



# HQAI Facilitation Fund

Supporting organisations to access HQAI quality assurance services

POL200 - HQAI Facilitation Fund - 2021-10-15

POL200 - HQAI Facilitation Fund - 2021-10-15		
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# HQAI Facilitation Fund policy

## 1. Introduction

### I. The Humanitarian Quality Assurance Initiative

HQAI's objective is to improve the Quality and Accountability of organisations working with vulnerable and at-risk population through the provision and promotion of meaningful and adapted independent quality assurance. Its services are intended to build capacity in the sector and provide consistent measurable data in the delivery of quality action, thus improving principled, accountable, efficient provision of aid to vulnerable and at-risk populations.

To all its stakeholders, HQAI is an accountable, open and trustworthy partner, which applies the internationally recognised ground rules of auditing that are impartiality, competence, responsibility, openness, confidentiality and responsiveness to complaints. Our policies, procedures and tools for independent quality assurance follow relevant ISO standards requirements. HQAI's CHS certification scheme is accredited against ISO/IEC 17065:2012.

HQAI has developed robust tools to measure efficiently where an organisation stands in relation to the Core Humanitarian Standard (CHS) on Quality and Accountability. Tools related to other standards may be developed in the future.

HQAI is committed to the nine fundamental principles of the CHS and implements them as far as they are applicable to its own activities.

These are:

- delivery of services that respond to the needs of users
- timely delivery of these services
- avoidance of negative effects
- transparency and participation in decision-making
- provision of safe complaint mechanisms
- avoidance of duplication
- responsible management of staff, including non discrimination
- responsible use of resources

### II Scope

This policy applies to the management of HQAI Facilitation Fund, hereafter the FFund, established by HQAI to facilitate equal opportunities of access to its third-party quality assurance services for national organisations for which costs and capacity would constitute a barrier, in line with HQAI's strategic objective of facilitating access to HQAI services for national and local responders.

### III. References

The following referenced documents can usefully complement this document. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

Document can be downloaded from HQAI web-site ([hqai.org/publications](http://hqai.org/publications))

POL049 - Appeal policy

POL110 - Conflict of interest policy

POL114 – Third party quality assurance policy

PRO049 - Appeals procedure

PRO200 - HQAI Facilitation Fund Procedure

TOR200 - Terms of Reference for HQAI Facilitation Fund Management Committee

### IV. Definitions

The following terms and definitions and those provided in POL114 and ISO/IEC 17000:2004, Conformity assessment, vocabulary and general principles apply for the purpose of this policy, unless otherwise specified in the text.

National organisation:	Organisation headquartered in a low or medium HDI countries, that operates only in the country where it is based, or is operational in one country from a neighbouring State if for any reason it has to be located away from its field of operation.
Aid sector:	Sector of organisations working with vulnerable people and at-risk communities.
Subsidy:	Financial support to facilitate the access to HQAI quality assurance by a national organisation or to facilitate access to training by a local auditor.
Grant:	Fund attributed to a project which objective is to facilitate access to HQAI independent quality assurance by national organisations.

## 1. Purpose

- 1.1 The FFund is designed to:
  - 1.1.1 subsidise national organisations that want to access HQAI quality assurance services, but for which costs would be a barrier;
  - 1.1.2 support the development of local auditing capacity to facilitate access to HQAI quality assurance services, including by subsidising the training of local auditors;
  - 1.1.3 the creation and or adaptation of HQAI processes, approaches and tools to facilitate access to HQAI quality assurance services by national organisations;
  - 1.1.4 advocacy efforts to promote:
    - i. HQAI quality assurance amongst national organisations; and
    - ii. national audited organisations amongst international stakeholders.
- 1.2 The FFund does not support the implementation of measures to apply the CHS or other relevant standards.

