



# **Individual Self Reflection 2020 on World Humanitarian Summit Commitments and Initiatives - Humentum UK**



## Stakeholder Information

**Organisation Name**

Humentum UK

**Organisational Type**

NGO - International

**City and Country where Headquartered**

Oxford, United Kingdom of Great Britain and Northern Ireland

**Focal Point Name**

Tim Boyes-Watson

**Region**

Europe

**Twitter ID**

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## 3G Address other groups or minorities in crisis settings

### Individual Commitments

Commitment	Commitment Type	Core Responsibility
Mango commits to making its resources and training as accessible as possible to persons with disabilities.	Training	Leave No One Behind

#### 1. Highlight the concrete actions taken between 1 January – 31 December 2017 to implement the commitments which contribute to achieving this transformation. Be as specific as possible and include any relevant data/figures.

In 2017, Humentum UK (formally Mango) continued to encourage participants with disabilities to attend our face-to-face training and adapted the content and training methods to ensure their full participation. During 2017, Humentum UK increased the availability of on-line learning resources, which also increases accessibility to persons with disabilities.

#### 2. A. How are you measuring progress toward achieving your commitments? Only the categories selected by the organisation will be seen below.

- Through existing, internal systems or frameworks for monitoring, reporting and/or evaluation.

#### 3. A. Please select no more than 3 key challenges faced in implementing the commitments related to this transformation. Only the categories selected by the organisation will be seen below.

- Funding amounts  
 Gender and/or vulnerable group inclusion  
 Other: Funders give insufficient priority to investing in disabled peoples organisations core capabilities in areas like financial management

#### B. How are these challenges impacting achievement of this transformation?

Organisations working with vulnerable people receive insufficient investment in their core organisational capabilities in areas like financial management, compliance, program management and people development. This affects their effectiveness and their longer-term financial sustainability, viability and therefore the preparedness and resilience of the communities they work with.

#### 4. Highlight actions planned for 2018 to advance implementation of your commitments in order to achieve this transformation.

Adaptation of learning content and other services to be more relevant to organisations working with vulnerable groups in humanitarian contexts. Scale reach through offering more on-line learning and resources and developing local delivery partners and networks. These actions will be started in 2018 and continue until at least 2020.

#### 5. What steps or actions are needed to make collective progress to achieve this transformation?

Reduce barriers to funding national and local organisations working with vulnerable people from within their own communities. Our work on harmonising due diligence in collaboration with many other actors is an important part of these efforts to reduce barriers to localisation.

#### 6. List any good practice or examples of innovation undertaken individually or in cooperation with others to advance this transformation.

Launch of the new FMDPro qualification which creates the first ever financial management qualification for non-finance managers working in humanitarian and development contexts. This was developed in partnership with the Humanitarian Leadership Academy and drew on best practice from a range of INGOs and national organisations and training providers.

### Keywords

Disability



## 5A Invest in local capacities

### Individual Commitments

Commitment	Commitment Type	Core Responsibility
<p>Mango commits to reducing the barriers faced by national and local NGOs in accessing humanitarian financing. Mango will fulfil this commitment in the following ways: (i) Supporting the African Academy of Sciences to develop an international standard in Good Financial Grant Practice, which can be used by humanitarian donors to replace existing and overlapping due diligence and organisational assessments in relation to financial management. (ii) Continuing to lobby the International Accounting Standards Board to develop an International Accounting Standard for the not-for-profit sector to improve confidence in the not-for-profit sector and enable much more standardisation in financial management practices and donor requirements. (iii) Providing organisational development to national and local organisations in financial management. (iv) Promoting the importance of financial sustainability and resilience of organisations involved in humanitarian response, and provide practical advice, resources and training to support more financial resilience.</p>	Financial	Invest in Humanity

**1. Highlight the concrete actions taken between 1 January – 31 December 2017 to implement the commitments which contribute to achieving this transformation. Be as specific as possible and include any relevant data/figures.**

