

# Friendship Bangladesh

## Initial Audit – Summary Report – 2023/02/27

### 1. General information

#### 1.1 Organisation

Type	Mandates	Verified
<input type="checkbox"/> International <input checked="" type="checkbox"/> National <input checked="" type="checkbox"/> Membership/Network <input type="checkbox"/> Direct Assistance <input type="checkbox"/> Federated <input type="checkbox"/> With partners	<input checked="" type="checkbox"/> Humanitarian <input checked="" type="checkbox"/> Development <input checked="" type="checkbox"/> Advocacy	<input checked="" type="checkbox"/> Humanitarian <input checked="" type="checkbox"/> Development <input checked="" type="checkbox"/> Advocacy
<b>Legal registration</b>	Social welfare organisation (NGO)	
<b>Head Office location</b>	Dhaka, Bangladesh	
<b>Total number of organisation staff</b>	2,802 (841 – permanent / 1,962 contractual)	

#### 1.2 Audit team

<b>Lead auditor</b>	Claire Goudsmit
<b>Second auditor</b>	Joanne O'Flanagan
<b>Third auditor</b>	
<b>Observer</b>	Donald Gavine (FCDO) Georgina Shepherd (FCDO)
<b>Expert</b>	
<b>Witness / other participants</b>	

#### 1.3 Scope of the audit

<b>CHS Verification Scheme</b>	Certification scheme
<b>Phase of the audit</b>	Initial Audit, First cycle
<b>Coverage of the audit</b>	Whole organisation – Head office, project offices and Friendship's project activities across Bangladesh.
<b>Extraordinary or other type of audit</b>	

#### 1.4 Sampling\*

<b>Total number of Country Project sites in scope</b>			36
<b>Total number of sites for onsite visit</b>			2
<b>Total number of sites for remote assessment</b>			4
Name of project site	Included in final sample (Y/N)	Rationale for sampling and selection / de-selection decision	Onsite or remote
<b>Random sampling</b>			
Research Project on Prevention and screening innovation project towards	N	Small-scale research project not suitable for audit purposes, purposively replaced with Integrated community-based primary health care model programme (outreach).	

elimination of cervical cancer			
Education program in Northern Part of Bangladesh	Y	Education programming is a significant area of programming for Friendship.	remote
Assistance for sustainable development (ASD) through DRM	Y	Programme is a representative example of Friendship's long-term approach to supporting sustainable development through reducing vulnerability and increasing resilience.	onsite
Lifbuoy Friendship Hospital (LFH)	N	Replaced with larger scale health programme within Friendship's humanitarian portfolio (Lifesaving support).	
Mainstreaming PWD (Person with Disability) Project	Y	An outreach and awareness raising project with the aim of providing a foundation for increased disability inclusiveness in all of Friendship's programming sectors.	remote
Friendship Secondary Education Project	Y	Secondary Education through pre-recorded lessons on government curriculum.	remote

### Purposive sampling

Lifesaving support to Rohingya and Host Communities in Cox's Bazar District.	Humanitarian mandate, large-scale primary health care support to Rohingya population and host community, significant programme budget and coordinated with multiple actors.	onsite
Integrated community-based primary health care model program (outreach)	Health sector is key area of programming for Friendship, represents an alternative model of care, outreach to remote areas in the north of Bangladesh.	remote

**Any other sampling performed for this audit:** No further sampling of projects was performed. Sampling of staff to interview was done, in part, based on specific roles and responsibilities, and in relation to staff engaged with the sampled projects. Sampling of communities was based on a random selection of project and community locations.

**Sampling risks identified:** Sampling risk was considered by ensuring onsite coverage of one large scale humanitarian programme, in a camp context, where Friendship has a less established presence, alongside a long-term, sustainable development programme where Friendship has an established presence at the community level, in remote, hard to reach and underserved populations.

The audit team is confident in the sample and in the findings from the available evidence generated.

*\*It is important to note that the audit findings are based on a sample of an organisation's activities, programmes, and documentation as well as direct observation. Findings are analysed to determine an organisation's systematic approach and application of all aspects of the CHS across different contexts and ways of working.*

## 2. Activities undertaken by the audit team

### 2.1 Locations Assessed

Locations	Dates	onsite or remote
Head Office, Dhaka	7 & 8/11/2022	onsite
Gaibandha Office	10/11/2022	onsite
Cox's Bazar Office	14/11/2022	onsite

## 2.2 Interviews

Level / Position of interviewees	Number of interviewees		onsite or remote
	Female	Male	
International Member entity and International Board		2	remote
<b>Head Office</b>			
Management	3	12	onsite
Staff	1	5	onsite
<b>Project Office(s)</b>			
Management		8	onsite
Staff	3	3	onsite
Community volunteers/workers	5	2	onsite
<b>Total number of interviewees</b>	<b>12</b>	<b>32</b>	<b>44</b>

