

CODE OF STANDARDS FOR NON-PROFIT ORGANISATIONS IN ALBANIA

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PREAMBLE

The Code of Standards (CS) for non-profit organisations (NPOs) in Albania, is a set of principles and commitments on how organisations operate; how they are governed, how they manage their resources, how they are transparent and accountable to all stakeholders, how they build relationships with supporters and donors, how they manage conflicts of interest, etc.

The implementation of these principles and commitments aims to establish a commonly agreed standard on the activity of the sector, beyond legal obligations, to guide NPOs towards improving the effectiveness of their work and increasing the trust of stakeholders and public in them.

The Code is a **self-regulatory** mechanism undertaken with the **free will** of NPOs. It is a tool to build stronger and more effective organisations in the non-profit sector by creating the foundation on which leadership and management practices are evaluated and improved. The Code guides NPOs in a process of learning and change, towards the highest standards, thus developing trust with stakeholders and enhancing the legitimacy and credibility of NPOs.

The Code of Standards creates an opportunity for NPOs to present to all stakeholders being their beneficiaries, supporters, donor community, partners from other sectors and public institutions, the principles and mechanisms they pursue and apply on their daily work.

Fulfilting the Code of Standards commitments and being in compliance continuously, ensures that NPOs are transparent, accountable and conduct their activity with high standards.

Civil society organisations play an important role and have a key contribution to the strengthening of democracy and country's development. This mechanism aims to strengthen the relationship among and enhance beneficiaries and stakeholders' trust towards NPOs, which has a direct impact on their activity and a greater impact in society.

By becoming members of the Code of Standards, NPOs are committed to be guided in their work by the principles set out in the Code and to maintain and improve these standards.

The Code of Standards for NPOs is a public document and will serve as a reference and guide for the non-profit sector and all stakeholders. The principles, commitments and membership of the Code will be continuously promoted to all relevant actors in the country through dedicated promotional platforms and activities, as well as in the region and beyond, as a self-regulatory practice from the sector to the sector.

The member organisations in the CS will be distinguished by the logo of the CS and will function as a public supporting and enabling community not only for each other but for the entire sector, promoting and working to advance its standards.

PURPOSE

“The purpose of this Code of Standards is to improve the work effectiveness of non-profit organisations and increase supporters, beneficiaries, and other stakeholders’ trust, by enhancing good governance of the sector, transparency and accountability.”

OBJECTIVES

- ✓ Enable high standards of practice by the Code members, governing and executive bodies.
- ✓ Enable implementation of self-regulatory policies and practices, and increase transparent and accountable practices within the non-profit sector in the country.
- ✓ Strengthen the governance of NPOs, effective management of financial and human resources, increase accountability toward beneficiaries, supporters and other stakeholders, and fulfil the organisation’s mission.
- ✓ Coordinate the efforts with other regional and global initiatives in this regard.



The NPOs members of the CS, as a core value, shall respect the universal human rights and promote gender equality.



The NPOs members of the CS, shall promote and fight for justice and equality.



The NPOs members of the CS, shall encourage, in all aspects of their work, the active participation of interested citizens and local communities.



The NPOs members of the CS, shall take care of the environment and its sustainable development.

PRINCIPLES OF THE CODE STANDARD

1. The NPOs members of the CS, as a core value shall respect the universal human rights and promote gender equality.

NPOs members of the CS will respect and promote international human rights protection standards. NPOs members will be inclusive and promote equal rights for all, addressing all forms of discrimination.

2. The NPOs members of the CS, shall promote and fight for justice and equality.

Code Members will support people to know their rights and to hold accountable the responsible bodies for respecting and fulfilling their rights, including the NPOs member of the CS. Members will advocate for addressing injustice, exclusion, inequality, poverty and violence, to create a healthy society for all.

3. The NPOs members of the CS, shall encourage, in all aspects of their work, the active participation of interested citizens and local communities.

NPOs members of the CS will ensure that decision-making processes at all levels, reflect and respond to the needs of individuals and groups mainly affected by their work, but also suggestions from partners, their staff and other interested stakeholders.

4. The NPOs members of the CS, shall take care of the environment and its sustainable development.

The NPOs members of the CS activities, will be conducted in a way which ensures the protection of the environment, and promote implementation of sustainable development practices.



Open and Transparent Organisation



Partnership-Driven Organisation



Good Governance



Organisation Integrity



Ethical Finance, Fundraising and
Managing of the Resources



Well-Handled Human Resources



Responsible Advocacy

COMMITMENT

1. Open and Transparent Organisations

The NPOs members of the CS will be open and transparent about what they are, what they do and offer, including the successes and failures in their lifetime.