## 2. Governance

- 2.1 The FFund is hosted within a specific department of HQAI.
- 2.2 The FFund Department has independent resources to ensure the activities below, independently of HQAI core budget:
  - 2.2.1 the general management of the FFund;
  - 2.2.2 adequate communication and promotion of the FFund;
  - 2.2.3 advocacy to promote the FFund;
  - 2.2.4 the management of projects supported or directly implemented by the FFund;
  - 2.2.5 adequate due diligence whenever the FFund finances projects operated by third parties.
- 2.2 It is managed by a FFund Management Committee (hereafter the Committee), appointed by HQAI's Board of Directors.
- 2.3 The Committee is composed of no less than three and up to seven members reflecting the perspective of:
  - 2.3.1 Donors;
  - 2.3.2 INGOs in the aid sector;
  - 2.3.3 National NGOs in the aid sector.
  - 2.3.4 HQAI, through one member of its Board who shall be the Chair of the Committee
- 2.4 The Committee collectively brings knowledge and experience which makes the FFund an impartial service to the sector.
- 2.5 The term of Committee members is four years, renewable twice, submitted to re-appointment by HQAI's Board of Directors.

## 3. Resources

- 3.1 The FFund is financed by:
  - 3.1.1 Donations (private and public);
  - 3.1.2 Surplus from HQAI if and when possible.
  - 3.1.3 Any other sources as far as they do not compromise the independence and impartiality of the FFund.
- 3.2 Donors are publicly acknowledged and can declare in their public communications that they are providing resources to the FFund. Contributions to the FFund do not allow donors to imply that:
  - 3.2.1 they participate themselves under any of HQAI's third-party quality assurance schemes;
  - 3.2.2 the partner(s) they fund / support participate in any of HQAI's third-party quality assurance schemes;
  - 3.2.4 make any declaration related to their level of compliance with the CHS.

## 4. Decision-making and avoidance of conflicts of interest

4.1 Members of the Committee who may have a real or perceived conflict of interest with the subject debated by the Committee abstain from the discussion and any decision related to the subject in question.

Note: POL101 - Conflict of interest policy, signed by all Committee members, applies.

4.2 Decisions of the Committee require a quorum of at least three members.

Note: Committee members who abstain from a discussion because of a conflict of interest do not count in the quorum, even if they are present in the meeting when the discussion happens.

4.3 The Committee strives to make decisions by consensus, defined as the absence of sustained opposition.

4.4 If consensus cannot be reached, a simple majority vote takes place.

4.3 In making a decision, the Committee:

4.3.1 checks that the documentation it receives from the Secretariat is complete;

4.3.2 assesses if the need is sufficiently established;

4.3.3 assesses whether the specific grant does not create a conflict of interest with HQAI's quality assurance services;

4.3.4 follows the priorities identified under 5, below.

## 5. Priorities for funding

5.1 The FFund aims that at least two-third of its resources are spent in subsidising the audits of national organisations.

Note: in the initial phase of the renewed FFund, this proposition may not be achieved as the promotion and advocacy work will be proportionally high to create the demand for the FFund.

5.2 Upon justified recommendation from the FFund management, the Committee decides the priority between direct subsidies for quality assurance services and grants for projects.

5.3 Within the funds available for subsidies, up to 15% of all projected annual subsidies can be attributed to individuals seeking financial support for internal or external auditor's training within the framework of HQAI's quality assurance scheme.

5.4 Subsidies are attributed in priority to the following categories:

i. National NGOs that bring direct assistance, internal auditors of such organisations and applicant HQAI external auditors established in countries with low HDI.

ii. National NGOs working nationally through partners to bring assistance, internal auditors of such organisations and applicant HQAI external auditors established in countries with medium HDI;

5.5 Access to subsidies for training individuals is submitted to the following conditions:

5.5.1 for internal auditors: be in charge of the internal auditing of an HQAI audited partner (groups or organisations), within the scope of the quality assurance scheme it participates in;

5.5.2 for external auditors: be vetted by HQAI Quality Assurance Team for their particular skills and the strategic need to develop local auditing capacity in a specific country or region.

