

2014

Annual Report

The global action platform for ICSOs

International civil society organisations (ICSOs) play a crucial role in the fight for a sustainable and more equitable world. They are defending human rights, fighting inequality and discrimination, eradicating poverty, ending corruption, preventing loss of biodiversity and mitigating climate change. With their programmes in countries all over the world, their effective local, national and global advocacy and their considerable budgets, ICSOs have a unique knowledge base, exceptional reach and significant influence. As globalisation progresses, challenges and opportunities increasingly demand a response at the global level. ICSOs are in a key strategic position to contribute and they carry a special responsibility to deliver.

For ICSOs to grasp the opportunity and fulfil the obligation to co-shape a new and better world they need to change. They need to overcome the dominance of specific national interests and

reflect the whole global community in their governance and management, and they need to raise the speed and effectiveness of their decision making. As expectations from activists, donors, partners and the public are changing and new competitors, such as internet-based civil society organisations or for-profit companies enter their fields of work, ICSOs need to redefine their role and revise their most successful business models. To navigate these and other changes ICSOs need to become more agile and better prepared to embrace change and adapt to new external demands.

**The Centre helps
the world's leading ICSOs
maximise their impact
for a sustainable and more
equitable world.**

The Centre:

- Scans the horizon for fundamental and disruptive changes and exciting opportunities;
- Develops strategies for ICSOs to successfully navigate change;
- Enables learning and cooperation among ICSOs and their key stakeholders;
- Supports ICSOs with developing effective and efficient global leadership, governance and management;
- Promotes robust accountability to strengthen ICSOs' effectiveness and legitimacy.

The Centre is a not-for-profit organisation. We work with the leading ICSOs, predominantly at the senior leadership level. We endeavour to provide top quality service to ICSOs and the wider sector. We aim for excellence in all that we do, especially at the strategic level. We strive to set high standards in management, governance and strategy and to live up to these standards ourselves. We strive for transparency and accountability across our sector and in conducting our own programmes. The Centre is fully owned by the organisations it serves. They help shape our strategic direction and programmes, ensuring that we embrace and reflect the needs of the sector.

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Welcome



Learning from Failure

Most annual reports – including past reports from the International Civil Society Centre – look a little bit like compilations of ‘Greatest Hits’. We find one impressive success after another and learn that the organisation has been going ‘from strength to strength’. We may also find popular buzz words such as ‘improving accountability’ and ‘learning organisation’, but we rarely find examples of failures that were detected by good accountability mechanisms and learning that occurred as a consequence. Like so many other organisations, the Centre has the ambition of being a learning organisation. So, let’s talk about learning from failure.

Since 2010, the Centre annually conducts a leadership training called the *Senior Leaders Week*. Like all events organised by the Centre, the training is evaluated by its participants. While it always received very good marks, peaking in 2013 with the best evaluation we ever had for any event, the year 2014 saw the worst ratings we ever had. Participants did not like our approach and found the presenters uninspiring. They still rated the event as ‘good’, but ‘good’ does not meet our own aspirations. We carefully reviewed participants’ comments, compared them with our own impressions and found that our once so successful approach was no longer ‘state of the art’. Reform would not resolve the concept’s shortcomings, and thus we decided to close down the *Senior Leaders Week* for good.

As we felt that leadership development remains one of the key challenges of our sector, we started developing a completely new approach. We call it *Leading by Vision*. We will no longer aspire to train leaders. We will provide them with an opportunity to hone their skills by working together in the settings of a leadership lab that allows senior managers and board members to test and develop their leadership skills while analysing their organisation’s need for change and charting a path towards transformational change.

Effective change should try to accommodate future opportunities and challenges from the outside world.

Civil society organisations (CSOs) all too often start change processes with the question: How can we improve structures and processes that do not work well? This means they look inside their organisation and to past experience. Effective change, however, should try to accommodate future opportunities and challenges from the outside world. The question framing the *Leading by Vision* lab is: What changes are taking shape in the outside world and how can we benefit from these to achieve our mission?

It has been painful to accept and admit that our highly successful leadership training was no longer meeting leaders' expectations or our own ambitions. However, reinventing leadership support and designing the *Leading by Vision* lab has been an exciting experience and we are confident that the new format and content will once again take the Centre to the forefront of leadership development in our sector. After all, learning from failure has been a positive experience.

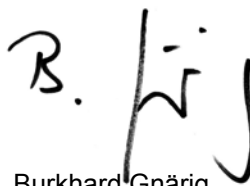
Altogether, however, the Centre's work has been very successful. This report documents many exciting and influential activities, for example, our work on *New Business Models* and *Transition Alliances* promoted innovation in our sector and provided inputs into strategy discussions of many organisations. Our conferences *Global Perspectives* hosted by the OECD in Paris and *Vision Works* in New York brought the sector's key leaders together and contributed to shaping the sector's agenda.

We thank all of you for your support in 2014 and wish you a successful year 2015. We very much look forward to continuing our joint exploration of future opportunities and challenges.

Berlin, February 2015



Cobus de Swardt
Chair of the Board



Burkhard Gnärig
Executive Director

2014

The Centre's activities at a glance



10 – 11 April

Vision Works

The global Chairs and CEOs meeting
Building the future ICSO
New York, USA

Vision Works offers the global Chairs and CEOs of the world's leading ICSOs an opportunity to discuss key strategic issues for the civil society sector.

