

The diversity of audited aid actors (size, mandate, location, ways of working) demonstrates the adaptability of the CHS and of HQAI's audit approaches.



























































































































(note) UNICEF benchmarking audit conducted

STATE ASSESSMENT of HQAI's audited partners are local and national NGOs.

status March 2025

>70%

HQAI is an independent auditor in the humanitarian and development sector, providing professional, tailored quality assurance services that have a positive impact on the quality, accountability, efficiency, and equity of aid.

HQAI conducts management system audits (adapted from ISO 19011). We look at the internal policies, procedures, mechanisms (the system) in place and assess whether good practice on the ground is the result of a systematic approach to quality and accountability.

The combination of the Core Humanitarian Standard (CHS) on Quality and Accountability with HQAI's external auditing approach supports organisations to build trust with their stakeholders, embrace adaptive learning, and strengthen their systems to meet their quality and accountability commitments more effectively.

### **CHS** audits

In all sectors professional auditing aims at continual learning and improvement. HQAI's audits against the Core Humanitarian Standard (CHS) drive improvements in the quality and accountability of programmes and contribute to upholding the sector's commitment to principled and safe aid programming.

HQAI offers certification, independent verification and benchmarking against the CHS. Check our website for details: www.hgai.org

## ECHO Bridge audit

DG ECHO accepts Framework Partnership Assessments and Programmatic Partnership Assessments submitted by HQAI as ex-ante auditor.

We use the information gathered from the CHS audit process to inform the ECHO ex-ante assessment, with a positive impact on efficiencies and cost for the audited partner.

## Internal auditor training

HQAI offers training for internal auditors, based on ISO 9001 and 19011, to evaluate the effectiveness of internal controls and monitor systems for promoting accountability and quality of aid programmes.

The training is centered around the CHS commitments and other relevant quality standards.

## CHS+ audits

HQAI offers a tailored auditing service beyond the Core Humanitarian Standard (CHS) requirements. This bespoke service allows audited partners to add additional requirements to their scheduled HQAI CHS audit, resulting in a more comprehensive assessment with extended scope, cost, and timeframe.



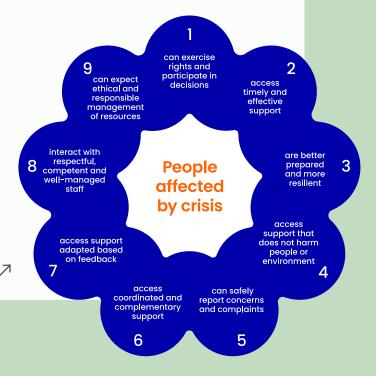


The Core Humanitarian Standard on Quality and Accountability (CHS) sets out nine commitments to ensure that organisations support people and communities affected by crisis and vulnerability in ways that respect their rights and dignity and promote their primary role in finding solutions to the crises they face. The CHS has been updated in 2024. The result is a strengthened standard that is more people-centred, user-friendly and accessible.

The CHS is a globally recognised, measurable standard and this is where CHS Verification comes into play: those who measure can identify strengths and weaknesses and track progress over time.

Measuring independently is the most rigorous way. This is what HQAI does. When we measure, organisations improve.

The nine CHS commitments  $\nearrow$ 



### Locally-led action

HQAI's audits foster more locally-led action: Through our independent audits, local and national actors are readily able to provide necessary evidence to demonstrate capacity, mitigate risks and therefore justify investment and trust by stakeholders. This advances more equitable partnerships and greater access to funding.

#### Accessibility

Local/national actors (LNAs) need to have access to HQAI audits and related services. HQAI's new strategy 2024-2029 includes the diversification of HQAI's service offering and the collective development of sustainable financing models for LNAs to access quality assurance services. In parallel, the HQAI Facilitation Fund (funded by the governments of Luxembourg and the UK) continues to be one instrument to facilitate LNAs' CHS Verification journeys with HQAI, as well as individuals' access to trainings. 39% of HQAI audited partners are LNAs and the 2025 cost reductions for HQAI CHS audits have a special focus on LNAs (up to 20% cost reduction).

#### Capacities and local engagement

HQAI is developing a network of local auditors and audit facilitators. In 2024 eight auditors/audit facilitators were trained in strategic focus regions. This is increasing audit capacity close to audit sites to harness local talent and reduce audit costs.

By auditing cohorts of LNAs (networks or consortia operating in the same region) organisations join forces in implementing the CHS, learning and improving together, and bring economies of scale to being independently assessed. Testimonies from LNAs continually highlight how audits have led to strengthening their management systems and capacities, self-confidence and trust with stakeholders.



## Due diligence efficiencies

HQAI believes that a transparent, trusted and accessible system of independent quality assurance can support the aid sector to efficiently deliver what affected people need, to agreed minimum standards, in ways that suit them.