## 2.3 Consultations with communities

Type of group and location	Number of participants		Onsite or Remote
	Female	Male	
Disaster management Committee, Char 1, Gaibandha District	8		onsite
Disaster management Committee, Char 1, Gaibandha District		4	onsite
Civil Society group, Char 1, Gaibandha District		7	onsite
Disaster management Committee, Char 2, Gaibandha District	13		onsite
Disaster management Committee, Char 2, Gaibandha District		6	onsite
Civil Society group, Char 3, Gaibandha District	2	5	onsite
Disaster management Committee, Char 3, Gaibandha District	8		onsite
Disaster management Committee, Char 3, Gaibandha District		4	onsite
Civil Society group, Char 3, Gaibandha District	2	3	onsite
Community Leaders, Camp, Cox's Bazar		7	onsite
Women's group, Camp, Cox's Bazar	5		onsite
Women's group, Camp, Cox's Bazar	5		onsite
<b>Total number of participants</b>	<b>47</b>	<b>32</b>	<b>79</b>

## 2.4 Opening meeting

<b>Date</b>	2022/08/22
<b>Location</b>	remote
<b>Number of participants</b>	15 total (4 female / 11 male)
<b>Any substantive issues arising</b>	none

## 2.5 Closing meeting

<b>Date</b>	2022/10/10
<b>Location</b>	remote
<b>Number of participants</b>	29 total (7 female / 22 male)
<b>Any substantive issues arising</b>	none

### 3. Background information on the organisation

#### 3.1 General information

Friendship is an international Social Purpose Organisation<sup>1</sup> guided by a vision of a world where people, especially hard-to-reach and underserved populations, have equal opportunities to live with dignity and hope. Its mission is to develop scalable solutions to strengthen marginalised communities and empower people to transform their lives and reach their full potential. The organisation was founded in 2002 when it began its programmes in Bangladesh, operating a hospital ship for communities living on river islands, called chars. The organisation is registered with the NGO Affairs Bureau of Bangladesh and is bound by the provisions of the Foreign Donations (Voluntary Activities) Regulation Law 2016. Its work is governed under the regulations of the Department of Social Service.

Over time, to make a lasting impact on people's lives, the organisation decided to expand its programming beyond the provision of health services (hospital ship and satellite clinics). Its geographical focus is on remote communities in the northern river areas and southern coastal belt of Bangladesh. These communities are particularly exposed to the effects of environmental volatility (flooding, cyclones) resulting, in part, from climate change; they have limited access to healthcare, education and other public services and lack opportunities to improve their livelihoods and to recover from recurrent climate and weather-related emergencies. The organisation's founder and current Executive Director (ED) is committed to a model of "integrated development," meaning it seeks to address problems in multiple sectors, including health, education, disaster management and economic development in the communities where it works. Friendship focuses its operations primarily in these remote rural areas and adopts a holistic approach to programming.

Friendship currently delivers integrated services in six Sectors: Health, Education, Climate Action, Inclusive Citizenship, Sustainable Economic Development and Cultural Preservation. These are clustered under four impact areas: saving lives, empowerment, climate adaptation and poverty alleviation. Since 2017, Friendship has been responding to the needs of communities in the Rohingya refugee camps in Ukhiya and Cox's Bazar, primarily through the provision of health and education services.

According to its most recent financial statement (2021), Friendship had a total expenditure of 1,323,931,552 BDT (approximately €13 million).

#### 3.2 Governance and management structure

Friendship Bangladesh's Board of Directors is the governing body of the organisation, which is elected by its assembly of General Members. Friendship is led by its ED, who is also the founder of the organisation, and is supported by the Executive Board.

Friendship's Head Office (HO) is in Dhaka, Bangladesh and it manages 25 field offices across 6 regions of Bangladesh (Gaibandha, Kurigram, Rowmari, Shaymnagar, Kalapara, and Mongla). There are 6 Regional Coordinators to ensure the overall management of all these offices. There are 2 field offices in Cox's Bazar district for coordinating the Rohingya response projects which are managed by one manager. Friendship has a total of total of 841 permanent staff and 1,962 project-based contractual staff, including Friendship community medic-aides, teachers/ education facilitators, paralegals, Friendship Community Governance Aides (FCGA), etc. 889 community-based volunteers, including Para-veterinary workers and flood volunteers.

