



ملتقى المؤسسات العربية الداعمة  
Arab Foundations Forum

Supporting Strategic Philanthropy in the **Arab Region**

# PRINCIPLES OF GOOD PRACTICE

## Principles of Good Practice - AFF

Principles of good governance and an ethical code of conduct are crucial for ensuring that structures of accountability and transparency are core strengths of our nonprofit community. These guiding principles afford organizations the support they need to pursue their various callings and the flexibility they need to adapt to the changing needs of their communities and their fields of endeavor.

Members of the Arab Foundations Forum (AFF) are committed to the sustainable development (including social, economic, educational, scientific, health, cultural, civic, and environmental issues) of the Arab region (22 countries of the Arab League). AFF will do this by supporting third parties and/or by carrying out operational programs within their countries of residence and in the region at large. All initiatives will be for the sole purpose of public benefit.

AFF members also acknowledge the need to build a just, sustainable and pluralistic civil society and will work to achieve that goal. AFF members will be dedicated to the efficient use of resources and the exercise of good stewardship in all of their activities. Members will be committed to transparency, accountability and self-regulation. Arab Foundations acknowledge and will act upon their responsibilities and obligations to multiple stakeholders, including public authorities, grantees and beneficiaries, and the public at large.

The purpose of Principles of Practice is to provide an effective tool to:

- Maintain and uphold basic ethical principles throughout our activities and those of our grantees/communities that we serve
- Manage an increasing number of risks and expectations, thus protecting the value of our work
- Achieve a higher level of return on our investments resulting from consistent monitoring, evaluation and review of impact.

## GOVERNANCE

- Foundations fully adopt and adhere to standard good governance practices and emerging good governance practices in the non-profit sector.
- Foundations have an identifiable decision-making body whose members and successors should be nominated in accordance with established principles and procedures, and act with the highest ethical standards. Rules should exist for the rotation of board members and measures should be taken to fully avoid conflicts of interest in decision making.
- Foundations define a clear set of basic policies and procedures specifying their mission, objectives, goals and related programs and review these on a regular basis.

## COMPLIANCE

Foundations comply with the laws of the state in which they are based, and act in accordance with their bylaws.

### **ANTI-CORRUPTION**

- Foundations must work to prevent all forms of corruption, including bribery and extortion. Strict anti-corruption policies and procedures govern all internal and external relationships of the enterprise.

### **MANAGEMENT AND FINANCE**

- Foundations promote efficient work while ensuring prudent and sustainable management, investment strategies and procedures, and use of resources for public benefit. Foundations ensure proper accounting/bookkeeping according to established rules in the state in which they are headquartered. They may complement such rules with additional measures on a voluntary basis.

### **TRANSPARENCY**

- Foundations act in a transparent manner and comply with the regulations concerning transparency in force in the countries in which they operate. They may complement such regulations with additional measures on a voluntary basis. AFF members will commit to annual reports which include full disclosure of financial expenditures.

### **MONITORING, EVALUATION AND IMPACT ASSESSMENT**

- Foundations incorporate appropriate monitoring mechanisms in addition to periodic evaluations and impact assessments of their actions and programs.

### **ADEQUATE LABOR STANDARDS**

- Foundations must comply with all labor standards and international norms and in particular must avoid the practices of forced and compulsory labor, child labor and exploitation through payment of low wages or poor working conditions. This same principle should be adhered by all grantees.
- In accordance with relevant public law, the executive level of enterprises does not interfere in the freedom of association and expression of opinion on behalf of its staff.
- Foundations are dedicated to investing in the staff capacity building to ensure the standard of human resources required to sustain the philanthropic sector.

### **HUMAN RIGHTS**

- Foundations are expected to uphold basic human rights provisions protected by multiple international and national agreements, including the Universal Declaration of Human Rights. Foundations must be neither complicit in basic human rights abuses nor contribute to the inhibition of basic human rights.
- The activities of Foundations preserve indigenous rights, especially in the area of political and cultural expression, and will not interfere in the habitat areas without proper legal justification.

### **NON-DISCRIMINATION**

- Foundations do not exhibit discriminating behavior by way of religion or gender in employment or in causes they support or engage in any form of racial and political discrimination against employees or grantees.

### **ENVIRONMENT**

- Foundations will adopt a precautionary approach to environmental challenges. Foundations should not be engaged in behavior that a) unnecessarily pollutes land, air, or water; b) unnecessarily destroys or wastes finite resources and c) produces an unnecessary high level of carbon emissions.
- Foundations will adopt eco-efficiency measures and will undertake initiatives to promote continuously improved environmental performance, including with regard to energy consumption, water management, and waste management.
- Foundations will adopt necessary management systems to ensure continued management and improvement of environmental impacts.

### **SOCIAL RESPONSIBILITY**

- Foundations take necessary steps to ensure all the health and safety regulations relating to operations and employee protection are adhered to. Foundations adopt occupational health and safety management systems to ensure minimum health and safety risks and incidents for employees and stakeholders.
- General health and safety standards and all health and safety regulations relating to all stakeholders will be strictly adhered to.

### **COOPERATION**

- Foundations share their know-how and experience with peer organizations and other relevant stakeholders to advance good practice and cooperate whenever appropriate, to maximize impact in their respective fields of activity.

## BACKGROUND ON AFF

The Arab Foundations Forum (AFF) was established out of the need for a networking structure for foundations in the Arab world. Currently, the Forum provides a platform for dialogue among various foundations in the region as well as the rest of the world. It serves as an advocate for more effective principles, practices, programs and policies. Its initiatives also include bringing philanthropists together to share information, learn from, and support one another to reinforce social development through mobilizing private capital for public benefit. In a long term perspective, AFF's goal is to strengthen the Arab philanthropy by providing Arab funders with a pan-Arab association of foundations to foster dialogue, network, learn and collaborate among themselves and with partners.

Diversity and inclusiveness are core values for AFF: AFF consists of different foundations from different countries and backgrounds uniting under one umbrella for one common goal which is contributing to improving the individual well-being and public good in the Arab region. AFF has in total 34 members; 23 full members, 10 Associate members and 1 Fellow Member from seven countries: Jordan, Palestine, Egypt, Lebanon, Saudi Arabia, United Arab Emirates and Denmark. In the process of building the AFF as an Arab association, it may be very important to acknowledge the huge variety of practice of foundations in the Arab world. Some are traditional foundations built on the Islamic tradition of giving and play an important role in civil society; keeping away foundations whose practice is different from what AFF may be looking at may hinder the development of philanthropy in the Arab world. Instead, AFF considers engaging in the process of educating and inspiring foundations to change their practice from supporting short-effect relief type of activities to addressing long term impact and change.