We, the INGO community, have a shared goal of Poverty Reduction and of Sustainable Development in Nepal. We believe that protection from human rights abuses, physical threats, violence and extreme economic, social and environmental risks and territorial and sovereignty threats are a necessary precondition to achieve our goal and to make lasting, positive improvements in the lives of all Nepali people.

We believe that a real strength of the International Non-Governmental Organisation (INGO) sector in Nepal is our diversity.

We are encouraged that each agency has its own specific goals, objectives, values, policies and methods of working.

We believe in the purpose of the global NGO movement and its essential diversity.

In this document, AIN wishes to outline some guiding principles and basic partnering requirements recommended for INGOs working in partnership with Non-Governmental Organizations (NGOs) in Nepal.

Guiding principles for INGO-NGO partnership in Nepal:

Common purpose of our organizations is working for poverty reduction, sustainable development, and protection and promotion of human rights.
**Commitment to equity and diversity** of people both within our organizations and among those we work with, in terms of age, caste, class, ethnicity, gender and religion.

**Grounded in civil society**, we honestly represent and respect the interests of the members of civil society we work with and they actively participate in the development, implementation and evaluation of our programs **Accountability** to stakeholders, including rights- holders, for the effectiveness and efficiency with which we use the resources we mobilize, and they are able to openly express their rights, choices and concerns.

**Transparency** to stakeholders about who we are, and how we raise and use our resources, maintain records and make decisions that affect all rights holders involved in our work.

**Performance oriented** to achieve the best results possible based on targets and achievements agreed with those we work for/with and those we mobilize resources from.

**Mutual learning and sharing** with implementing and funding partners to ensure benefits are maximized for the sustainability of communities and organizations.

**Longer term partnerships** to assist communities and organizations develop their capabilities to improve the implementation and sustainability of their programs.

**Coordination between donors, projects and local implementers** to ensure support provided to partners is well-coordinated and used efficiently so that resources are not duplicated, wasted or misdirected.

**Basic Partnering Requirements**

**Legal registration** of our organisations and our partner organizations with the government in order that administrative and financial transactions are in full compliance with all relevant legislation and regulations, including taxation and labor laws.

**Selection of partners** by our organisations is transparent and based on clear selection criteria.

**Written contractual agreement** drawn up together by the partners in a language understood by all, which specifies the minimum standards agreed, including the program objectives of the partnership, the agreed indicators, time-bound targets for performance, and the resources to be mobilized.
Active board (executive committee) which is independent of the management of our organizations, and exercises oversight according to the letter and spirit of each organization’s constitution, including holding regular general assemblies and elections.

Vision, goal and objectives are publicly established by our organizations and we monitor our performance through clearly defined indicators, measurements and targets.

Representation of community diversity on the board (executive committee) and among the staff of our organizations.

Non-partisan, non-party political, non-religious, and non-violent.

Participation of community in planning, implementation, monitoring, and evaluation of the programs of our organizations.

Stakeholder consultations and evaluations are conducted regularly.

Accurate financial accounting of our complete financial transactions within the organization and with others.

Transparent reporting and policies concerning the operations of our organizations and the progress of our programs are made available to stakeholders.

Human resource management best practices are applied to ensure personnel are clear on their responsibilities and their rights.

We will seek every opportunity to enter into constructive dialogue with all key stakeholders in the districts, villages and communities where we work. Indeed, we hope that discussion of these stated principles and operating guidelines, especially the internationally defined principles and standards of human rights that underpin them, will contribute to building stronger, more meaningful, more lasting and more successful partnerships in the best interests of Nepal, its people and its future development.

AIN, (Association of International NGOs in Nepal) is an informal association of more than 70 International NGOs Working in Nepal.
**Introduction**

AIN members work in partnership with a variety of organizations and institutions, including community-based groups, government agencies and other NGOs. These Guidelines focus on NGO partnerships. The purpose of the NGO Partnership Guidelines is to state explicitly the standard of partnership which AIN seeks to work towards with its NGO partners, so as to strengthen the NGO sector’s contribution to Nepal’s development.

The NGO sector began to grow seriously in 2048 B.S. when new national regulations opened the door to the establishment of development NGOs. The sector began to organize itself into a number of associations and federations, and out of those emerged the NGO Federation of Nepal (NFN), the largest of these federations. The NFN itself has set an NGO Code of Ethics. However, the establishment of thousands of new NGOs, often with no previous experience in being an NGO, or of the basic principles underlying being an NGO, has meant many of these young grassroots Nepali NGOs still struggle to apply the NFN Code of Ethics.

AIN’s members appreciate that the relatively nascent NGO sector in Nepal needs active support to grow and mature, and that many NGO partners have some way to go before they achieve either the AIN INGO standard put forward here, or standard of the NFN Code of Ethics.

We understand that these INGO-NGO Partnership Guidelines aim to set higher, more transparent and more democratic standards of governance and performance. The INGOs, as well as their NGO partners, are both working towards these principles and requirements - hence the Guidelines refer to “our” organizations, meaning that they apply to both INGOs and the NGOs equally. Each INGO-NGO partnership will set out the steps and speed with which the partners can move towards achieving the standards set out in the Guidelines.

**Guiding principles for INGOs and NGOs in partnership**

**Common purpose:** Each of our partnerships is formed around an agreed common purpose and common values which ensure the partnerships are aligned. Our overall purpose is poverty reduction and sustainable development in Nepal and the purpose of individual partnerships will vary within this wider purpose according to the specific situation and need. Our common values are expressed in the Guiding Principles.