29 – 30 January

Meeting of German CEOs I

The future of ICSOs
New Business Models for ICSOs
Berlin, Germany

9 April

Global Peers I

The meeting of international CEOs
Learning from the innovators
New York, USA



29 - 31 October

Global Perspectives

The international CSO leaders' forum
Driving the Transition: collective action for global change
Paris, France

The annual Global Perspectives conference provides up to 150 CSO leaders with a platform to address some of the most pressing opportunities and challenges affecting the civil society sector.

29 October

Global Peers II

The meeting of international CEOs
From Design to Implementation
Paris, France

18 – 22 August

Senior Leaders Week

Berlin, Germany

All year activities:

INGO Accountability Charter

The INGO Accountability Charter provides the only global, fully comprehensive and cross-sectoral accountability and reporting framework for international CSOs. Since 2010, the Centre has hosted the Charter Secretariat.

New ICSO Business Models

Following the Centre's work on Disruptive Change, the project on New ICSO Business Models identified changes that need to be made to existing business models in order for ICSOs to remain viable.



11 – 12 June

Policy Director's Meeting

Securing a transformative Post-2015 Agenda
London, UK



27 June

Expert Workshop Multi-Stakeholder Partnerships

Berlin, Germany



16 – 19 June

New ICSO Business Models

Working group workshop
Berlin, Germany

Following the Centre's work on Disruptive Change, the project on New ICSO Business Models identifies the changes that need to be made to existing ICSO Business Models in order for these organisations to remain viable.

30 June – 1 July

Meeting of German CEOs II

Partnerships with Government and Business
Berlin, Germany



International
Civil Society Centre

Others About Us

At the end of 2013, the Centre launched the [Riding the Wave](#) report and [video](#), outcomes of a one-year project exploring disruptive change in the civil society sector. The main conclusion was that disruption is starting to affect our sector and that this brings both threats and opportunities for CSOs. Throughout 2014, organisations and individuals watched, read, discussed and worked with this material. Here are some of their comments:

Matthew Foster

Director of Strategy and Programme Effectiveness Group, VSO International



VSO is currently going through some major changes and *Riding the Wave* has helped us enormously in this process. We showed the video to our global leadership team and our international board, most of our senior managers have read the paper and refer to it in their work. *Riding the Wave* provided us with a reference point for our conversation, it helped us get a common language and a much more effective internal discussion around the changes we are going through. The material directed the discussion towards questions around the distinctiveness of our organisation – what role should we be playing?

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As a consequence, we have for example started to talk more about how to build effective partnerships as a part of our core work. The video has been extremely useful as it allowed us to bring colleagues into the discussion in a smooth way. It is refreshing and really makes people pay attention. That is very powerful.

Ossi Heinänen
Secretary General, Plan Finland



In early 2014, as our senior management team entered a strategy review process, we wanted to look into the future so we read the report and watched the *Riding the Wave* video.

The material provides a great summary of what is happening in our sector and it very much helped us trigger the process. It was a relief for us to realise that so much work had already been done, that we almost only had to add the national perspective to get the full picture. What especially influenced us was the perspective on climate change and I am sure that our new strategy will include a much stronger emphasis on environmental issues. We were also strongly influenced by the perspective that CSOs soon will no longer have the function of an intermediary between donor and beneficiaries. The video is great. It is short, easy to follow and at the same time provides deep knowledge of the ongoing changes. You can tell that the materials are the outcomes of a lot of thinking and it is comforting to know that many knowledgeable people whom we trust have contributed to this. This material has very much affected our discussion process and played an important role in shaping our future strategy.

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Daryl Upsall
Chief Executive, Daryl Upsall Consulting International



Wow, this is a great report, just speed reading it in the airport has got me excited.

New ICSO Business Models

Fast and fundamental changes are threatening the missions and business models of ICSOs: climate change and planetary boundaries, power shifts and growing inequality, changing policies, new competitors and shrinking space to operate in are only some of them. Instinctively, ICSOs often perceive these disruptions as threats, and indeed, many ICSOs will find it difficult to survive if they do not change fundamentally. At the same time, disruption can offer exciting opportunities for ICSOs to strengthen their impact. In order to remain relevant and continue to deliver useful contributions, ICSOs will have to embrace disruption and embark on a journey of change. The Centre supports this journey by identifying developments that may affect ICSOs, initiating and supporting sector-wide discussions on disruptive change, developing strategies to deal with disruption and advising individual ICSOs on their possible responses.





New ICSO Business Models working group members during the workshop in Berlin in June 2014.



Building on the conclusions from our work on *Disruptive Change* in the civil society sector, our 2014 *New ICSO Business Models* project focused on how organisations need to change in order to successfully navigate disruption. The project brought together a group of leaders and experts to analyse existing business models, identify new business models with the potential to thrive in the future and develop recommendations for ICSO leaders. The group urged ICSOs to be courageous, test new models and accelerate the speed of innovation in their organisations.

“I have three business model ideas to pitch within my organisation already!”

Working group participant, after the workshop in June.

Building on this discussion, *Vision Works*, the meeting of global Chairs and CEOs, explored disruptive changes in the outside world and their implications for the work of ICSOs. Planetary boundaries and growing inequalities are challenging the mission of ICSOs, while at the same time, technological disruption challenges their business models. The discussions concluded that mastering these external challenges requires ICSOs to change their focus to an outside-in approach in order to develop agile structures. *Vision Works 2015* will build on these findings and explore how ICSO leaders can drive these change processes.

