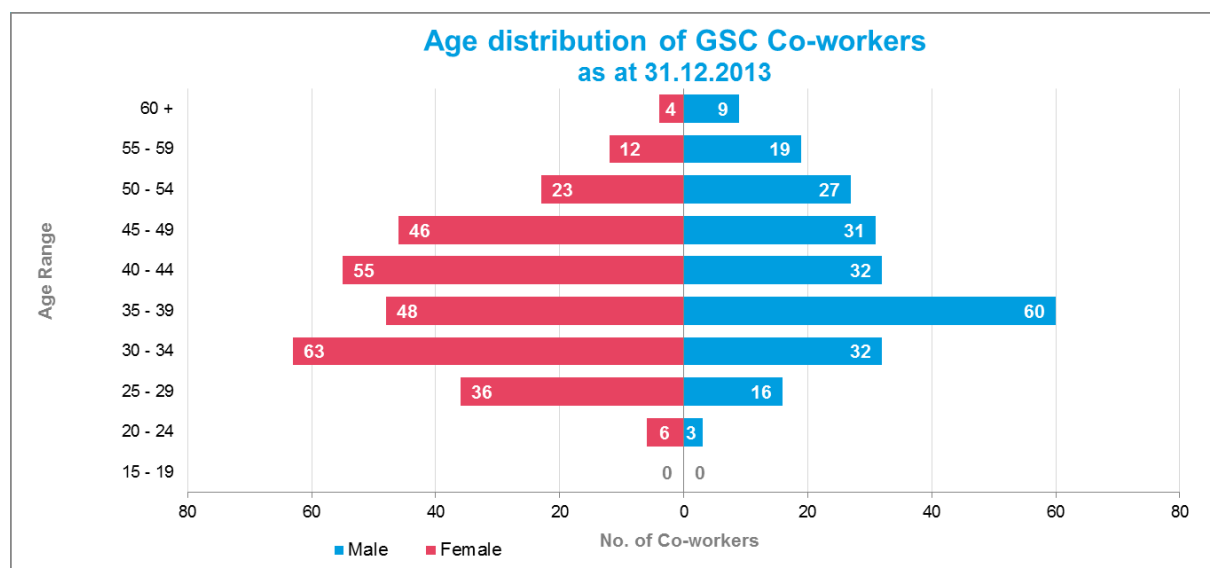
These figures have to be considered against the background that the year 2013 was a period of transition and the organisation was in the process of implementing large changes, especially in Africa and Latin America.

5.16 LA13 – Diversity in your organisation displayed in the composition of governance bodies and employees

Composition of governance bodies

The International Senate (see also section [4.1](#)) consists of 22 members. Apart from the President and Vice-President, all are representatives of the national member associations. Twenty different nationalities are represented. Seven members are female (amongst them the Vice-President) and fifteen are male. Eleven members are between the ages of 60 and 70; nine members are aged 50 to 60; and two members are aged 40 to 50.

Breakdown of co-workers by age according to gender



Breakdown of co-workers according to Management/Non-Management and Gender

OFFICE	Management			Non-Management		
	Female	Male	Total	Female	Male	Total
International Office + PSAR	12	24	36	133	67	200
IOR ASIA	1	4	5	7	21	28
IOR EUCB	6	3	9	49	12	61
IOR LAAM	3	5	8	29	20	49
IOR MENA	4	1	5	10	3	13
IOR ESAF ²		4	4	24	27	51
IOR WCAF ¹	1	7	8	32	42	74
Total	27	48	75	284	192	476

¹ includes former Continental Africa and Middle East (AFME) Office in Dakar

² includes former Continental AFME Office in Addis Ababa

In last year's report only 'Senior Management' was covered under 'Management'. Due to our new organisational structure, in this report 'Management' includes the newly established Management Team, leaders of the different ICCs and departments in the IO and leaders of the Regional Offices and functions.

We are still in the transition phase and in the process of setting up the new structure. The workforce numbers and the corresponding breakdown indicators are therefore still changing. For more information on the new GSC structure please refer to section [2.3](#).

Percentage of co-workers with disabilities

Up to now the number of co-workers with disabilities within the whole GSC has not been recorded. We are currently adapting the process to cover this. Among the co-workers based in Austria (all International Office and part of EUCEB's Regional Office) there is one person with a disability.

5.17 NGO9 – Mechanism for workforce to raise grievances and get response. Health and safety standards

The staff council is appointed as the representative organ to promote the economic, social, health and cultural interests of the employees within the GSC in Austria. It was launched at its first statutory meeting in Innsbruck on 7 November 2013.