SUB-COMMITMENTS:

- ~~A.~~ The NPOs members of the CS will share and make public information about their mission, the activity of organisations, the forms and ways of decision-making within the organisations, the resources and the impact of their work, whether negative or positive, in time, accurately, comprehensibly and easily accessible.
- ~~B.~~ The NPOs members of the CS will be open to criticism about their work by creating spaces for constructive dialogue with parties that question their activity, in order to reach a shared understanding where possible.
- ~~C.~~ The NPOs members of the CS will be open and accountable in working with public institutions, partners, donors and other stakeholders.
- ~~D.~~ Reports on the annual activity and financial reports of the NPOs members of the CS will be public and available to the public and all stakeholders.

COMMITMENT

2. Partnership-Driven Organisation

The NPOs members of the CS will work in fair partnership and mutual respect, in achieving common goals, in accordance with the principles of the Code and its implementation.

SUB-COMMITMENTS:

- ~~A~~ The NPOs members of the CS will identify organisations working towards achieving similar goals and will establish partnerships and collaborations, to fulfil at high levels, the common goals and further organisational strengthening.
- ~~B~~ The NPOs members of the CS will exchange information, data, resources and knowledge. Important decisions for the non-profit sector will be taken in an organised manner and when possible, collectively.
- ~~C~~ The NPOs members of the CS will provide assistance to other organisations, when asked and considered appropriate, in order to empower them and improve their performance in the future.
- ~~D~~ The NPOs members of the CS will not negate the work of the organisations or submit false or inaccurate statements to other organisations. CS members will recognize the contribution of other NPOs and the support given in the achievements of the sector.
- ~~E~~ The NPOs members of the CS will respect the independence, mission and activity of other organisations, members or not of the Code of Standards.

COMMITMENT

3. Good Governance

The NPOs members of the CS will ensure governance and decision-making according to well-defined structures and in fulfilment of their social mission. NPOs will be governed in accordance with and respecting the principles of the Code of Standards and professional ethics.

SUB-COMMITMENTS:

- ~~A.~~ The NPOs members of the CS will be governed with justice and responsibility by an independent, active and informed governing body
- ~~B.~~ The NPOs members of the CS will possess documents that clearly define the mission, vision, values of the organisation, general goals, program areas and governance and decision-making structure.
- ~~C.~~ The NPOs members of the CS when appropriate, will periodically review the basic documents of the establishment and functioning of the governing structures in adaptation and fulfilment of their mission. Basic documents will include governance structures and procedures, relationship between the employees and governing bodies, and decision-making processes.
- ~~D.~~ The independent governing body of each NPO, member of the CS, will review and approve the organisation's annual budget, significant policies, key financial decisions, plans and programs of the organisation.
- ~~E.~~ The NPOs members of the CS will adopt a policy to prevent and effectively manage conflict of interest situations.
- ~~F.~~ The NPOs members of the CS will develop and implement policies that prohibit discrimination and promote gender equality as well as the participation of marginalised groups at all levels of the organisation.
- ~~G.~~ The NPOs members of the CS will develop and implement policies that effectively prevent and administer sexual harassment, bullying and whistle blowing in case of corruption.

COMMITMENT

4. Organisation Integrity

The NPOs members of the CS will demonstrate organisational integrity by developing their activity based on a set of organisational values and practices that ensure transparency, political impartiality and partnership towards achieving statutory goals.

SUB-COMMITMENTS:

~~A/~~ The activity of NPOs members of the CS will be conducted with integrity and transparency. Organisations will publish and disseminate in full, openly and accurately, relevant information about their goals, programs, finances, activities, results, effectiveness, and governance.

~~B/~~ The NPOs members of the CS will act according to the laws in force in the Republic of Albania.

~~C/~~ The members of the CS will not allow any promotion or imposition of political parties or groups, nor will they influence the political beliefs towards others. Political beliefs must not interfere with the work of CS members.

~~D/~~ The NPOs members of the CS will be independent in their work and will cooperate with state institutions, donors and other entities based on the principle of equality, in accordance with their statutory goals.

COMMITMENT

5. Ethical Finance, Fundraising and Managing of the Resources

The NPOs members of the CS will manage financial resources responsibly and ethically, to achieve their goals and serve the public good.

SUB-COMMITMENTS:

- ~~A.~~ The NPOs members of the CS will ensure their resources in accordance with the principles of this code, their values and mission, independently and in fulfilment of the organisation's goals.
- ~~B.~~ The NPOs members of the CS will use the donor funds and financial resources in an appropriate and accountable way. NPOs will operate on a budget approved by the governing body and will have approved internal financial control policies and procedures.
- ~~C.~~ The NPOs members of the CS will operate in accordance with national accounting standards and ensure thorough financial control, to minimize the risk of corruption, bribery, abuse of funds and conflict of interest.
- ~~D.~~ The NPOs members of the CS will publish annual financial reports in an easily readable form and accessible to all stakeholders.
- ~~E.~~ The NPOs members of the CS will use the funds according to the purposes for which they committed in the grant application and to the contractual provisions with the donor. When funds are raised with the contribution of the public or other contributors for a specific purpose, organisations should clearly state their intentions in case of surplus of the raised funds.
- ~~F.~~ The NPOs members of the CS will administer and use financial resources according to the purpose for which they were provided, in order to maximize their impact towards positive long-term change. Donors will have access to information on the funds provided by them.