#### Addressing blockages/challenges to direct investments at the national/local level

Humentum UK (formally Mango) was a technical adviser in the drafting of the new pan-African Good Financial Grant Practice Standard, which was developed by the African Academy of Sciences and submitted to the African Research and Standards Organisation in May 2017. The Technical draft was then reviewed by National Standards Boards from nine African countries, (Cameroon, Nigeria, Zimbabwe, Ghana, Uganda, Kenya, Tanzania, Rwanda and Zambia). It is planned that the final standard will be adopted as a pan African standard at the ARSO General Assembly in Durban, in June 2018 and will then be available globally as a key tool to harmonise donor due diligence requirements. The African Academy of Sciences will also be providing a free on-line self-assessment process against that standard and major donors are now in the process of adopting the standard as part of their due diligence requirements.

#### Other-5A

Humentum UK's (formally Mango) campaign to encourage the International Accounting Standards Board (IASB) to address the lack of guidance for the not-for-profit sector has attracted the support of 162 organisations from across the world. While the IASB did not agree to take forward work in this area, the International Forum of Accounting Standard Setters (IFASS) Not-for-Profit Working Group agreed to take on the task of developing more consistent accounting guidance for the not-for-profit sector. In September 2017, this group launched the first ever International Not for Profit Platform, which brings together national guidance on financial reporting standards in one place. The inconsistency and lack of guidance on accounting in the not-for-profit sector is a further barrier to funding national actors more directly.

#### Direct funding to national/local actors

- Humentum UK (formally Mango) strengthened the financial management capabilities of 672 staff from national and local organisations in 2017.
- Humentum UK provided training and other advice to over 100 organisations on their financial sustainability and resilience in 2017.

**2. A. How are you measuring progress toward achieving your commitments? Only the categories selected by the organisation will be seen below.**



Through existing, internal systems or frameworks for monitoring, reporting and/or evaluation.

**B. How are you assessing whether progress on your commitments is leading toward change in the direction of the transformation?**

Humenum UK are gathering more support from funders and INGOs for an international standard on good financial grant practice that can be used to satisfy funder due diligence requirements.

**3. A. Please select no more than 3 key challenges faced in implementing the commitments related to this transformation. Only the categories selected by the organisation will be seen below.**

Funding modalities (earmarking, priorities, yearly agreements, risk aversion measures)

**B. How are these challenges impacting achievement of this transformation?**

While funders expressed a commitment to funding local actors more directly, they are slow to take the practical steps required to implement this such as harmonising and simplifying due diligence requirements. Furthermore many funders are becoming more risk averse and therefore are increasing the compliance burden unilaterally.

**4. Highlight actions planned for 2018 to advance implementation of your commitments in order to achieve this transformation.**

The finalisation of the international Good Financial Grant Practice Standard in June 2018, provides an opportunity for a major campaign to encourage funders and INGOs to adopt this and harmonise due diligence which will massively reduce waste and duplication while reducing the burden of compliance for local actors.

**5. What steps or actions are needed to make collective progress to achieve this transformation?**

Improved donor coordination and coordination within networks of INGOs that fund humanitarian response, like the START Network, to adopt harmonised due diligence and to simplify and reduce the compliance burden.

**6. List any good practice or examples of innovation undertaken individually or in cooperation with others to advance this transformation.**

The Good Financial Grant Practice Standard led by the African Academy of Sciences is an innovative solution designed and led from the Global South that solves a collective action problem caused by the funders in the Global North being too slow to coordinate and find ways to harmonise due diligence.

**Keywords**

Local action, Quality and accountability standards



## 5E Diversify the resource base and increase cost-efficiency

### Individual Commitments

Commitment	Commitment Type	Core Responsibility
Mango commits to supporting organisations to be fully transparent and accountable for their financial performance, including their indirect support costs, to their donors, affected people and other stakeholders.	Financial	Invest in Humanity
Mango will actively seek business partners in the areas of finance and accountancy to strengthen the financial management and accountability of humanitarian response.	Partnership	Invest in Humanity

#### 1. Highlight the concrete actions taken between 1 January – 31 December 2017 to implement the commitments which contribute to achieving this transformation. Be as specific as possible and include any relevant data/figures.