Outlook: **Building an Organisational Culture of Change**

Adapting to change and introducing new business models will not be possible without an organisational culture allowing and embracing these new ideas. In 2015, the Centre will therefore focus on *Building an Organisational Culture of Change*. A group of leaders and experts will analyse existing organisational cultures, outline what a culture embracing change might look like and identify concrete steps towards establishing such a culture in ICSOs. The results will be launched at *Global Perspectives 2015* and discussed in several workshops.



Transition Alliances

The year 2015 with the UN General Assembly on Post-2015 and the COP21 on Climate Change will very much set the global agenda for the next decades. While the process leading to ambitious commitments looks demanding, the real test to the new agenda lies in its implementation. Only if governments, business and CSOs work together will they be able to successfully tackle challenges and seize opportunities. We need multi-sector alliances that drive the transition towards sustainable and more equitable global development.

Multi-stakeholder partnerships are not new. Over the last two decades, we have seen a surge in public-private partnerships. Many CSOs have developed partnerships with business and the cooperation between governments and CSOs has a long history in development cooperation. Sadly, the track record of many partnerships is less than impressive: lack of commitment and resources,

unrealistic planning and unclear objectives have been some reasons for poor performance. In other words, simply launching more partnerships is not the answer. We need to re-invent the concept and develop more ambitious, more credible and more impactful partnerships – we call them Transition Alliances.

“We need multi-sector alliances that drive the transition towards sustainable and more equitable global development.”

In cooperation with the German Federal Ministry for Economic Cooperation and Development (BMZ), the Centre commissioned a study analysing the success and failure of multi-stakeholder partnerships and developing nine Building Blocks for Successful Partnerships. These blocks highlight the importance of creating a common vision, establishing an independent secretariat and setting criteria for the partnership as some of the key requirements for success. The Transition Alliances of the future need to take the findings of this study into account and make sure not to repeat the mistakes of the past.

As part of our work on this topic, the Centre convened a meeting of *Policy Directors* at the VSO International headquarters in London. Participants shared their organisations’ experiences with partnerships and discussed how to build more effective alliances as a corner stone of the Post-2015 Development Agenda. The Centre also gathered a *Meeting of German CEOs*, representatives from the German Federal Ministry for Economic



Discussions during the Meeting of German CEOs in June 2014.

Cooperation and Development (BMZ), business and academia to discuss the terms for international partnerships from a national perspective. Finally, we brought together a small group of representatives from CSOs, business, foundations and international institutions to help us launch a conversation about cooperation among pioneers from the different sectors.



Discussions during the Meeting of German CEOs in June 2014.

Outlook: Mobilising Efforts for Transition Alliances

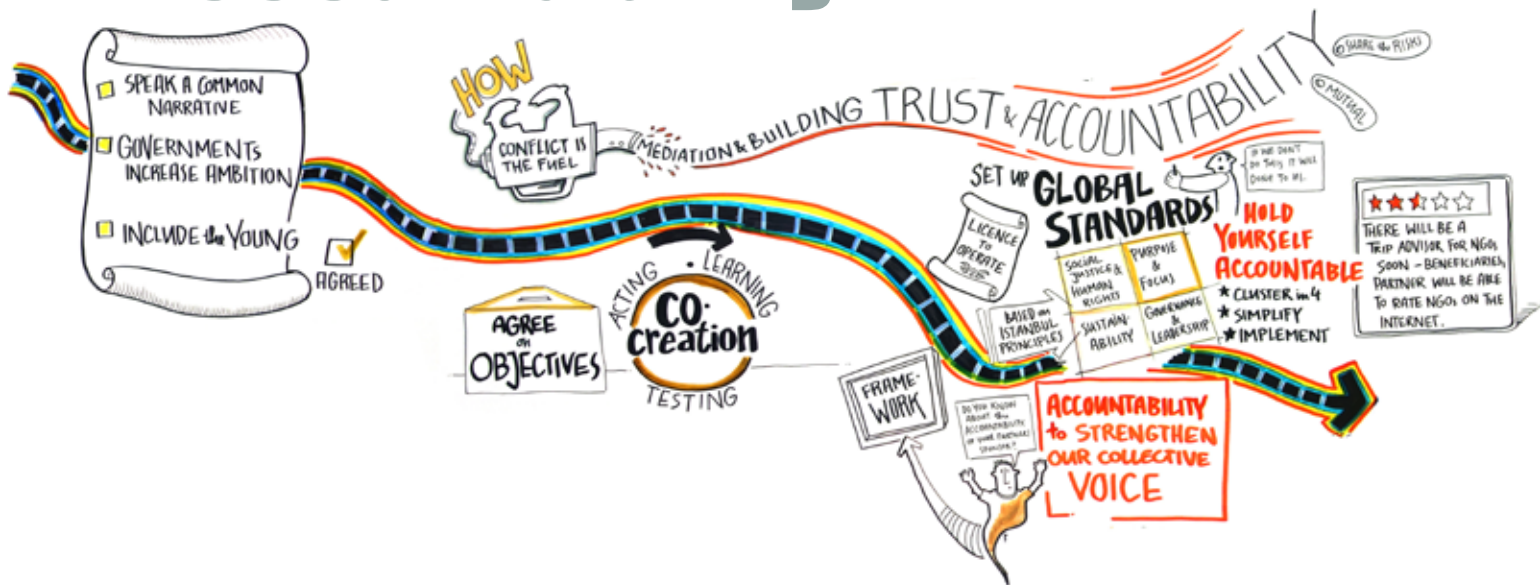
The work of the latter group created the basis for a highly successful meeting of senior leaders from CSOs, business and the UN, which took place in Davos in January 2015, organised in collaboration with the B-Team and Purpose. The Centre will continue to mobilise efforts and prepare the ground for *Transition Alliances* between civil society, business and other actors.