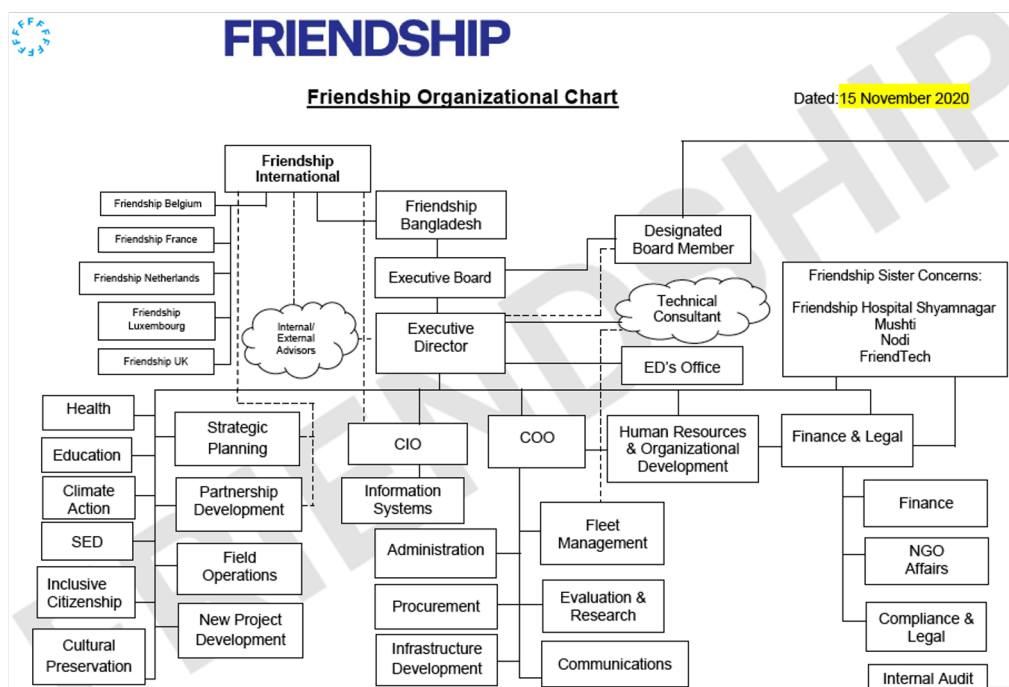
Making up the senior management team of Friendship and directly reporting to the ED are the Chief Operating Officer (COO), Chief Finance Officer (CFO), Director of Finance and Legal, Director of Human Resources and Organisational Development (HR&OD) and 6 programme Sector Heads. Sectoral programming operations are supported by 14 Central Service Units (CSUs) including, Finance, Internal Audit, Human Resources, Procurement, Administration, Information Systems, Fleet Management, Evaluation and Research, and Communications. HR&OD are responsible for management of all human resources and to ensure staff have supervision with formal work plans and reporting lines to relevant managers. Regional Coordinators and the Rohingya Response Manager report to the General Manager of Field Operations, who in turn reports to the COO (See organisational chart below).

Sector Heads at HO have overall responsibility for the six programming sectors while Regional Coordinators are responsible for the management of field operations - i.e., programme support

<sup>1</sup> Friendship defines a Social Purpose Organisation (SPO) as an organisation that addresses social issues and always prioritises the interests of the communities it serves.

functions including procurement, information systems, and fleet management. Project and programmes are managed by Managers and Team Leaders within each sector, reporting directly to Sector Heads. Technical staff implement projects in line with programme and projects plans and a systematic process of quality checks, monitoring, reporting and evaluation is in place.

Friendship Bangladesh has established a network of entities worldwide (Friendship International). The aspiration behind the network is to raise voices from the community through an international platform so that their needs can be addressed in a South-North, ground-up approach. There are five Friendship International entities in Europe, each with an independent board. Friendship International is an independent legal entity incorporated in 2013 and governed by Luxembourg law; its Board of Directors comprises the chairpersons of the different member's boards; Friendship Bangladesh is represented on the board by the Founder and current Executive Director. The Mission of Friendship International is to facilitate, coordinate and oversee the action of the members of the Friendship International network and help build an improved understanding and stronger relationships between its members. All the funds raised by Friendship International entities are solely used for the projects undertaken by Friendship in Bangladesh. Friendship International has developed and adopted several policies to be applied throughout the network.



### 3.3 Key internal quality assurance, internal control and risk management mechanisms

Friendship has a Risk Management Policy (2019) which aims to identify and control the level of risk which the organisation faces in its operations. It was developed by the Board of Friendship International in consultation with the management of Friendship Bangladesh. Risk management falls under the responsibility of the Board of Friendship International and of the individual Boards of the respective member entities. The Head of Internal Audit (Friendship Bangladesh) coordinates and advises on risk assessment and related issues, with the support of the Chief Financial Officer. The Risk Matrix provides a template and guidance for the process of risk assessment, and the Risk Register (2019), identifies seven categories of risk with a range of potential risks captured under each category heading; the risk categories are governance, operational, financial, external, compliance, reputational and strategic.

The Internal Audit department comprises five staff members. The department works to an annual audit plan with responsibility to provide senior management and the board with an independent and objective assessment of the effectiveness of internal controls and the implementation of policies; to identify weaknesses; and to make recommendations to improve the efficiency and effectiveness of management systems, controls, and risk management. The annual audit plan is developed at beginning of the year, approved by the Board of Directors, and shared with the Executive Director who can provide inputs on areas for audit. To assure independence, the internal audit team reports to a delegated member of the Board of Directors and, at its own discretion, to the Executive Director. The team also provides an updated report at every board meeting.

The Financial Policies and Procedures Manual and the Procurement Manual are key reference documents for the management of Friendship's funds and resources. The manuals outline the broad control environment; control measures include preventive (segregation of duties, levels of authorisation, adequate documentation, cash access and security controls), detective (internal audit, financial reporting, reconciliations (cash/bank), stock checks) and corrective (procedures for reporting/whistleblowing, training and support on relevant policies and procedures). There are clearly defined job descriptions and assigned responsibilities; established procedures for the physical safeguarding of resources and assets; and routine checks on the accuracy of financial records and reporting. Friendship has a range of policies for the prevention of fraud and corruption and misuse of resources with associated whistle blowing, investigatory and disciplinary procedures.