COMMITMENT

6. Well-Handled Human Resources

The NPOs members of the CS will ensure good management of human resources in compliance with the legal framework, values and principles of the Code through approved policies, investing and fostering the full development of the professional potential of staff and volunteers, in meeting organisational statutory goals.

SUB-COMMITMENTS:

~~A/~~ All NPOs members of the CS will have safe policies and procedures for recruitment of employees, experts and volunteers, clearly written and well- defined, that protect and ensure the diversity and rights of each individual.

~~B/~~ NPOs members of the CS will provide employees, experts and volunteers with job descriptions, duties and responsibilities as well as the organisation's expectations of their performance. Compensation and benefit policies will be clearly described and periodically communicated according to possible amends.

~~C/~~ NPOs members of the CS will invest in development of the full potential of the staff and volunteers, towards achieving shared goals.

~~D/~~ NPOs members of the CS will ensure and foster participation in organisational planning and decision-making for all employees, according to their levels of responsibilities, in accordance with decision-making policies.

COMMITMENT

7. Responsible Advocacy

The NPOs members of the CS will commit in addressing the root causes of injustice by engaging in advocacy campaigns and initiatives for radical change.

SUB-COMMITMENTS:

- ~~A/~~ The NPOs members of the CS will ensure that their advocacy is based on principles and concrete evidences and reflects the local voices of the groups / communities involved in the advocacy initiative.
- ~~B/~~ The NPOs members of the CS when it's possible and appropriate will conduct advocacy initiatives in the spirit of partnership and joint responsibility.
- ~~C/~~ Joint statements and advocacy campaigns will be consulted and implemented in cooperation with all interested members of the Code.

CODE MEMBERSHIP

The Code of Standards for NPOs is a **self-regulatory** mechanism, which means that the responsibility for compliance with the Code rests primarily with members of the Code, who conduct a self-assessment based on a set of verifiable indicators set out in the **Self-Assessment Framework of the Code of Standards for NPOs**.

The status of member of the Code of Standards for NPOs will be given to any organisation that has completed the evaluation process and meets the basic requirements of the indicators of the CS Self-Assessment Framework.

Membership in the Code is voluntary. The expression of interest to become a member, and the decision to withdraw from it, is a free decision of the organisation if they consider so.

CODE IMPLEMENTING STRUCTURES

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The responsible structures for the implementation and promotion of the CS will be:

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1. The Assembly of the Code of Standards
2. The Committee of the Code of Standards
3. The Secretariat of the Code of Standards

The CS structures activity and process of its implementation is regulated by an Internal Regulation.

The regulation is drafted according the principles and commitments of the Code of Standards and defines: CS structures, their functions and responsibilities, election procedures of implementing structures, decision-making processes within implementing structures, Code membership procedures and maintaining membership, provision of managing cases of conflict of interest during evaluation process, etc.

THE ASSEMBLY OF THE CODE OF STANDARDS

The Assembly of the Code of Standards for NPOs in Albania will consist of all members of the Code, non-profit organisations which have conducted the process of evaluating the compliance with the standards according to the criteria and procedures set out in the Code of Standards for NPOs. The members of the Assembly will be public along with the Code of Standards and the Self-Assessment Framework of the CS. The Code Assembly will also serve as an analytical, facilitating and supporting structure for and with the non-profit sector.

THE COMMITTEE OF THE CODE OF STANDARDS

Fulfilment by NPOs of the basic obligations and requirements set out in the Code of Standards and in the Self-Assessment Framework of the Code, will be ensured by the Code Committee, which will serve as an evaluation structure for NPOs willing to join or maintain membership in the CS.

The Committee of the Code of Standards for NPOs will consist of at least five members elected from all Code member organisations, which also constitute the Assembly of the Code. Committee members will serve on a voluntary basis.

THE SECRETARIAT OF THE CODE OF STANDARDS

The Secretariat of the Code of Standards will serve as an informative, coordination and facilitation structure in the implementation of the CS and its implementing structures. The Secretariat will also be responsible for promoting the CS within the country, in the region and beyond as an important mechanism in raising the standards of the sector activity in Albania. The functions of the Secretariat will be performed by the National Resource Centre for Civil Society in Albania, Partners Albania for Change and Development.

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