We intend to raise awareness and support preparedness for working in multi-sector alliances, explore concrete opportunities, bring together potential partners and support these in setting up effective alliances. We will encourage specific alliances by identifying topics, supporting the development of concepts and building project infrastructure.

Nine building blocks for successful partnerships

ACTORS	1. LEADERSHIP	>	<ul style="list-style-type: none"> • Create momentum • Guide process • Foster group cohesion
	2. PARTNERS	>	<ul style="list-style-type: none"> • Combine the right resources and skills • Create comparative advantage • Prioritise inclusiveness
PROCESS	3. GOAL-SETTING	>	<ul style="list-style-type: none"> • Create common vision and goals • Ensure high ambitions and precision • Align with global goals and norms
	4. FUNDING	>	<ul style="list-style-type: none"> • Seek innovative funding solutions • Diversify funding sources • Invest in professional fund management
	5. MANAGEMENT	>	<ul style="list-style-type: none"> • Establish independent Secretariat • Invest in full-time professional staff • Ensure professional process management
	6. MONITORING, REPORTING, EVALUATION AND LEARNING	>	<ul style="list-style-type: none"> • Strive for transparency • Create robust and measurable indicators • Learn from mistakes and adapt behavior
CONTEXT	7. META-GOVERNANCE	>	<ul style="list-style-type: none"> • Set minimum criteria for partnerships • Entrust institution with vetting procedures • Explore linkages between partnerships
	8. PROBLEM-STRUCTURE	>	<ul style="list-style-type: none"> • Acknowledge differences in problems • Adapt expectations • Design according to problem-structure
	9. POLITICAL & SOCIAL CONTEXT	>	<ul style="list-style-type: none"> • Identify problems (e.g. corruption) • Engage in capacity building • Choose most favorable context

Accountability



Entrusted with donors' money and partners' expectations and increasingly challenged by critical media, CSOs have to attach the utmost importance to accountability. The Centre supports CSOs' accountability endeavours by hosting the [INGO Accountability Charter](#).

The Charter sets ambitious accountability standards and requests signatories to regularly report against these standards. Since 2010, Charter Members submit annual accountability reports following a Global Reporting Initiative (GRI) template, which focuses on the transparency of data. In 2014, the Charter's Independent Review Panel revised the reporting requirements to ensure a greater focus on quality and evidence. The Panel is a body of six highly respected accountability experts from Asia, Africa, Australia and Europe, who review and assess Charter Member reports.

In the spring of 2014, the Charter went through a consultation process with its signatories to update and strengthen their commitment to accountability. Besides the fundamental requirements of respect for human rights and active stakeholder participation, the Charter now demands concrete commitments to independence, good governance and professional management, environmental sustainability, ethical fundraising and responsible advocacy. The new format is more ambitious and easier to understand, and it is supported by implementation guidelines.

Representatives from all Project Partners during the first Global Standard meeting in Berlin in August 2014.





“In the quest for further improved internal accountability and transparency, the Global Standard project will provide a very beneficial opportunity to strengthen our code and the accountability of numerous voluntary development organisations active in the remotest locations of India.”

Harsh Jaitli, Chief Executive Officer, VANI (India)

In a first project phase financed by the Charter, the *Global Standard for CSO Accountability* project has gained significant momentum. Leaders from nine CSO accountability networks from Africa, Asia, Australia, North and South America, representing nearly 1,500 CSOs, came together for face-to-face meetings in Berlin and Paris. They achieved consensus on the format, content and process for developing a global reference standard for CSO accountability. PricewaterhouseCoopers (PwC) backed the project with substantial pro bono support, delivering systematic mapping of the gaps and overlaps between the standards of all nine networks plus the Istanbul Principles and the Core Humanitarian Standard. A significant overlap in the codes was identified, which strongly warrants continued work on a collective standard.

Outlook: Global Standard for CSO Accountability

The implementation of the *Global Standard* project will be one of the Charter's top priorities in 2015. All nine accountability networks will systematically cooperate over the course of three years to exchange expertise, develop a network of trust and agree on the core areas and implementation indicators for CSO accountability. The results of this endeavour will be captured in a commonly agreed *Global Standard for CSO Accountability*. Ultimately, systematic collaboration between the networks will not only improve the quality of their work, but will also create the collective basis for a strong civil society voice worldwide.

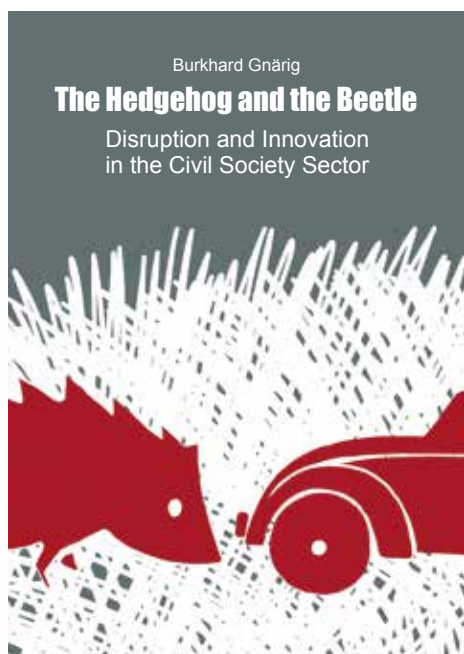


The INGO Accountability Charter provides the only global, fully comprehensive and cross-sectoral accountability and reporting framework for international CSOs. Charter Members report annually towards defined principles, which triggers organisational development and improves the organisations' effectiveness. Since 2010, the Centre has hosted the Charter Secretariat.