We aim to see CHS audit results used for multiple objectives, including due diligence, learning, capacity and risk sharing. This can radically reduce duplication of time and effort amongst different assessors including UN and Country-Based Pooled Funds, International NGOs and institutional donors and those undertaking assessments.

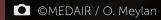
We know: Multiple mechanisms are used to assure the quality of different types and dimensions of work in the aid sector (audits; evaluations; due diligence; capacity assessments; etc) using similar/same information.

We know: The evidence gathered during HQAI CHS audits informs donor due diligence or partner capacity assessments to differing levels (50-100%). Identifying crossovers to use an HQAI CHS audit as primary assurance in funders' due diligence processes can save time, effort and costs for both the assessed party and the assessors.

The CHS audit findings provide assurance in the following domains:

- Safeguarding, PSEAH, code of conduct;
- · Complaint mechanisms and do no harm;
- Governance and internal quality control;
- Quality project management;
- Downstream delivery with implementing partners.

HQAI is committed to working with a variety of funders to make greater use of CHS audits within multiple quality assurance processes at all levels of the delivery chain, including institutional donors, intermediaries and their partners, and governments at country level.





For FCDO's Due Diligence the HQAI audits provide greater assurance and economies of scale. They include deeper insights into quality and accountability, site visits and stakeholder interviews and their detailed rating system enhances evidence quality and consistency.

Trusting HQAI means supporting impactful initiatives and upholding our Grand Bargain commitments.

Linda Sloan, Foreign, Commonwealth and Development Office FCDO, 2025

The DEC has held member agencies to account against CHS Verification since 2017. It is third-party verified and we can evidence that the agencies have the policies and practice in place.

Madara Hettiarachchi, Disasters Emergency Committee UK, 2024

### Some examples

An increasing number of funders across the delivery chain endorse the CHS, request it to be measured, and recognise HQAI audits against the CHS in their due diligence requirements.



Foreign, Commonwealth and Development Office (FCDO), UK: CHS-certified agencies can use existing HQAI audit reports to fulfil large parts of FCDO due diligence requirements.







Denmark's Ministry of Foreign Affairs/DANIDA, UK's Disasters Emergency Committee (DEC) and the Dutch Relief Alliance (DRA) require CHS Independent Verification and CHS Certification as pre-requisites for funding.



**Sahel Regional Fund (SRF)** recognises HQAI CHS audits as part of its due diligence process for partner funding. Further, the audit reports are used as baseline to identify capacity strengthening investments.

**LoCAL\***: HQAI and project partners pilot a digital passporting tool to lower the compliance burden for local/national aid actors. The online tool maps and uses existing due diligence information from intermediaries and CHS audit information.



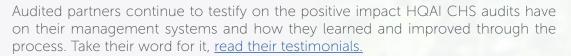
- Detailed funder recognition to date is referenced on our website.

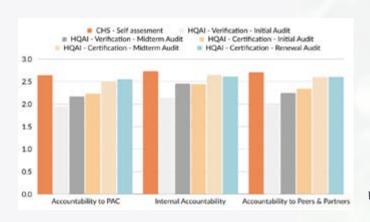
\*Joint project with Danish Refugee Council DRC, International Council of Volunteer Agencies ICVA and the Secrétariat Permanent des Organisations Non-Gouvernementales (SPONG), co-funded by the European Union.

## Strengthened capacities

In all sectors professional auditing aims at continual learning & improvement. HQAI CHS audits drive improvements in the quality and accountability of programmes and contribute to upholding the sector's commitment to principled and safe aid programming.

Audited partners engage in a multi-year process of continual learning. The formality of HQAI's external audits stimulates faster improvement. We have demonstrated that the audits effectively impulse both, important changes in the organisation's systems for accountability, and the integration of more robust quality assurance systems in areas of the CHS. Read the impact study.









The accountability scores evolution



#### HQAI from the inside

# HQAI is empowered and driven by people with an incredible diversity of experience, skills and knowledge

<u>Visit our website</u> to discover the people behind the HQAI brand, including auditors, staff and governance members.

In an effort to continually strengthen and renew our governance, we are pleased to announce new members and new roles in HQAI governance bodies in 2024.

#### New members to the Advisory and Complaints Board (ACB):

Ms. Eleonora Aralla, Ms. Marina Kobzeva and Mr. Mohammed Nadeem. Mr. Pierre Pradal endorsed the role of interim Chair to the ACB throughout 2024 and was elected as ACB Chair in 2025.

#### New members to the Board of Directors:

Mr. Jason Phillips (also interim Treasurer), Mr. Nigel Timmins, Ms. Katrin Wirsching (also interim Vice-President).

Long-standing Board member Mr. Philippe Besson has also been entrusted as Chair of the Facilitation Fund Management Committee.

#### About our own accountability.

To all its stakeholders, HQAI is an accountable, open and trustworthy partner which applies the internationally recognised ground rules of auditing. HQAI's CHS certification scheme is accredited against ISO/IEC17065:2012 by Accredia.