Friendship has a suite of policies which are designed to assure appropriate standards of behaviour of staff; these provide an overall framework to support risk management in relation to staff conduct as well as potential risks related to its programming presence. Policies include Codes of Conduct and Ethics, PSEA, Safeguarding, Child Protection (CP), Gender and Environment Protection. Policy commitments include recognition of the right of people to be protected from sexual exploitation and abuse and of the risks of unequal power relations and reiterate the importance of standards of conduct and behaviour, including zero tolerance of sexual exploitation and abuse. As part of the implementation of these policies, Friendship has appointed staff as Focal Points (for PSEA, CP, gender, environment, and safeguarding) to strengthen reporting mechanisms.

An M&E Framework establishes the overarching organisational commitment to results-based monitoring and the collection and analysis of information on key indicators. The framework describes the broad requirements and expectations for monitoring and evaluation to monitor programme delivery and quality. Notwithstanding gaps in policy guidance for monitoring, Friendship has systems in place for monitoring programme activities and performance at different levels. At a global level the annual strategic planning process and quarterly workshops gather inputs from programme teams to develop sectoral Strategic Action Plans (SAP) with indicators and timelines for monitoring and reporting. It is a well-defined system which automatically triggers a red flag warning when performance falls below 50% and justifications must be provided to support the identification of solutions. At the project level, teams use a range of tools for monitoring including standardised checklists for the different programme sectors. Project plans capture targets and indicators for activities, outputs and outcomes, and budgets provide for monitoring activities including baseline/endline surveys, satisfaction surveys and evaluations.

### **3.4 Work with partner organisations**

Friendship Bangladesh does not, in general, work with partner organisations to implement projects in Bangladesh although it has worked as part of a consortium with other NGOs in the past. Friendship is an implementing partner (IP) for UNICEF, IOM and UNHCR, where due diligence assessments are fulfilled, and agreements are in place. Friendship works in partnership with its Friendship international entities, which are governed by MOUs and agreements.

## **4. Overall performance of the organisation**

### **4.1 Effectiveness of the governance, internal quality assurance and risk management of the organisation**

Friendship has endeavoured to improve the effectiveness of its governance, internal quality assurance and risk management policies and processes in recent years. A Governance Outline for Friendship was developed in 2018 and describes the governance framework of Friendship as an international NGO network consisting of several legal entities incorporated in Bangladesh and in several other European countries (see 3.1, 3.2 above). The governance outline clarifies the role of the Executive Director, affirms the overarching mission, and establishes the roles of the boards of the different entities which altogether comprise Friendship International. Friendship International entities support Friendship Bangladesh to further professionalise and to develop and strengthen its policy base, including in areas related to the CHS, such as safeguarding and risk management. There is not currently, however, any formal role for the international board in oversight of serious investigations.

Procurement guidelines establish administrative controls for the approval and purchasing of goods and services. A procurement committee is established for all purchases to appraise proposals with thresholds established for competitive bidding and appropriate limits for field and head offices. The Internal Audit function acts as a detective control to assess levels of compliance, including spot checks, with established policies and procedures for resource



management and use. Head Office finance staff regularly visit field offices and conduct standardised checks.

Relevant staff demonstrate consistent understanding of rules and procedures for the management and use of financial and other resources, including those in relation to financial reporting, procurement, warehousing and stock control, transport, and movement of goods and personnel. Protocols for reporting and managing the risk of fraud and corruption are known by staff and staff have received relevant training. In the procurement team, staff are rotated in and out of their positions to limit the risk of forming relationships with suppliers or vendors.

According to the Risk Management Policy, the register should be reviewed and updated annually. However, the most recent available Risk Register (2021) does not provide appropriate consideration of the full range of organisational risks or details of how Friendship actively identifies, manages and mitigates risks that relate to commitments within CHS including safeguarding and PSEA and other risks in terms of accountability to affected populations. While programme planning generally provides some consideration of risks, including risks to people and communities (negative effects), this is not done on a systematic basis across all programmes.

Friendship has several processes for handling complaints for its stakeholders (staff, associated representatives, partners, volunteers, and communities). These are documented across different documents including the *Complaint and Feedback Management Policy and Procedures (CFMP)*, *Whistle Blower Policy*, *Disciplinary Action Process and Procedures*, *Safeguarding*, *PSEA*, *Child Protection*, *Anti-Harassment* and *Anti-Fraud* policies. A Safeguarding Task Force and a team of Safeguarding Focal Points (FPs) have been recently established to streamline systems for staff to report safeguarding concerns and incidents. Notwithstanding the significant effort and resources that Friendship has invested to revise its policies and procedures, and to ensure its systems are in line with good practice, further development is required to ensure a coherent and safe system is established across the whole organisation and its programmes, and especially for communities.