The Hedgehog and the Beetle

Disruption and Innovation in the Civil Society Sector

At the end of 2014, the Centre's founder and Executive Director Burkhard Gnärig finished his book, *The Hedgehog and the Beetle – Disruption and Innovation in the Civil Society Sector*, in which he presents his views on the future of ICSOs. The book draws on the Centre's seven years and Burkhard's own 30 years of experience working in the sector. But rather than looking back, it scans the horizon for developments of future relevance to the sector.



The book's main message is that in order to survive and thrive, CSOs need to disrupt and innovate themselves. It discusses key elements of the transformational change CSOs will have to go through.

In order to encourage a wider discussion about CSOs' future and the changes they have to go through, the Centre has started building an online discussion platform, which will be launched in April 2015. The Centre will provide impulses to initiate the discussion. Civil society professionals and activists will be invited to contribute their perspectives to the debate, sharing their experience and developing ideas and proposing ways to reap the opportunities and overcome the challenges the civil society sector is facing.

“The Hedgehog and the Beetle’ makes an important contribution to our thinking about the future of civil society. I hope that it will help our common quest for fit-for-purpose and time-relevant solutions in the civil society sector.”

Cobus de Swardt, Managing Director, Transparency International

Highly successful, widely trusted and globally applauded, ICSOs such as Oxfam, Greenpeace and Amnesty International are major players on the global stage. However, fundamental change in the outside world threatens their role and future existence: Shrinking space for civic participation hinders their work in many countries; climate change, persistent poverty and growing inequality make it harder for them to achieve their missions; and the rise of the internet disrupts their business models.

At the same time, ICSOs are needed more than ever. As humanity reaches and increasingly oversteps the limits of the resources our planet provides and the pollution it absorbs, we urgently have to embark on the transition towards a sustainable, fair and equitable world. Governments on their own will not be able to undertake this transition. Effective civil society organisations have to help charting the way, setting positive examples and bringing citizens on board.

In order to play this role, ICSOs have to reinvent themselves. They have to:

- swap their charitable identity for an activist one;
- develop a more flexible, adaptable and entrepreneurial organisational culture;
- adopt new, innovative business models;
- streamline management and governance to raise their effectiveness at the global level;
- improve their overall performance based on transparency and accountability;
- get out of their silos and form alliances in order to strengthen their impact.

The Hedgehog and the Beetle describes the key features of effective global civil society organisations and charts the journey today's ICSOs have to undertake to turn themselves into successful drivers of the transition.

A dramatically changing world requires civil society organisations to fundamentally rethink their role and mission. ICSOs' future relevance will be determined by their ability to adapt, embrace and drive change.

The question this book addresses is: how can civil society organisations, particularly large international ones, help humanity conduct the transition to a more sustainable, fair and equitable social and cultural transition?

Having had the privilege of spending my professional life in ICSOs, I can say that I have benefited from the friendship of so many people, the optimism of so many people, the exploitation, and have a lot of hope and expectation for the future. I trust and commit myself to share our dream that together we can overcome all of these groups down and support, is not fulfilled their missions, embark on a courageous journey to survive and thrive in a world of renewal and they will make contributions to achieve a more egalitarian and more just world. It can be a small sign post towards its purpose.

Read and discuss the book on www.disrupt-and-innovate.org

Order the book on www.lulu.com

Look out for **#BeTheHedgehog**

Flagship Meetings

Global Perspectives

The sixth *Global Perspectives* conference took place from 29-31 October 2014 at the OECD conference centre in Paris, France. The conference welcomed more than 120 leaders from national and international CSOs, social movements, politics, the corporate sector and academia. Under the title *Driving the Transition – Collective Action for Global Change*, one strand of discussions focused on shaping the sector's inputs into the 2015 UN conferences on Disaster Risk Reduction, Post-2015 and Climate Change. Another strand of discussions explored how CSOs need to change themselves fundamentally in order to become more effective in their external interventions.

In this context participants discussed the need for ICSOs to explore new business models. In its *Diversify, Adapt and Innovate* report, the Centre provides a starting point on how ICSOs should adapt and diversify their business models and develop new models and markets. ICSOs also need to work much more effectively in alliances. Past alliances often failed due to a lack of organisational capacity, resources, common objectives and monitoring. Therefore, ICSOs need to build new forms of alliances with pioneers from their own and other sectors that are committed to advance the transition towards sustainability.

Vision Works

The 2014 *Vision Works*, the exclusive meeting of global Chairs and CEOs, focused on *Building the Future ICSO*. Reviewing potential sources of disruptive change, participants identified challenges and opportunities for their own organisations and devised appropriate replies in areas such as streamlining governance and management and creating flexible and adaptive structures, building an organisational culture of change.

“The opportunity to meet other global chairs is invaluable. I’d be grateful if there are more ways to share experiences and challenges.”

Cindy Cox Roman, Board Chair of HelpAge International, on Vision Works.