- 5.6 Grants attributed to external organisations are limited to:
- 5.6.1 HQAI's certified organisations, provided this does not create a conflict of interest with the quality assurance service; or if not applicable
  - 5.6.2 organisations that have undergone a due diligence process by a donor, which is not based on a self-assessment.

## 6. Level of support

- 6.1 The FFund subsidises organisations or individuals up to the following levels:
- 6.1.1 90% of the total cost, including expenses, for organisations and individuals established in countries with low HDI
  - 6.1.2 85% of the total cost, including expenses, for organisations and individuals established in countries with medium HDI;
- 6.2 The FFund can provide grants up to 100% of projects.

## 7. Attributing subsidies for audits

- 7.1 Subsidies are attributed twice yearly.
- 7.2 Subsidies cover the full quality assurance cycle.
- Note: for certification this means one initial or recertification audit and two maintenance audits. For independent verification, this means the initial or renewal audit.
- 7.2 Subsidies are attributed according to the priorities identified above (5.4), on a "first come first served" basis within a category, then in the next category, within the limit of available resources.
- Note: The date considered for determining the sequence of applications is the date at which HQAI's Secretariat has received all requested information (see PRO200 1.1.iii).
- 7.3 The decision on attributing subsidies is not be contingent on the amount of requested subsidies.
- 7.4 However, if the available resources in the FFund are not sufficient to cover the full amount of requested funds, the application is deferred until sufficient funds are available.
- 7.4.1 The organisation/individual/project will be placed at the top of its priority category.
  - 7.4.2 A subsidy will be attributed to the next organisation/individual/project in the priority list identified in 5.3 which request for subsidy can be granted within the available resources.

Example:

Available resources at the beginning of an attribution session			CHF 40'000.00
Organisation (According to priority)	requested amount	remainder after grant	Decision
A	18'000.00	<b>22'000.00</b>	OK

Available resources at the beginning of an attribution session			CHF 40'000.00
Organisation (According to priority)	requested amount	remainder after grant	Decision
B	12'000.00	<b>10'000.00</b>	OK
C	15'000.00	<b>-5'000.00</b>	On hold until the next attribution session
D	8'000.00	<b>2'000.00</b>	OK

- 7.5 Support granted once is not a guarantee that support will be granted in the future.
- 7.6 If a grant is attributed, but the audit later shows that the indications upon which it was granted were intentionally false or misleading, the audit will stop immediately, the organisation will be requested to reimburse the expenses incurred to date and their fraudulent action will be advised on HQAI's website.

Note: this does not imply that an organisation asking for support for certification but fails to obtain it would have to reimburse the expenses.

Note 2: cases of negligent misrepresentation are not covered in this clause.

## 8. Attributing grants for projects

- 8.1 The Committee decides on the order in which grants are provided to projects, taking their strategic importance for the promotion of the FFund into account.
- 8.2 Project benefitting of a grant report at least annually and the end of the project on the use of funds.

## 9. Appeals

- 8.1 Applicants who disagree with the decision made regarding the attribution, or not, of a grant can lodge an appeal to the Chair of the HQAI Advisory and Complaint Board, following HQAI Appeals policy and procedure (POL049 & PRO049) apply.

## 10. Compensation for Committee members

- 10.1 The work as Committee member of the FFund is on a voluntary basis.
- 10.1 Upon request, Committee members shall be reimbursed for their expenses incurred in the management of the FFund, notably travelling, food and accommodation, according to HQAI reimbursement policies.

## 11. Validity

- 11.1 The FFund was established on July 1st, 2016 by a decision of HQAI's Board of Directors.
- 11.2 The FFund's policy was reviewed on March 2017, April 2017, June 2019, November 2019, December 2019, December 2020 and September 2021, and will be reviewed further as necessary.

- 11.3 The duration of the FFund is open ended. It can only be closed by a decision of HQAI's Board of Directors.
- 11.4 Remaining available resources at the time of closing the FFund will be redistributed to donors, in proportion of their support in the last year of operation of the FFund.