In 2024 HQAI reviewed its complaints and appeal mechanisms. Two complaints (both against audited organisations) were processed and closed. One internal grievance was processed and closed.



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HQAI's Safeguarding Policy and HQAI's Code of Conduct (CoC) reflect our commitment towards Protection from Sexual Exploitation, Abuse and Harassment (PSEAH). HQAI's zero tolerance policy applies to all employees, volunteers, consultants, interns, and any other individuals working for or representing HQAI. HQAI's safeguarding focal point (safeguarding@hqai.org) treats SEAH-related complaints and may plan and support any investigation of a SEAH incident as necessary.

Do you have a complaint against HQAI or a member of our staff or do you have a concern regarding an organisation audited by HQAI? Visit <a href="https://www.hgai.org">www.hgai.org</a> or send an e-mail to <a href="mailto:complaints@hgai.org">complaints@hgai.org</a>



#### One year and its news



LoCAL: launch of a joint project with DRC, ICVA and SPONG, co-funded by the EU, to test a quality assurance system from which to streamline due diligence processes and enhance LNAs capacities, their agency and access to funding.

Read our article.

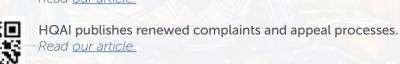
Impact study yields promising results: Measuring CHS Commitments Leads to Stronger Accountability and Improved Quality.

Read our article.



Launch of the updated CHS:2024 - an ever stronger standard for better aid. Read our article.

Reducing duplication: UN IP PSEA assessments are fully covered by HQAI CHS audits. Read our article.



New HQAI strategy 2024-2029: towards a more accountable, efficient and equitable aid system.

Read our article.



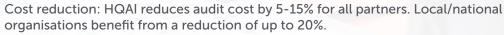


Funder recognition: The CHS and HQAI CHS audits are increasingly recognised, acknowledged or recommended by funders.

Read the latest status on recognition.

HQAI Round Table: HQAI CHS audits can substantially mitigate the duplication of

efforts and ease the administrative burdens faced by both donors and aid organisations. Read our article.



Read our article.

Milestone decision: FCDO is passporting HQAI CHS certification audits in their due diligence. Read our article.











## HQAI does much more than assess conformity.

The year 2024 has brought significant humanitarian challenges, as well as further confirmation of collective determination to continue working at strengthening and demonstrating the quality and accountability of aid organisations. As President of HQAI, I am proud of the contribution our organisation continues to make to this effort.

HQAI has remained steadfast in its mission to directly support aid actors working with vulnerable people affected by crisis in the continuous improvement of their practices. HQAI's rigorous independent audits enable organisations to demonstrate how they apply the Core Humanitarian Standard on Quality and Accountability (CHS) and identify what they can do to further improve. This reinforces the trust that partners, funders and other stakeholders have in these organisations, while demonstrating their continuous investment in effectively meeting the needs and expectations of affected people.

In 2024, HQAI reached significant milestones: new organisations, including local and national ones, accessed our services, enabling us to further increase the number of audits we conducted. This reflects a central goal of our strategy, which is to make independent quality assurance more accessible through the diversification of our services and the collective development of sustainable financing models, including for organisations with limited resources. Our recent audit cost reduction and the Facilitation Fund continue to prove highly relevant in support of this objective.

In 2024, we continued our efforts to adapt our methodologies to the realities that organisations operating in highly complex environments face, such as those related to security, logistical constraints, remote operations, etc. HQAI also further strengthened its efforts to collaborate with existing - and sometimes further develop - local auditing capacity, to deliver services as close to organisations' operations as possible.

This has been possible thanks to the outstanding work of the HQAI secretariat, of our auditors, and of each one in HQAI's governance bodies. Their commitment, professionalism and openness to constantly seek to improve our work to better meet the needs of the diverse organisations committed to demonstrating the quality and accountability of their work, are the foundation of our own effectiveness and credibility.

This annual report demonstrates the tangible outcomes of our work, while also putting forward our ambitions for the years ahead, reminding us that HQAI does much more than assess conformity. Our vision is one of transformation. Indeed, CHS audits are the opportunity for organisations to learn and grow their impact, while also providing a foundation for significant due diligence efficiencies. These benefit the organisations as well as their donors, and ultimately, and more importantly, otherwise have been allocated to assessing compliance can be re-allocated to operations. Our audits are also a means to demonstrate that local organisations can operate to the same standard of quality and accountability as international ones. As such HQAI plays a significant role in the objective and independent national organisations, in support of their quest for international recognition and funding.

I am hugely grateful to all HQAI's stakeholders for their work and support in this collective effort to advance the quality and accountability of humanitarian and development action. This work is all the more essential as resources for humanitarian action decrease significantly, while needs continue to grow.

Kate Halff, HQAI President of the Board of Directors





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













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