Reflection and discussion during our meetings in 2014.





Global Peers

Global Peers I, our meeting of international CEOs, in April brought together CEOs from our sector with leaders from innovative organisations such as Avaaz, 350.org and the B-Team to share experiences and serve as guidance for CSOs' future change processes. Discussions focused on entrepreneurial and lean management and governance and the potential for cooperation. The *Global Peers II* meeting in October discussed how CSOs, the UN and the OECD collectively can support the development and climate negotiations in 2015 aiming to secure relevant and ambitious outcomes.

Senior Leaders Week

Their own highly complex international governance and a fast changing external environment make leadership a critical success factor in the work of ICSOs. With its focus on change leadership, the aim of the *Senior Leaders Week* 2014 was to turn the Centre's insights from its work on governance reform, disruptive change and new business models into an actionable agenda for CSO leaders. Participants rated the week as 'good', which is not in line with the Centre's ambition to deliver excellent programmes. After an in-depth review of the *Senior Leaders Week*, the Centre decided that this programme was no longer meeting the sector's needs and that it will not continue. It will be replaced by a completely different approach to leadership development in 2015.



Opening panel at Global Perspectives in Paris in October 2014.

2015 Outlook

In 2015, the Centre will continue exploring change affecting CSOs. Here are some of our main activities:

24 – 28 August

Leading by Vision

Our new format for leadership development will be designed as a leadership lab shaped by participants. It will focus on encouraging and supporting civil society leaders to build their leadership approach on their CSOs' vision for a better world.

9 – 11 September

Building an Organisational Culture of Change

Building on our work on disruption and new business models we will explore the role of organisational culture in change processes and outline what a culture looks like that embraces change. We will develop recommendations for ICSO leaders on what organisations need to do to develop such a culture.

4 – 6 November

Global Perspectives

The next *Global Perspectives* conference will take place in New Delhi, India from 4-6 November 2015. A few weeks after the adoption of the Post-2015 Agenda, the conference will focus on the implementation of the new development agenda and on an organisational culture of change in CSOs.

Global Heads of Division

In order to build a community of knowledge sharing, mutual exchange and learning, we will bring together Global Heads of Division of ICSOs. We will start with meetings of *Administration Directors* and *Policy Directors* in February and convene *Communication Directors* in May.

Disrupt&Innovate

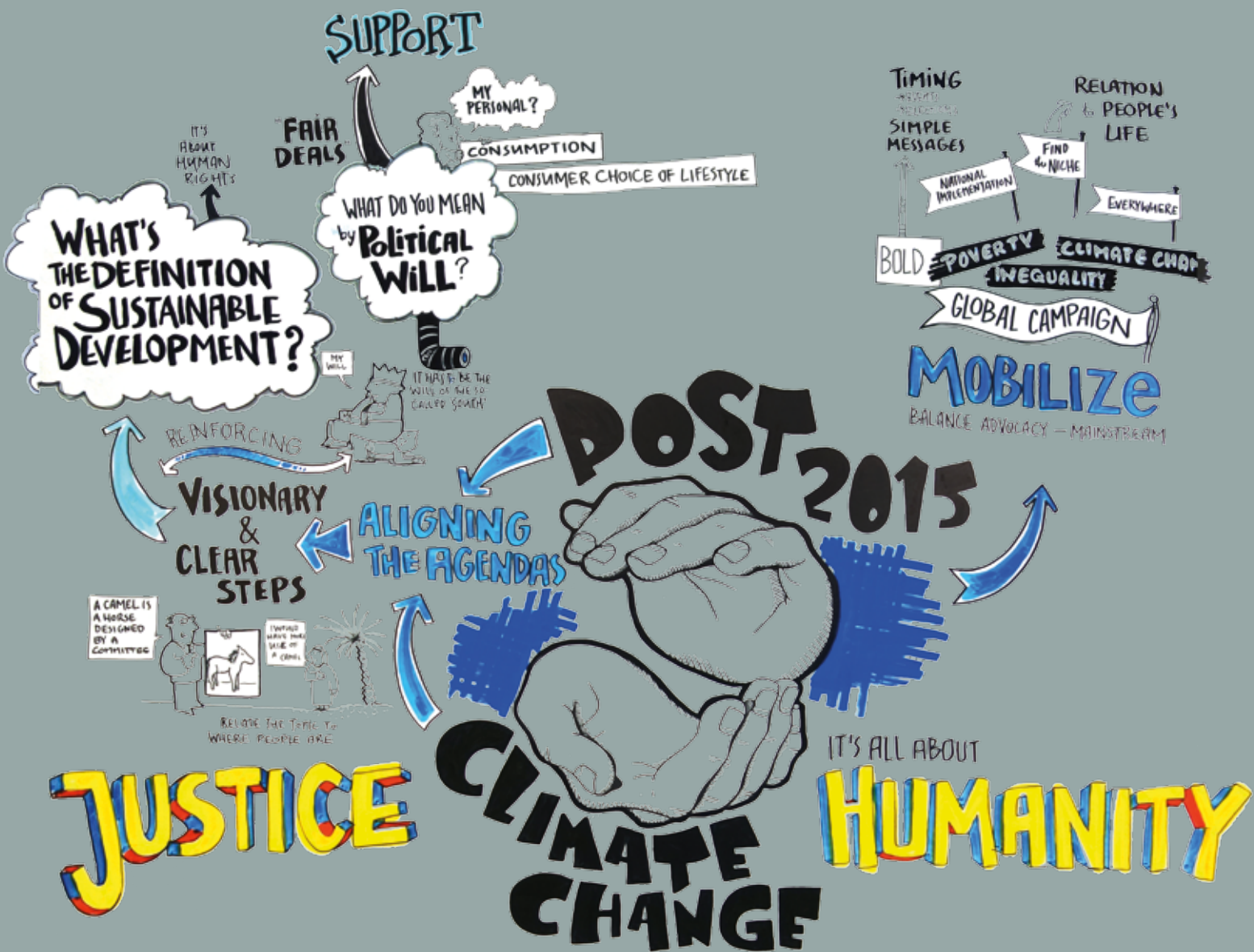
Guided by the messages presented in the book *The Hedgehog and the Beetle*, we will initiate an online discussion about the future of the civil society sector. Civil society professionals and activists from all over the world will be invited to enter into the discussion, share their experience and develop solutions to the challenges the civil society sector is facing.