A whistle-blowing process is also planned for future implementation. For more information see section [2.9 SO3](#).

Every region has its own employee handbook containing the rights and obligations of both the employee and the employer.

The health and safety of employees are central concerns of the organisation and local labour laws are naturally complied with. In accordance with the Austrian labour law which has a strong focus on health and safety, a wide range of actions is implemented in Austria. As an excerpt, the following actions can be mentioned:

- A company doctor is available in the office on a regular basis
- Partnership with experts who provide workplace inspections upon request to improve quality and safety
- Designated first aid helpers & regular refreshment courses
- Designated fire prevention officers & regular fire drills
- Starting in 2013, we undertook a comprehensive workplace evaluation of all work stations in Austria

In addition we offer a comprehensive internal education programme with one section dedicated to health and sports programmes. For more information on the internal education programme please refer to section [5.14 LA10](#).

5.18 SO1 – Impact of activities on the wider community

Before establishing any programme in a country, SOS Children's Villages conducts a Child Rights Situation Analysis (CRSA). This provides us with a solid understanding of the existing needs and how our expertise might help with respect to our target group and the wider community. The framework for the CRSA is provided by the UN Convention on the Rights of the Child (UNCRC) and the UN Guidelines for the Alternative Care of Children.

Conducting a CRSA allows us to look at a community's situation holistically to gain a deeper understanding of who the most vulnerable children and families are and what affects their well-being, as well as to identify possible cooperation partners. If a programme is then established, the CRSA also serves as a benchmark for evaluating the impact of our presence in the community. An updated CRSA is done every 3 to 5 years, or if there are any significant changes. In this way, we are able to assess our impact over time on both our target group and the community.

Feasibility studies are conducted as part of national strategic and annual planning procedures to provide even more in-depth analyses on potential locations for programmes. If the feasibility study justifies a new programme, or revision of an existing one, a proposal package of appropriate responses (programme interventions) is developed according to the best interests of the children within the target group and the community as a whole. Please see also Section [5.1 NGO1](#).

While our target group is children without parental care or those at risk of losing it, the ultimate goal of any of our programmes is to empower the whole community in caring for its members and becoming healthy, self-sustaining and independent. Where necessary, we support these objectives by establishing kindergartens, mother and child centres, medical centres, counselling centres and other facilities or services that affect the well-being of the wider community.

Worldwide, children and young people from outside SOS villages and families comprise the majority of pupils and students at SOS kindergartens (85%), Hermann Gmeiner Schools (83%), and Vocational Training Centres (51%) (Data from 2009). In this way, SOS Children's Villages is helping children and young people beyond our target group to exercise their rights to quality education.

SOS Children's Villages, schools and medical centres provide jobs for adults in the communities where we help, and because SOS children and families live as integrated and contributing members in their local communities, their well-being and healthy development positively affect the wider community.

Ensuring that our work has lasting, positive impacts on SOS children and families and the communities where they live also requires a well-timed and coordinated exit strategy. Our operational programme guideline *Working towards sustainability: Community Empowerment in Family Strengthening – Guidance for programmes* outlines the necessary steps for timing our exit, gradually 'phasing down' our interventions and 'phasing over' to capable and appropriate community stakeholders whom we have helped to engage and strengthen.

In the case of short-term Emergency Relief Programmes we adopt a different process, but the key point is that we only establish emergency programmes in places where we have an existing presence and an understanding of our impacts.

Understanding our impact

Every day, we observe the impact we have on the lives of children. Children in our care and in our family strengthening programmes have individual development plans, and we watch how they progress against those benchmarks. In addition, The CRSA, with its holistic perspective, provides a benchmark for assessing how our presence may affect changes in the wider community beyond our direct beneficiaries.

In 2013 we continued the project of adding to our worldwide database of information on the development of children, families and communities where we help. Today, more than half of all our family strengthening programmes worldwide are entering information into this database. This tool is part of a monitoring and evaluation approach that helps us review programme progress, identify problems, make necessary adjustments and keep track of our successes.

Another long-term international evaluation project we use to document our impact is 'Tracking Footprints'. It focuses on investigating the experiences of people who grew up in SOS Children's Villages facilities.

We have found that the needs of vulnerable children are best addressed when community stakeholders cooperate and share their resources and expertise. In short, strong social support networks have a huge positive effect on the lives of children. In 2013 we conducted 58 interviews with SOS co-workers and the representatives of local partner organisations in 10 African countries to test what we know and to learn more about how safety nets function in communities. We spoke with numerous Community-Based Organisations (CBOs), our main partners in family strengthening work, to learn from their experiences about what works in empowering the community to become sustainable.