An institutionalised 3-year strategic planning process is in place, where plans are renewed annually and reported against on a quarterly basis. Inputs are gathered from programme teams including community perspectives, to develop sectoral Strategic Action Plans (SAP) with indicators and timelines for monitoring and reporting. It is a well-defined system which automatically triggers a red flag warning when performance falls below 50% and justifications must be provided to senior management to support the identification of solutions. Friendship clearly defines its areas of technical expertise, and its staff are qualified and experienced in their areas of technical and supervisory responsibility.

## 4.2 Level of implementation of the CHS

Friendship is committed to meeting the CHS to further professionalise its work and build upon its reputation internationally as a competent, resilient and well managed organisation. Friendship has truly embedded its values into the organisation which is reflected in how Friendship staff approach one another, work commitments and communities. Friendship has a large team of dedicated and professional staff and committed community workers and the organisation has established structures to support staff in their roles. Friendship is an experienced organisation with the capacity and capability to deliver projects at scale. It seeks out innovative practice to address complex local challenges and engages with external entities and bodies to bring new expertise, innovation and practice into the organisation.

Friendship performs well in terms of supporting local leadership and building resilience amongst community groups through its programming, from climate resilient housing solutions to provision of health services. Friendship has recently developed its safeguarding framework, including complaint handling systems across the organisation. Revised policies, including specifically on PSEA have been put in place. Mechanisms e.g. trained Safeguarding FPs, dedicated 24/7 hotline, community workers, are being implemented as part of an organisational wide Safeguarding action plan. Improvements are still required (especially on risk management, identifying potential negative effects and complaint handling), to align incoherencies across policies and procedures in order that the systems are effective, and to embed practice in all Friendship's programmes and with all community groups. A lack of policy version control and dissemination amongst teams is observed, which needs attention to fully align its good practices, with its systems and policies.

### 4.3 Performance against each CHS Commitment

Commitment	Strong points and areas for improvement	Feedback from communities	Average score*
<b>Commitment 1:</b> Humanitarian assistance is appropriate and relevant	<p>Friendship is committed to needs-based assistance that is non-political and takes account of the capacities and resources of the communities they work with. Sectoral programme strategies confirm a commitment to focus programming on the most disadvantaged and marginalised communities and households, prioritising those that are underserved and hard to reach. Processes are in place to conduct context analysis and needs assessment at the project planning and design stage. Friendship seeks to identify, support and mobilise community capacities and resources, particularly in relation to early warning, emergency response and recovery.</p> <p>However, there is a lack of guidance on data disaggregation requirements and programmes do not systematically disaggregate vulnerability and risk assessment data for different groups in planning and assessment processes, including risks related to SEAH.</p>	Communities are generally satisfied that programmes are relevant to their needs, and appreciate, in areas where Friendship is present on a long-term basis, that programmes have expanded to take account of different community needs and capacities.	2.7
<b>Commitment 2:</b> Humanitarian response is effective and timely	<p>Friendship's programming in emergencies is generally timely and effective and there are established protocols in place to respond to emergencies in a timely manner. Friendship clearly defines its areas of technical expertise and focuses its new and existing programming accordingly. The annual budgeting process involves consultation across all departments, to ensure that programme planning and budgeting for resource needs are aligned and includes contingency for emergencies.</p> <p>The <i>M&amp;E Framework</i> establishes an overarching organisational commitment to results-based monitoring, however, provides limited guidance on minimum monitoring and evaluation requirements across all programmes. Nonetheless, there are several systems in place for monitoring programme activities and performance at different levels and the annual and quarterly strategic planning process provides a well-defined system for monitoring performance at multiple levels.</p> <p>Assessment of constraints and risks in terms of community safety and access is not carried out systematically across all programmes. The CHS and other relevant international standards are not always clearly defined or referenced in programme planning and assessment processes.</p>	Communities confirm timely and relevant support from Friendship during crises and feel safe to access programmes. Communities understand Friendship's monitoring processes and confirm their engagement with monitoring staff and monitoring activities.	2.4
<b>Commitment 3:</b> Humanitarian response strengthens local capacities and avoids negative effects	Friendship has an inclusive approach and prioritises the participation of local communities and other stakeholders when mapping community needs and available capacities and resources; this informs programming to strengthen community resilience. Planning processes are initiated through well-established community participation processes. Friendship articulates a transitional model from relief activities to improved preparedness and response capacity, to longer term development activities that focus on reducing economic vulnerability. Friendship's programmes aim to build sustainability by enhancing individual and community	Communities describe a range of ways in which Friendship supports them to be better prepared for disasters and to have the capacity to respond more effectively when crises occur. They believe they are in a better position to recover from future crises. Women	2.4