Humentum UK (formally Mango) continued to collaborate with Bond in researching existing practice in cost transparency and in lobbying donors, including Department For International Development (DFID), to change their processes and financial reporting requirements to encourage full transparency on costs and to ensure recipients of funding receive funding which covers their full costs. As a result, DFID committed to revising its approach to cost transparency in its Civil Society Partnership Review and commenced developing a new approach in 2017. This work is continuing into 2018.

Humentum UK developed a partnership with foreign exchange broker INTL FC Stone which has enabled us to run a series of learning events across Europe on how organisations can improve their treasury function, including managing the risks of transferring funds to humanitarian operations. Humentum UK are also developing a partnership with Sunlight Payments, which is building a block-chain based solution to transferring money through the aid delivery chain in ways which will reduce risk and prevent and detect fraud.

#### 2. A. How are you measuring progress toward achieving your commitments? Only the categories selected by the organisation will be seen below.

- Through existing, internal systems or frameworks for monitoring, reporting and/or evaluation.

#### B. How are you assessing whether progress on your commitments is leading toward change in the direction of the transformation?

Humentum UK conducted benchmarking surveys which analyse NGO cost structures and their ability to fairly recover costs from funders and how this is changing at a sector level. Humentum UK also reviews the adoption of better practice in areas like cost effective foreign exchange management through surveys and meetings.

#### 3. A. Please select no more than 3 key challenges faced in implementing the commitments related to this transformation. Only the categories selected by the organisation will be seen below.

- Data and analysis  
 Funding modalities (earmarking, priorities, yearly agreements, risk aversion measures)

#### B. How are these challenges impacting achievement of this transformation?

Complex and inconsistent approaches to cost classification and project budgeting by funders and INGOs undermines understanding of cost structures and fair cost recovery. These flaws also treat investments in cost efficiencies in foreign exchange management as 'overhead', while the extra costs of poor FX deals are accepted as direct costs.

#### 4. Highlight actions planned for 2018 to advance implementation of your commitments in order to achieve this transformation.

Humentum UK will continue to work with DFID to help them implement a fairer and more transparent approach to costing and cost reimbursement. Humentum UK are also providing more support to NGOs seeking to drive cost efficiencies through better



foreign exchange management, joint procurement and other initiatives that will decrease risk as well as generate savings.

**5. What steps or actions are needed to make collective progress to achieve this transformation?**

Donors should coordinate their approach to cost classification and rules on cost reimbursement. The Norwegian Refugee Council has estimated that the inefficiency in the complexity of current requirements costs vast numbers of person hours of wasted work.

Both donors and INGOs should also be pooling their resources to obtain better value for money in procurement and in other aspects of their operations.

**6. List any good practice or examples of innovation undertaken individually or in cooperation with others to advance this transformation.**

Humentum UK is part of an initiative led by several US foundations who are combining to develop a shared methodology on cost classification, cost reimbursement and its verification called the True Cost Project.

**Keywords**

Transparency / IATI



## Initiative Reports

### **NEAR - Network for Empowered Aid Response :**

#### **What concrete actions have you taken in support of the initiative.**

In addition to specific actions in relation to Humentum UK (formally Mango) commitments, Humentum UK went through a much larger strategic transformation in 2017. Mango merged with InsideNGO and LINGOs to form Humentum UK. The merger was pursued for strategic rather than financial reasons, which is rare in the not-for-profit sector. The strategic reasons were directly relevant to the WHS Commitments on localisation which were articulated by NEAR. Humentum's future strategy aims to massively accelerate our reach to national and local organisations so that they can continuously improve their core capabilities in compliance, financial management, program management and people development. Humentum UK also plan to adapt our learning and other services more to the humanitarian context. Finally, Humentum UK are transforming and localising its own organisation and supporting the development of networks of local providers that can better support national and local organisations from the communities that have been affected by humanitarian crises.