Transition Alliances

New forms of more ambitious, impactful and credible cooperation between civil society, government and business are needed, not the least to implement the new Post-2015 Development Agenda. The Centre will mobilise efforts and prepare the ground for such *Transition Alliances*.

Global Standard for CSO Accountability

With the aim of improving CSO accountability globally, the Global Standard project brings together well-established civil society accountability networks from around the world to share their expertise, improve their respective codes and agree on what constitutes the core elements of CSO accountability globally.



Rolling strategy process

The findings of our work around disruptive change show that new strategic approaches are needed to prepare our organisations for the uncertainties ahead and embrace the idea of fast-paced change as an opportunity rather than a threat. We will therefore replace our long-term strategy ending in 2015, with a rolling strategy process based on a strategic direction for our work. The key elements of this strategic

approach are a strong vision and strategic perspective that provide the direction of our work; the systematic scanning of the horizon to identify arising challenges and opportunities; an ongoing evaluation and planning process including adaptation of our mission and strategic direction as required; and quarterly updates to our key stakeholders, giving them the opportunity to provide direction to our work.

Ownership and Governance

Owners

The Centre is a not-for-profit organisation, fully owned by the organisations it serves. To date, 12 ICSSOs have acquired shares in the Centre, taking ownership of our strategic direction and programme. Ownership is open to leading international CSOs.



Board of Trustees

The Centre's Board of Trustees consists of global CEOs of the shareholding organisations, reflecting the commitment to change and collective objectives of the world's leading ICSSOs. (Board members on 31 December 2014)

Cobus de Swardt, *Managing Director, Transparency International (Chair)*

Salil Shetty, *Secretary General, Amnesty International*

Dave McComiskey, *President, CBM International*

Winifred Byanyima, *Executive Director, Oxfam International*

Nigel Chapman, *CEO, Plan International*

Caroline Harper, *Chief Executive, Sightsavers International*

Richard Pichler, *Secretary General, SOS Children's Villages International*

Kevin Jenkins, *President and CEO, World Vision International*

Marco Lambertini, *Director General, WWF International*

Mohamed Ashmawey, *Chief Executive Officer, Islamic Relief Worldwide (Observer)*

Peter Eigen, *Founder, International Civil Society Centre*

Burkhard Gnärig, *Executive Director, International Civil Society Centre*

Partners

Core Support

To enable the Centre to carry out our work for the civil society sector, many international CSOs provide annual financial support. A big thank you goes to our Core Supporters:

Amnesty International
CARE International
CBM International
ChildFund Alliance
Greenpeace International
Islamic Relief Worldwide
Oxfam International
Plan International
Sightsavers International
SOS Children's Villages International
Terre des Hommes International Federation
Transparency International
VSO International
World Vision International
WWF International

Partnerships for Excellence

In *Partnerships for Excellence*, the Centre cooperates with organisations from the corporate sector that believe in the value of strong bonds with the civil society sector. Our Partner for Excellence in 2014 was PricewaterhouseCoopers, who provided generous financial support.

Donors and Strategic Partners

A number of strategic partners and donors have enabled the Centre to carry out and further improve many of our activities and to develop new formats. Many of our projects would not have been possible without their generous support.

The Rockefeller Foundation provided financial support for the project on *New ICSO Business Models*. The German Federal Ministry for Economic Cooperation and Development (BMZ) funded the *Multi-Stakeholders Partnerships* study and subsidised the *Policy Directors' Meeting* and a meeting of German CEOs. ProDialog supported another meeting of German CEOs. The B-Team and Purpose have been invaluable partners in our *Transition Alliances* programme.

The Greentree Foundation provided the inspiring venue for the *Vision Works* and *Global Peers I* meetings. This year's *Global Perspectives* conference and *Global Peers II* meeting took place at the OECD headquarters in Paris. The OECD's cooperation and support was essential in making the meetings a widely acknowledged success.

The Centre's *Senior Leaders Week* received invaluable pro bono support from the Boston Consulting Group, Egon Zehnder and What If. The German media agency Torben, Lucie und die Gelbe Gefahr (TLGG) provided and continues to provide pro bono support to our new *Disrupt and Innovate* project. Through TrustLaw Connect, we secured the pro bono services of the law firms White&Case as well as Skadden, Arps, Slate, Meagher & Flom LLP.

To all our partners and supporters, we would like to say a great big THANK YOU!