	<p>capacities, and to reduce risks of dependency particularly in the event of future crises.</p> <p>Supporting potential community leaders is achieved, in part, through the establishment of community Disaster Management Committees (DMC), comprising a mix of male and female members from different parts of the community, including marginalised and disadvantaged groups.</p> <p>Friendship closely engages with authorities (local and national) and other actors, to advocate for services and to support improvement in access and facilitate linkages between communities and government services.</p> <p>There is a suite of policies designed to provide an overall framework for the prevention of negative effects such as exploitation, abuse or discrimination by staff. However, organisational processes do not support the systematic identification of the full range of potential or actual negative effects (risk assessment) to allow Friendship to act on these. There is limited guidance to ensure confidentiality is maintained during complaint investigations. Some programmes lack sufficient planning for exit.</p>	<p>describe feeling more confident as leaders and being prepared to take timely action in the event of a crisis.</p>	
<p><b>Commitment 4:</b> Humanitarian response is based on communication, participation and feedback</p>	<p>Friendship has a stated commitment to strive to be exemplary in relation to matters of transparency and integrity. An Information Sharing Policy and Guidelines (approval pending), aims to set good practice and standards when staff are sharing information internally and externally. However, the policy guidelines and principles do not clarify what information should be shared with different stakeholders, including communities.</p> <p>Friendship is committed to a participatory approach and engaging with communities and people affected by crisis across the programme cycle, and this is reiterated in several high-level documents. While systems and processes are generally in place to share information with, and to collect feedback from, communities, Friendship does not ensure that feedback mechanisms are systematically in place that pay particular attention to the gender, age and diversity of those giving feedback.</p> <p>The Safeguarding Action Plan includes a commitment to ensure communities receive copies of the safeguarding leaflet, and that safeguarding posters are distributed to all field offices and to communities. These materials stipulate that Friendship has zero tolerance of sexual exploitation and abuse. However, not all communities could confirm that Friendship had provided information about how it expects its staff to behave (CoC) or of key organisational policies that cover staff conduct such as zero tolerance for SEA, fraud and corruption.</p> <p>Friendship's external communications are accurate, ethical, and respectful and there is a system in place to review and sign-off on communications materials before publication to ensure accuracy and tone.</p>	<p>Communities consider Friendship staff to be approachable and open to listening to and responding to their feedback. They are generally satisfied with how Friendship communicates with them and indicate that meetings are inclusive of different community members.</p> <p>Communities do, in general, have clear expectations of how they expect staff to behave and confirm that they are treated with dignity and respect, however, not all communities had received information on expected behaviours of staff, nor on Friendship's commitment to PSEA.</p>	1.9
<p><b>Commitment 5:</b> Complaints are</p>	<p>Several policies and processes to manage complaints from different stakeholders are documented. The complaint handling system and whistle blower policy for staff and key stakeholders is accessible and trusted</p>	<p>Communities are generally aware of different ways in which they could give</p>	1.6

welcomed and addressed	<p>throughout the organisation. Some inconsistencies across policies and procedures risk ineffectiveness of the system.</p> <p>A process to ensure that Friendship's management bodies receive information, and have oversight of, complaints received and resolved, and identified risks, is not yet in place.</p> <p>Friendship has recently developed its Safeguarding framework which brings several policies e.g., child protection, gender, PSEA, together. A Safeguarding Task Force and 16 Focal Points are recently in-post, and a training programme on safeguarding and complaint handling is being implemented. Mandatory induction and training for staff ensures that all are fully aware of obligations under safeguarding policies. Further development and work is required to ensure complaint and referral systems and safeguarding investigations are consistent and safe for all those affected.</p>	<p>feedback, or raise concerns, or make complaints to Friendship staff. Confidence to do this was reliant on their level of trust with staff, which was built over time. Some communities that were new to Friendship were not aware of what they can expect or what is available to them to raise complaints.</p> <p>Based on information received and the experience of how Friendship staff behave, most communities could describe Friendship's values and ethics. Communities were not clear on what rules of staff behaviour or conduct are, or on what constitutes unacceptable behaviour by staff.</p>	
<b>Commitment 6:</b> Humanitarian response is coordinated and complementary	<p>Friendship is committed to coordinate and collaborate with others and has clear strategies for collaboration and working with others to have greater impact for communities. There are many examples of close cooperation with national and local government structures, international and national level professional bodies and institutions for research, innovation, and learning.</p> <p>Friendship participates at the HO and programme levels with NGO coordination groups and inter-agency working groups to ensure its work is coordinated with others, is complementary, and that it meets expected operating standards.</p> <p>Framework agreements with Friendship international members provide long-term support and network opportunities.</p>	<p>Communities are aware of, and have engagement with, local level government officers and Friendship staff working together. They confirm that this is beneficial for them.</p> <p>Communities are engaged with and accessing government support and legal instruments due to Friendship's trainings, advocacy messages and support from staff that they had received.</p>	3
<b>Commitment 7:</b> Humanitarian actors continuously learn and improve	<p>Friendship is a dynamic and learning organisation. A routine system of monitoring, review, reflection, and planning integrates programme results and learning. A structured strategic planning process takes place annually and consists of a series of programme and CSU review workshops from the field to Friendship's management teams.</p> <p>Friendship has a framework and outline standard operating procedures for monitoring and evaluation of its programmes. Programme sectors report quarterly and annually on lessons learned and challenges. Mid- and end-line project evaluations take place according to donor requirements. An organisational strategy, standards, or guidance for routine evaluation of projects is not documented, and a system to learn from issues raised through complaints processes is not yet in place.</p>	<p>Some community members confirm receiving information on what improvements are being made to project activities, and of seeing actions taken to resolve issues. Information on results of monitoring and evaluation of projects is not commonly received.</p> <p>Community members shared how they are involved in thematic sessions on relevant issues and research</p>	2.7

