

Press Release

June 2008

### **Code of Corporate Governance for Irish Development Aid NGOs is launched**

A principles-based Code of Corporate Governance for Irish development NGOs was formally launched today by Peter Power TD, Minister of State at the Department of Foreign Affairs with special responsibility for Overseas Aid.

The Code was prepared by a joint working group from Dóchas, the umbrella body for Development Aid NGOs, and the Corporate Governance Association of Ireland (CGAI).

The Code sets out standards of best practice with a view to strengthening the impact and quality of Development NGO work, and enhancing stakeholder confidence in the sector.

The Code defines best-practice in Board and Management procedures that Aid Agencies will adopt to maximise their performance, enhance risk management and increase accountabilities to their stakeholders.

Dóchas members formally adopted the Code at their recent AGM. In recognition of the variation in size and stage of development of its members, Dóchas will enable members adopt the Code's principles on a 'comply or explain' basis.

This means that it will not be a legal or regulatory requirement but that each organisation will be required to interpret and apply the Code according to its particular needs and circumstances. Organisations adopting it should be able to either comply with the main principles of the Code or explain why they don't in their annual report.

The Code will help enhance the effectiveness of Development NGOs by:

- clarifying what effective governance looks like and how voluntary Boards can govern effectively;
- reassuring the NGO's stakeholders, beneficiaries, partners and funders about the way the organisation is governed; and
- maintaining and enhancing public confidence in the Development Aid sector.

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Commenting on the initiative, Jerry Kelly, chairman, CGAI said:

***“We are delighted to have worked with Dóchas in developing the Code as we consider the sector high priority in the light of the Government’s White Paper on development aid and the enormous increase in public funds committed over the coming years.***

***“The Code primarily sets out the role of directors of Development NGOs. They are the people who have ultimate Corporate Governance responsibility.***

***“However, governance is not a role for directors alone. It is the way directors work with chief executives and staff, volunteers, service users, members and other stakeholders to ensure that their organisation is effectively and properly run and meets the needs for which the organisation was set up.***

***“Not only does this document provide a Code of Corporate Governance but it also sets out guidelines for the implementation of the Code”.***

Helen Keogh, Chairperson of Dóchas said,

***“As voluntary charitable organisations working in some of the poorest countries on earth, our beneficiaries expect and deserve the highest standards of quality in our work. Good governance is a vital part of how Development NGOs operate and are held accountable.***

***“This Code will also be relevant to those in Ireland with a wider interest in the governance of the NGO sector such as funders, donors, the general public and regulators whose confidence is vital to our work.***

***“We are particularly pleased to have had the Corporate Governance Association of Ireland assist us in this important task. They brought qualified and independent expertise to bear on the project. They also provide professional endorsement that the final Code represents international best-practice in governance.”***

Jerry Kelly added

***“This project will serve as a model for our future Special Interest Groups who will conduct similar work with representative bodies in such fields as Credit Unions, Community Groups, Financial Services, State Bodies and commercial organisations.***

***“As authors and custodians of these Codes, it enables the CGAI achieve its mission of promoting best practice in governance throughout the community while also providing our members with continuous professional development opportunities.”***

Ends

Issued on behalf of the Corporate Governance Association of Ireland and Dóchas by Walsh Public Relations.

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### **Notes for Editors:**

#### **NGO Code of Corporate Governance**

The Code is available on

[http://www.dochas.ie/documents/CGAI%20Governance%20Code\\_%20FINAL.pdf](http://www.dochas.ie/documents/CGAI%20Governance%20Code_%20FINAL.pdf)

#### **Code Steering Group**

**CGAI:** Jim Corbett(chairman), Alan McDonnell, Dermot Dwyer, Liam Murnane, Tom Quinn.

**Dóchas:** Hans Zomer, Helen Keogh, Mike Williams, Ray Jordan.

#### **Dóchas**

Dóchas is the association of Irish Non Governmental Development Organisations. It provides a forum for consultation and cooperation among its 39 members and helps them speak with a single voice on development issues. For more information visit: [www.Dochas.ie](http://www.Dochas.ie)

#### **The Corporate Governance Association of Ireland**

The Corporate Governance Association of Ireland (CGAI) was founded in 2006 by graduates of the UCD Diploma in Corporate Governance. It is a professional Association whose members have all qualified in post-graduate studies in governance. It was set up to promote high standards of governance in the commercial, public and voluntary sectors and to keep its members abreast of this ever-evolving subject through continuous professional development programmes. For more information visit; [www.cgai.ie](http://www.cgai.ie)