One thing we have learned is that, when building social support systems in communities, it is crucial to complement state services and not to undermine them by developing parallel structures. This new 'network approach' has required a shift in how we work, moving from sole ownership and control over how programmes are designed and implemented, to shared ownership, where community partners and the families we support share in the responsibility. Please see section [5.1 NGO1](#) for more details on how we include the children, families and whole communities where we work in evaluating the impacts of our interventions and helping to improve them.

Finally, knowledge-sharing activities are increasingly helping us to refine our programmes across the federation. Co-workers are using webinars and conferences coordinated by the GSC to share their successes, failures and open questions, learn from peers and collaborate on problem-solving, capacity building and innovation.

Please also see [NGO3](#).

5.19 SO3 – Process for ensuring effective anti-corruption policies and procedures

The document which focuses on compliance is [Good Management and Accountability Quality Standards](#) with the supporting documents [Anti-Fraud and Anti-Corruption Guideline](#) and [SOS Children's Villages Code of Conduct](#). In 2013 The SOS Children's Villages Good Management and Accountability Quality Standards were approved by the International Senate. However, there is still a need to establish an effective unit to carry out the necessary processes and tasks relating to anti-corruption, anti-fraud and compliance with our policies and values. Integrity and compliance are therefore a high organisational priority and part of the SOS strategy for the next few years. A concept of integrity and compliance for the GSC has been developed as a first step. This detailed concept will be refined and finalised within the Integrity & Compliance Unit (ICU) which is part of the new CFO Office. In 2014 anti-corruption training and awareness-raising workshops are being held for the GSC and for co-workers from member associations, especially in the IO, Africa and Middle-East. These training events will further the roll-out and implementation of the above-mentioned documents.

The establishment of the ICU starts in 2014 and, once set up, the integrity and compliance concept will be refined based on stakeholder involvement and feedback. Implementation and setting up the team will follow. The team will then adapt the policies mentioned above, as they require to be updated and extended. Another major task of the Integrity & Compliance Unit will be the establishment of a mechanism for the handling of complaints (including whistle-blowing). In addition, the team is responsible for defining reporting channels which ensure the required independence. These activities will result in a comprehensive audit charter.

5.20 SO4 – Actions taken in response to incidents of corruption.

SOS CVI has adopted the following basic principles as the cornerstone for approaching and dealing with fraud and corruption:

- A “zero-tolerance” approach to all forms of fraud and corruption
- Recognition that corruption is not limited solely to illegal acts
- Dealing with allegations in a fair, open and transparent manner
- Reporting suspected illegal and/or criminal activity to the appropriate authorities for investigation and action
- The General Secretariat of SOS CVI, on behalf of all member associations, shall be mandated to work out appropriate standards & controls and assure implementation

No cases of fraud were reported within the GSC units in 2013. Further details on the action to be taken in the case of fraud or corruption are given in the [Anti-Fraud and Anti-Corruption Guideline](#). Please see also [5.2 NGO2](#).

5.21 PR6 – Programmes for adherence to laws, standards and voluntary codes related to ethical fundraising, including advertising, promotion and sponsorship

SOS CVI promotes a responsible approach to fundraising in our member associations, with a number of policies and guidelines that ensure children’s rights are respected and that advertising and promotion are accurate and truthful.

Principles

Our *Fundraising Manual* establishes the principle that ‘We perform our fundraising activities with transparency and integrity, building long-term confidence in our work among the children and families we serve, our donors, and the general public.’

In addition, our *Brand Book* sets out practical guidelines for ensuring that all our interactions with donors and other stakeholders are consistent with our values of courage, commitment, trust and accountability. In regard to ‘picture language’, our Brand Book stipulates that we always ensure the dignity of the children pictured, specifically:

- We do not use pictures designed to shock.
- We do not use pictures showing extreme suffering (children with swollen stomachs, children who have died or children who are clearly distressed or injured).

Privacy

Our Child Protection Policy which is binding for all member associations of SOS Children’s Villages includes a commitment to the protection of children’s privacy. Specifically, the policy includes the following commitments:

- When producing publicity material featuring a child, we ask both the child and his or her legal guardian (or at least an adult caregiver of the child) for permission to do so.
- We do not ask children to do or say anything that might make them feel displayed as ‘objects of pity’ (e.g. to speak about their past or ask for donations).
- We handle children’s names carefully, especially in connection with sensitive information about the same children (e.g. the family background, their medical condition, disability or negative behaviour). As a general rule, we change the names of children described in stories or other communications exposed to external audiences.
- We act with caution when it comes to combining textual and visual information whenever a text includes sensitive information about a child and whenever a photo or video shows sensitive aspects of a child’s life or reveals his or her identity.