	<p>Staff do not share learning from project monitoring and evaluation with communities.</p> <p>Friendship's Evaluation and Research department facilitate thematic research studies on relevant subject areas in collaboration with academics, researchers, and universities. Results, and findings are widely disseminated (reports, presentations, case studies, thematic research papers) across the organisation and externally contributing to key policy and practice development.</p> <p>Based on its experience and research, Friendship has developed several innovative approaches and technical standards, e.g., mHealth system; climate resilient rural housing standards; education curriculum and learning approaches; accessible primary health care systems for remote and hard-to-reach communities.</p>	done by Friendship, e.g., floating toilets, climate resilient crops.	
<p><b>Commitment 8:</b> Staff are supported to do their job effectively, and are treated fairly and equitably</p>	<p>A strong sense of Friendship values, ethics and the 'Friendship Family' exists within the organisation. Staff are highly motivated and dedicated to their jobs. Staff have a shared sense of purpose and desire to meet the objectives of the organisation and its work.</p> <p>HR systems are in place at HO and field offices, following a systematic set of procedures for recruitment, induction, training, and performance management. Friendship retains an experienced and professional work force and supports its staff to develop skills and competencies. A Performance Management System is in place and consistently practiced. Staff are clear on their roles and responsibilities and access various learning, coaching and on-the-job training activities that are provided.</p> <p>Friendship has communicated its Zero Tolerance policy throughout the organisation and staff fully understand their obligations under the Code of Conduct, PSEA and safeguarding policies. Mandatory training on these policies takes place. Safeguarding Focal Points have recently been established in post and are undergoing training to support staff and facilitate reporting of incidents. Improvements to develop a more gender balanced team, especially in management, is required.</p>	<p>Communities mostly understand the values and ethics of Friendship. Communities trust Friendship staff and feel that they are competent in their roles and professional.</p> <p>They are complementary of the behaviour, professionalism, and respect they are always shown by Friendship staff and community volunteers.</p>	2.8
<p><b>Commitment 9:</b> Resources are managed and used responsibly for their intended purpose</p>	<p>Friendship has policies and procedures in place to support the responsible use of resources. These include anti-fraud, corruption and bribery policies, and financial management and procurement procedures. Staff know relevant policies and follow them accordingly. The annual budgeting and strategic planning processes ensure that programme planning and budgeting for resource needs are aligned.</p> <p>The control environment includes preventive, detective and corrective controls including procedures for reporting/whistleblowing and is supported by systems for investigation and disciplinary action.</p> <p>Friendship's Risk Management Policy and associated tools set out a process and guidance for the identification and management of risks associated with Friendship's activities, however, the current Risk Register does not provide appropriate consideration of the full range of organisational risks including those related to assuring commitments of the CHS. Risk management processes</p>	Communities expressed confidence in the integrity of Friendship staff and did not report any concern regarding misuse of resources.	2.3

	<p>are not yet fully effective to assess, manage and mitigate risk on an ongoing basis.</p> <p>An Internal Audit team works to an annual audit plan and reports to a delegated member of the Board of Directors to assure independence. Audit planning is not, however, effectively linked to overall risk management processes.</p> <p>Friendship is committed to sustainable procurement that promotes environmental protection and to consideration of environmental impact across all its work. However, there is a lack of clear guidance to assure the organisation's use of resources in an environmentally responsible way across all its functions and operations.</p>		
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\* *Note: Average scores are a sum of the scores per commitment divided by the number of indicators in each Commitment, except when one of the indicators of a commitment scores 0 or if several scores 1 on the indicators of a Commitment lead to the issuance of a major non-conformity/ weakness at the level of the Commitment. In these two cases the overall score for the Commitment is 0.*

## 5. Summary of non-conformities


Corrective Action Request (CAR)*	Type	Resolution due date
2022-2.7: Friendship's policy framework for monitoring and evaluation does not ensure systematic, objective, and ongoing M&E; that evidence is used to adapt and improve programmes; and that timely decision are made with resources allocated accordingly.	Minor	2025/11/14
2022-3.6: Mechanisms to identify and act upon the full range of potential negative effects in a systematic and timely manner are not in place in all projects.	Minor	2025/11/14
2022-4.4: Friendship does not ensure that feedback mechanisms are systematically in place that pay particular attention to the gender, age and diversity of those giving feedback.	Minor	2025/11/14
2022-4.5: Friendship's information sharing policies do not explicitly describe what information will be shared openly with stakeholders, including people and communities.	Minor	2025/11/14
2022-5.3: Friendship does not have a systematic process to ensure all complaints are managed in a timely, fair, and appropriate manner, and that the safety of the complainant and those affected are prioritised at all stages.	Minor	2025/11/14
2022-5.4: Documented complaints handling processes for communities, including related to sexual exploitation and abuse, and other abuses of power, are not coherent.	Minor	2025/11/14
2022:5.6 – Communities and people affected by crisis are not fully aware of Friendship's CoC and PSEA commitments and of what behaviours they can expect from staff.	Minor	2025/11/14
2022-9.4: Friendship does not systematically consider its impact on the environment when using local and natural resources across its operations and programmes.	Minor	2025/11/14
2022-9.6: Friendship does not have all the relevant policies and processes in place governing the use and management of resources.	Minor	2025/11/14
<b>Total Number of CARs</b>	<b>9</b>	

