

The International Council:

ASKS the IEC to develop a proposal, to be brought to the next ICM, for a global system that will enable the principled, transparent, effective and efficient distribution of AI's resources and activities so as to maximize AI's Human Rights impact.

Explanatory note

The 2005 ICM asked for a study of how AI could move from an "assessment based" to a "contribution based" approach to the distribution of its resources. The work done on this to date makes it clear that for this shift to succeed, particularly in terms of human rights impact, it must be broadened to include non-financial issues such as planning and reporting processes across the movement as a whole. At the same time, this work must be integrated with work in relation to democratic decision-making. This is a broader scope for this work than was envisaged by the 2005 ICM.

An ICM document is to be circulated soon

NEW VERSION**FINANCE – IEC RESOLUTION****ENHANCING AI'S FINANCIAL
ARCHITECTURE**

The International Council:

DECIDES that in the context of the work towards improved global approaches to planning and prioritization and to enable a shift from "assessment to distribution", the following systems will be explored and developed on a global scale:

- The creation of a standard information base for all AI entities
- A system for transfer, collation and analysis of information
- A process for setting and reviewing income forecasts and targets
- Systems to enable both global and local priority setting
- Improved reporting mechanisms to strengthen internal and external accountability.
- Systems to evaluate the impact of AI's work.

DECIDES that each AI entity will submit a retrospective and a prospective report covering activities and resources as presented below

Further DECIDES that in order to strengthen accountability and transparency, the Financial Control Committee shall be disbanded and be replaced by an Accountability and Control Board with terms of reference as presented below.

Asks the IEC: to reinforce the existing tools and mechanisms that enable global financial management such as Aggregated Accounts; Investment and Cashflow Management; Currency Hedging; Reserves Management; Fundraising Skill Share etc.

ASKS the IEC to report to the next ICM, on their progress in the implementation of these changes

REPORTS BY ANY AI ENTITY

•Each AI entity shall submit, as a prospective report, a *Standard Planning Report*, in which is described key aspects of the global ISP that are to be implemented locally and which gives details of the resources that will be allocated to these activities. Detailed income forecast and projections must also be included.

•Each major AI entity will submit, on a six-monthly basis, a *précis* financial report to the IEC showing income and expenditure compared to budget. A summary report will distributed to the movement each six months.

•Each AI entity shall submit, as a retrospective report, a *Standard Action Report* (SAR) which will accompany their Standard Financial Report. The SAR will contain information on the relevant entity's activities, focussing in particular on human rights campaigns, growth and accountability (as per Decision 1 of the 2003 ICM) and will include reports on agreed key performance indicators.

ACCOUNTABILITY AND CONTROL BOARD TERMS OF REFERENCE

Introduction

The purpose of the Accountability and Control Board, ACB, is to contribute to strengthening accountability and transparency at all levels of Amnesty International. The ACB is an independent committee, reporting to the ICM and to the movement, some of its members elected by the ICM, charged with overseeing the financial management of Amnesty International, including to ensure that the movement has a financial and risk management reporting and control environment that is appropriate to the movement's needs.

The goal is to have a committee that supports the organisation in areas concerning financial control and risk management. The good practices implemented in other international organizations or business will be a reference and a regular review of the terms of reference and the practices will be key, the first review will have to be presented after the first cycle of the ACB.

Understanding that fiduciary responsibility for AI rests with the IEC, the ACB has only a reporting and advisory responsibility.

Responsibilities

- 1 The ACB shall routinely review international accountability, financial control and risk management issues in the movement on a global scale and reports and makes recommendations on these matters to the IEC and the movement.
- 2 The ACB is empowered to recommend changes in resource allocation that may be required as a consequence of a new assessment to distribution system.
- 3 May perform tasks requested by the IEC as appropriate.
- 4 Reports on implementation of ICM resolutions related to financial control; accountability and risk management.
- 5 Designs and monitors the implementation of the IEC reimbursement scheme.

Methods

- 6 Meets regularly at its own discretion usually 4 times a year
- 7 Has access to all information, staff and volunteers needed to perform its duties.
- 8 Will exercise care and discretion regarding sensitive matters.
- 9 Can discuss issues of concern directly with the external auditors.
- 10 Will be allocated a sufficient budget to carry out its functions.
- 11 Minimum one member will attend the ICM, the IFM and other key meetings.

Reporting

- 12 Will report directly to the movement on the financial progress of AI's various entities (IS and related entities, Sections and Structures) and on their achievements under agreed operational plans. It includes to :
 - Report and make recommendations to the IEC.
 - Prepare and present a report to the ICM on these issues.
 - Report to the sections and structures between ICMs on a regular basis.

Members:

- 13 The ACB will consist of both elected and appointed members.
- 14 Four members – 3 regular members and one alternate – will be elected by the ICM according to the ICM standing orders.

- 15 Appointed members may be internal or external experts appointed by the IEC in consultation with the ACB. The number will be flexible up to 3, depending the needs
- 16 The ACB will elect a chair from its members to be the primary contact person for the committee.
- 17 Members should have sound knowledge on governance, accountability, financial issues and risk management.
- 18 The term of office will coincide with the ICM cycle, currently two years - total number of terms of office not to exceed three consecutive terms.
- 19 The following applies to the elected members only:
 - 20 No more than one member of any section shall hold office at any one time.
 - 21 Membership of the ACB is inconsistent with the office of member of the board (including treasurer) of any section. Therefore the board member of any section (including treasurer) elected to the ACB shall resign from that office at the next AGM of their section or within three months, whichever is earlier.
- 22 The alternate will receive all documents and may be called upon to perform specific tasks if considered necessary by the ACB.
- 23 The alternate member will replace a regular, elected member who resigns.