Financial Information

01.01.2014 – 31.12.2014

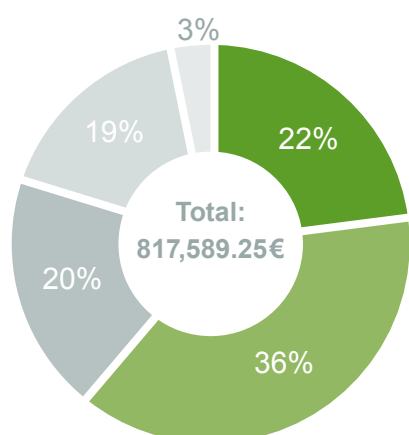
In financial terms the year 2014 was characterised by two major factors. Firstly, our income was significantly below the 2013 level which had grown disproportionately due to a single grant of more than € 500,000 for a conference. In 2014 the Centre reverted back to its previous income level. Secondly, we undertook a number of strategic investments in the further development of the Centre including the establishment of a full-time fundraiser position. This resulted in a slight deficit which is lower than originally envisaged. This deficit was covered from the Centre's reserves. For 2015 we expect a slight surplus.

Assets	31.12.2014	31.12.2013
A. Fixed Assets		
I. Intangible Assets	10,195.00	11,410.00
II. Fixed Assets	12,271.00	15,085.00
B. Current Assets		
I. Receivables and other Assets		
1. Accounts receivable	1,000.00	4,450.00
2. Other Assets	11,149.18	25,356.36
II. Cash	367,534.71	375,084.53
C. Accruals	1,801.16	3,799.20
	403,951.05	435,185.09

Liabilities	31.12.2014	31.12.2013
A. Equity		
I. Shareholders' Funds	30,000.00	27,500.00
Uncalled Capital	- 15,000.00	- 13,750.00
Called-Up Capital	15,000.00	13,750.00
II. Retained Earnings		
1. Statutory Reserves	0.00	52,926.89
2. Free Reserves	125,170.96	109,189.04
B. Special item Grants	27,923.38	394.00
C. Accrued Liabilities	0.00	35,404.00
D. Liabilities		
1. Accounts Payable (Banks)	0.00	9.30
2. Accounts Payable	4,125.60	8,739.22
3. Other liabilities (Taxes)	34,481.10	20,841.30
E. Deferrals	197,250.01	193,931.34
	403,951.05	435,185.09

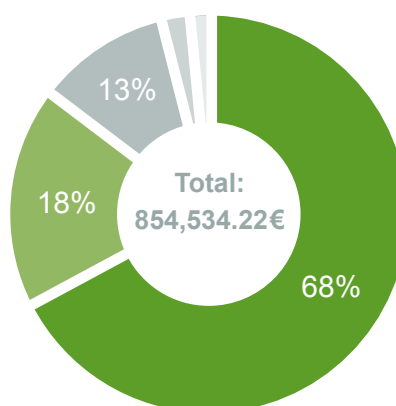
All amounts in Euro

Income 2014



- Grants/Donations
- Programme Subsidy, Core Support and Partnership for Excellence
- Participation Fees
- INGO Accountability Charter
- Other Income

Expenditure 2014



- Programme
- Personnel
- Administration
- Communications
- Other

Profit & Loss Account

	2014	2013
1. Turnover (Leadership Support)	337,377.79	310,253.75
2. Grants and Donations	473,479.49	913,208.87
3. Other Operating Income	6,320.37	13,713.88
4. Materials and Supplies (Leadership Support and Future Trends)	126,029.01	551,744.40
5. Personnel Costs	578,737.95	524,467.98
6. Depreciation	7,799.03	5,649.67
7. Other Operating Expenditure	141,887.13	155,762.06
8. Interest Income	411.60	942.00
9. Interest Expenditure	81.10	0.00
10. Profit/ Loss on ordinary activities	- 36,944.97	494.39
11. Taxes on Income	0.00	-31.92
12. Surplus/ Deficit	- 36,944.97	526.31
13. Transfer from Reserves	52,926.89	79,134.76
14. Allocation to Reserves	15,981.92	79,661.07
15. Annual Results	0.00	0.00

The German annual accounts have been audited by Ebner Stolz.

The financial information included in this report has been audited but has not yet been formally approved by the Shareholders. The formally approved figures will be made available at www.icscentre.org.

Centre launches new online platform



First draft of the Disrupt&Innovate website.

In April 2015 the Centre will launch a new website *Disrupt&Innovate*. Building on the conclusion of the book *The Hedgehog and the Beetle* - that CSOs have to go through transformational change – the website aims to initiate a sector-wide discussion on how CSOs can disrupt and innovate themselves.

The site challenges CSOs to not only think big but also “ACT BIG”, considerably raising their own ambitions. It identifies six strategic levers for transformational change:

CSOs should:

- Get out of their silos and form effective alliances
- Develop a more entrepreneurial organisational culture
- Strengthen their transparency and accountability
- Adopt new, innovative business models
- Swap their charitable identity for an activist one
- Streamline management and governance at the global level

The Centre provides impulses to initiate the discussion and invites civil society professionals and activists to contribute, share their experience, develop ideas and propose ways to seize the opportunities and overcome the challenges the sector is facing.

Participants can take their learnings back to their organisations and support these on their journey of transformational change. The project aims to foster a culture for learning, promote good practices and build a community for change committed to driving the sector's transformation.

We look forward to a lively discussion.
Please join us on www.disrupt-and-innovate.org



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the world's leading international civil
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for a sustainable and more equitable world.**

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