**Commitment to equity and diversity:** We promote diversity in our organizations, in terms of age, class, ethnicity, gender and religion which reflect the composition of the communities we work with. And we provide equal opportunities and strive for equity. Similarly we aim for inclusion and equity in our
programs to ensure marginalized and disadvantaged people find the opportunities to improve their lives.

**Grounded in civil society:** We honestly seek to represent the vital interests of those members of civil society to whom we are providing support. We are committed to practicing mutual respect, and we ensure that those we assist actively participate in the development, planning, implementation and evaluation of our programs.

**Accountability:** We are accountable to our stakeholders, including rights-holders, for the effectiveness and efficiency with which we use the resources we have been entrusted. We respect the rights and choices of our stakeholders, and listen to and act on their concerns.

**Transparency:** We are transparent about who we are, how we use our resources, and how we form partnerships. We make available public reports on our work and the utilization of resources.

**Performance oriented:** We set performance targets with those organizations with whom we work and those from whom we mobilize resources. We monitor our progress towards those targets, and adjust our programs accordingly to reach them in a time-bound period.

**Mutual learning and sharing:** We create the time and space to learn and share together, both among ourselves and with our stakeholders, so as to ensure benefits are maximized and sustained.

**Longer term partnerships:** We know from experience that longer term partnerships are often more effective at building the capabilities of partners, and this results in the improved implementation and sustainability of programs.

**Coordination between donors, projects, and local implementers:** Resources can be more efficiently used when donors, projects, and local implementers coordinate their support for common partners, and ensure there is not a duplication of support and activities.

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**Basic Partnering Requirements**

**Legal:** We are not-for-profit organizations. We comply with the legal framework of Nepal, including the appropriate taxation, labor and audit laws. We register our organizations with the government, especially where there are financial transactions. Each NGO must be legally registered and encouraged to obtain their tax exemption certificate. We do not accept staff in our partnerships who have been convicted of criminal act such as theft, embezzlement, etc.
**Partner Selection:** Transparent mechanisms and criteria exist for the selection and funding of partners, including procedure to address conflict of interests, for example selection of existing partners, funding organisations formed by ex-employees, decision maker at the funding agency being a board member of the receiving agency etc.

**Written contractual agreement:** All partnerships are formalized in a contractual agreement which clarifies the rights and obligations of each partner. The agreement is drawn up together by the partners in a language understood by all, which specifies the minimum standards agreed including the objectives of the partnership, the agreed indicators and targets of performance, and the resources to be mobilized.

**Active independent board (executive committee):** In our organizations, the board (executive committee) is independent of the management. The board exercises oversight according to the letter and spirit of each organization’s constitution, including holding regular general assemblies and elections. The members of our boards are not staff members, though only one staff may be an ex-officio non-voting participant. The board is representative of our general membership. The board members are unrelated to each other by blood (parents, children, brothers, sisters, uncles, aunts) or in laws. And no staff of an INGO, which is funding an NGO, may be a member of the Executive Committee of that NGO. A board rotation policy exists and is practiced. Board members are not salaried, and any payments they receive must be disclosed. Board meetings are minuted and circulated. The board approves programs, budgets, annual activity reports and audited financial statements. The board ensures the organization’s compliance with laws and regulations.

**Vision, goal and objectives** are set by our organizations and we are able to show performance through clearly defined indicators and targets which are monitored on a regular basis. Activities are in line with the vision, goal and objectives, and appropriate systems are in place for periodic program planning, monitoring and reviewing.

**Representation of community diversity:** We promote the representation of diversity in our boards and staff. Diversity in terms of the age, caste, class, gender and religion which reflect the diversity of the communities we work with in Nepal. Nepotism, or the management of a partner organization by close relatives, is not permitted in our organizations.

**Non-partisan:** As organisations we do not advocate and support party politics, religious ideologies, nor violence.

**Participation of community:** We ensure that the communities we work with, especially those sections which are marginalized and disadvantaged, are directly and actively involved in the planning, implementation and evaluation of programs.
Stakeholder consultations and evaluations: We regularly consult with key stakeholders to improve the effectiveness and impact of our programs, and we involve relevant stakeholders in evaluations of our programs.

Accurate financial accounting: All our financial transactions are accurately accounted for by effective financial systems with proper signatories. Annual external audits with an explicit summary management letter are mandatory.

Transparent reporting and policies: The annual report is disseminated and communicated to the stakeholders and made available on request every year. There are clear and adequate written financial policies in place, including for purchases, and the sale of assets.

Human resource management: Clear roles and responsibilities for personnel, including volunteers, exist, and all personnel are issued a letter of contract/appointment.

January 2008

AIN Steering Committee Members and Secretariat Staffs

Chairperson: Dr Shibesh Chandra Regmi-Country Director Action Aid Nepal; Secretary: Mr Eiichi Sadamatsu-Resident Representative Save Japan; Treasurer: Ms Jennie Collins-Executive Director, United Mission to Nepal; Other Steering Committee Members: Alka Pathak –Country Director, CARE Nepal; Ram Risal- Country Program Director, Helvetas Nepal; Chij Shrestha- Country Director, World Education; Sten Andreasen-Country Director, MS Nepal; Linda Burns- Country Director, Concern Worldwide; Tory Clawson-country Director, Save the Children USA; Invitees: Kishore Pradhan –Country Representative, Panos South Asia; Shalini Tripathy-Country Director, SPW; Secretariat: Reshma Shrestha-Program Coordinator, AIN: Lucky Gurung: Administrative Officer, AIN.