\* *Note: The CARs are completed by the audit team based on the findings. The audited partner is required to respond with a Management Response for each CAR to HQAI before a certificate is issued (reference: HQAI Procedure 114).*

## 6. Recommendation for next audit

<b>Sampling</b>	Include interviews with Friendship International members. Sample of projects for onsite visit should include at least one education project. Other samples should also include projects from sectors other than health and education.
<b>Any other specificities to be considered in the next audit</b>	Consider onsite visits to include projects in the southern coastal belt of Bangladesh.

## 7. Lead auditor recommendation


In our opinion, Friendship Bangladesh conforms with the requirements of the Core Humanitarian Standard on Quality and Accountability.  We recommend certification.	
<b>Name and signature of lead auditor:</b>   Claire Goudsmit	<b>Date and place:</b>  2022/11/14

## 8. HQAI decision

<b>HQAI decision:</b>	<input checked="" type="checkbox"/> Certification preconditioned to the provision of a management response <input type="checkbox"/> Certification preconditioned to the closure of Major CAR
Management response expected by: 2023/02/13	
<b>Name and signature of HQAI Executive Director:</b>   Joost Mönks	<b>Date and place:</b>  Geneva, 2023-01-16
<b>Final decision on certification:</b>	<input checked="" type="checkbox"/> Issued <input type="checkbox"/> Refused
Start date of the certification cycle: 2023-02-27 Next audit before: 2024-02-27	
<b>Name and signature of HQAI Executive Director:</b>   Joost Mönks	<b>Date and place:</b>  Geneva, 2023-02-27



## 9. Acknowledgement of the report by the organisation

<b>Space reserved for the organisation</b>	
Any reservations regarding the audit findings and/or any remarks regarding the behaviour of the HQAI audit team:  <i>If yes, please give details:</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Acknowledgement and Acceptance of Findings:  I acknowledge and understand the findings of the audit I accept the findings of the audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Name and signature of the organisation's representative:   RUNA KHAN	Date and place: 30th Jan 2023 Dhaka Bangladesh

## Appeal

In case of disagreement with the decision on certification, the organisation can appeal to HQAI within 14 days after being informed of the decision. HQAI will investigate the content of the appeal and propose a solution within 10 days after receiving the appeal.

If the solution is deemed not to be satisfactory, the organisation can inform HQAI in writing within 30 days after being informed of the proposed solution, of their intention to maintain the appeal.

HQAI will transmit the case to the Chair of the Advisory and Complaint Board who will constitute a panel made of at least two experts who have no conflict of interest in the case in question. These will strive to come to a decision within 30 days.

*The details of the Appeals Procedure can be found in document PRO049 – Appeal Procedure.*

## Annex 1: Explanation of the scoring scale\*

Scores	Meaning: for all verification scheme options	Technical meaning for all independent verification and certification audits
0	Your organisation does not work towards applying the CHS commitment.	<p><b>Score 0:</b> indicates a weakness that is so significant that the organisation is unable to meet the commitment. This leads to:</p> <ul style="list-style-type: none"> <li>• <b>Independent verification:</b> major weakness.</li> <li>• <b>Certification:</b> major non-conformity, leading to a major corrective action request (CAR) – No certificate can be issued or immediate suspension of certificate.</li> </ul>
1	Your organisation is making efforts towards applying this requirement, but these are not systematic.	<p><b>Score 1:</b> indicates a weakness that does not immediately compromise the integrity of the commitment but requires to be corrected to ensure the organisation can continuously deliver against it. This leads to:</p> <ul style="list-style-type: none"> <li>• <b>Independent verification:</b> minor weakness</li> <li>• <b>Certification:</b> minor non-conformity, leading to a minor corrective action request (CAR).</li> </ul>
2	Your organisation is making systematic efforts towards applying this requirement, but certain key points are still not addressed.	<p><b>Score 2:</b> indicates an issue that deserves attention but does not currently compromise the conformity with the requirement. This leads to:</p> <ul style="list-style-type: none"> <li>• <b>Independent verification and certification:</b> observation.</li> </ul>
3	Your organisation conforms to this requirement, and organisational systems ensure that it is met throughout the organisation and over time – the requirement is fulfilled.	<p><b>Score 3:</b> indicates full conformity with the requirement. This leads to:</p> <ul style="list-style-type: none"> <li>• <b>Independent verification and certification:</b> conformity.</li> </ul>
4	Your organisation's work goes beyond the intent of this requirement and demonstrates innovation. It is applied in an exemplary way across the organisation and organisational systems ensure high quality is maintained across the organisation and over time.	<p><b>Score 4:</b> indicates an exemplary performance in the application of the requirement.</p>

\* Scoring Scale from the CHSA Verification Scheme 2020