The protection of personal data is a fundamental right, and the relevant laws in the various SOS Children’s Villages countries are diverse. Irrespective of any legal framework, we have a great ethical responsibility for protecting the children and young people growing up in SOS programmes. We seek to assure them – and often also their families – that our organisation is protecting their integrity through careful use of any personal information, including photos and films that are shared with the public.

When obtaining material featuring children or adults who benefit from our programmes, we consider three factors:

- Our own privacy protection principles (outlined above)
- The relevant laws and regulations in the country where the material is produced
- The relevant laws and regulations in the countries where the material is being used or published

If these three factors demand different procedures, the strictest rules are the ones we comply with.

Sponsorship

Sponsorships are a well-recognised international fundraising product and one of the main funding pillars of our organisation. About 21% of our gross income in 2013 was raised through international sponsorships – one per cent more than in 2012. Our experience over recent years has shown that sponsorships provide a stable, crisis-resistant and growing source of funds for supporting the children in our care, even in times of economic hardship.

A sponsorship gives an otherwise anonymous donation a name and a face. This emotional bond inspires our sponsors to become long-term, loyal friends of SOS Children's Villages. Through our services we motivate them to continue and expand their support. To maintain credibility and trust in our organisation, we provide the sponsors with reliable and honest information on sponsored children and programmes.

We have sponsorship policies and procedures in place to ensure that sponsorship of children in our care is provided ethically, with clear expectations and standards described in the *Sponsorship Handbook* provided to donors. This covers issues such as communication with the sponsored child, visits, gifts and personal data.

Our work is focused on the best interests of the children in our care: we therefore ensure that all sponsorship work follows the UN Convention on the Rights of the Child. Nowadays, when information flows are fast and data is often too easily accessed, safeguarding the privacy of children, sponsors and our co-workers is becoming increasingly important. We therefore carefully comply with the relevant data protection regulations.

To maintain and improve the international sponsorship programme, which currently has approximately 400,000 sponsorships in 110 countries, requires international cooperation and the development of a set of common views and standards. Through ongoing quality management and by sharing knowledge, experience and expertise, we aim to continuously improve our service to our sponsors in terms of handling sponsor enquiries and/or complaints. This is achieved by means of standardised processes and systems and by managing capacity-building measures to ensure structural improvement.

Institutional funding

When we develop a proposal for institutional funding we follow the logical framework approach which includes thorough analyses of stakeholders, problems, objectives and strategy. Whenever possible, we try to also involve the beneficiaries and the affected communities in the assessment of needs and solutions. See section [5.19 SO1](#) for further details.

Our agreements with institutional partners define clearly for which programmes the funds may be used. Likewise, partnership agreements between SOS member associations responsible for implementing programmes lay out clearly which funds are earmarked for which projects and needs for each project, contract and grant. By using globally-shared accounting and bookkeeping standards across the federation, we can demonstrate to funding partners how their money has been used. Please refer to [5.7 NG07](#) for details of our accounting and tracking processes.

Any deviations from these operational standards are dealt with in close cooperation with funding and project partners. This allows us to learn from mistakes or identify potential weak points.

Transparency and accountability

We publish the names of the GSC's institutional and corporate partners in our International Annual Report which is freely available [here](#) on our website.

Binding standards for good management, accountability and transparency and for fighting fraud and corruption were ratified by the International Senate in 2013 and are being implemented across the GSC and all member associations. Please see [5.2 NGO2](#) and [5.19 SO3](#) for more details.

LIST OF ABBREVIATIONS

AFME	Africa & Middle East
CBO	Community-Based Organisation
CRSA	Child Rights Situation Analysis
CVI Representative	SOS Children's Villages International Representative
ESAF	Eastern and Southern Africa
EUCB- CEE & CIS	Central and Eastern Europe & Commonwealth of Independent States
EUNA	Western Europe, North America & Australia
FDC	Fund Development and Communications
GSC	General Secretariat
ICC	International Competence Centre
ICSC	International Civil Society Centre
ICU	Integrity & Compliance Unit
IO	International Office
IYC	International Youth Council
LAAM	Latin America & the Caribbean
MENA	Middle East and North Africa
NA	National Association
PSA	Promoting & Supporting Association
SOS CVI	SOS Children's Villages International
UNCRC	United Nations Convention on the Rights of the Child
WCAF	West and Central Africa

A LOVING HOME FOR EVERY CHILD



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