Revised changes to the ACFID Code of Conduct and Quality Assurance Framework – July 2023

Table of Contents

1. Introduction

Thank you to everyone who has contributed to the 2022-23 Code Review so far.

This document provides a **summary of the revisions made to the proposed changes** to the Code of Conduct and Quality Assurance Framework which were shared with members and other stakeholders in May 2023. These revisions have been made in response to feedback received through an online feedback form, member workshops, and consultations with Communities of Practice and other key stakeholders.

While it is possible that there will be some additional tweaks made to the proposed changes, **we anticipate that the current revisions reflect close-to-final versions that will be presented to the Code of Conduct Committee, ACFID Board and ACFID members for approval.**

ACFID also received a range of feedback about the types of guidance and supporting materials that would help members to better understand and apply the proposed changes. We have heard clearly from members the need to provide examples from a range of organisations, provide clear guidance on how the changes could be implemented in different contexts and to curate resources that address any new Code requirements.

This paper only documents the revisions to the specific wording of the Code and Quality Assurance Framework, not its accompanying guidance in the Good Practice Toolkit. Further guidance and materials will be developed once the changes to the Code of Conduct and Quality Assurance Framework have been approved as part of the implementation phase.

Code of Conduct

The ACFID Code of Conduct sets out the Quality Principles and Commitments that ACFID members commit to.

> ➢ **View a 'marked up' copy of the Code of Conduct** with all the proposed changes included.

Quality Assurance Framework

Implementation of the Code is supported by the Quality Assurance Framework, a separate but linked document that describes how members' compliance with the Code is assessed and verified. The Quality Assurance Framework describes the Compliance Indicators, Verifiers, and Good Practice indicators for each Commitment.

> ➢ **View a 'marked up' copy of the Quality Assurance Framework** with all the proposed changes included.
> ➢ **View a 'clean' copy of the Quality Assurance Framework** with all the proposed changes included.

Next steps

- ➢ **Mid-July 2023** – Proposed changes presented to the Code of Conduct Committee for approval.
- ➢ **Early August 2023** – Proposed changes presented to the ACFID Board for approval.
- ➢ **Mid-August 2023** – AGM papers sent to member CEOs with further information about the proposed changes and implementation plan.
- ➢ **18 October 2023** - Changes to the Code of Conduct will be presented to ACFID members for approval.
- ➢ **October 2023 – May 2024** – Development of supporting documents, guidance and resources, and events to socialise changes with ACFID members.
- ➢ **30 June 2024 (TBC)** – Changes to the Code and Quality Assurance Framework come into effect.
- ➢ **Beyond June 2024** – ongoing support for members through ACFID and Code learning program.

Related documents

- ➢ [Proposed changes to Code and Quality Assurance Framework – May 2023](#)
- ➢ [Summary of recommendations from consultation phase](#)

Feedback and questions

Please contact the Standards and Code team at code@acfid.asn.au if you have any questions or comments on the revisions. If you have any final suggested changes please provide these by 14 July 2023.

2. Summary of revisions made to the proposed changes.

Recommendation 1: Clarification and simplification

Section of the QAF	Summary of the revision	Rationale	Change to Code reporting
Indicator 1.4.2	**New change.** Move scope of child safeguarding code of conduct into the Verifier.	Improved clarity and consistency with other indicators/verifiers.	**No change.**
Verifier 1.4.3	**Update to proposed change.** Change 'leadership' to 'governing body'.	Consistency with language used in the Code.	**No change.**
Indicators in 2.4	**New change.** Language used in indicators updated to reflect caveat that these only relate to members 'with initiatives involving or directly affecting children'.	Consistency with Commitment.	**No change.**
Quality Principle 3 and description.	**New change.** Changed to 'Systemic Change and Climate Action' from 'Sustainable Change'. Description: "Development and humanitarian initiatives contribute to systemic change and climate action."	Updated to reflect language used in Commitments.	**No change.**
Verifier 4.3.1	**New change.** Verifier to refer to strategies, designs and plans. Delete appraisal/selection process.	Feedback - Verifier should reflect Indicator.	**No change.**
Verifier 5.3.1	**Update to proposed change.** Remove reference to 'and/or collaborator'	Improve clarity.	**No change.**
Verifier 9.2.3	**Reject proposed changes.** Maintain existing WH&S and insurance requirements.	Feedback – limited appetite for including volunteer personal accident insurance as a requirement.	**No change.**
Definitions – Gender, gender analysis, gender equality, gender equity, gender identity	**New change.** Definitions updated to reflect current approaches. (see QAF)	Previous definitions were from 2007. Update required to reflect changes in practice and language related to gender.	**No change.**
Definition – personnel	**New definition.** (see QAF)	Term used in Code but not previously defined.	**Possible change.** Members may need to review

			requirements that relate to 'personnel' to ensure all parties are covered.
Definition – free, prior and informed consent.	**New definition.** (see QAF)	Term used in Code but not previously defined.	**No change.**
Definition – environmental sustainability	**New definition.** (see QAF)	Term used in Code but not previously defined.	**No change.**
Definition – focal person	**New definition.** (see QAF)	Term used in Code but not previously defined.	**No change.**

1.4.2 Members have a code of conduct that advances child safeguarding behaviours. and applies to all personnel, partners and project visitors.	A documented code of conduct that covers the following with regard to child safeguarding: o Appropriate language, communications and behaviour. o Banning of alcohol and drugs. o Gifts to children. o Physical contact with children. o Banning of sexual relations with children. o Child labour. o Photos and images. o Reporting obligations. The code of conduct must be signed by relevant governing body members, staff, contractors, volunteers and project visitors.

1.4.3 Members have a documented approaches to child safeguarding incident reporting and complaints handling that are child-focused, aligned with principles of privacy and that promote safety and dignity.	Documented and accessible policies and/or procedures for:
	• Child safeguarding incident reporting
	• Child-friendly complaints handling
	
	These policies and/or procedures must be known by all personnel and:
	• Cover:
	    o How to report and respond to child exploitation and abuse suspicions and/or allegations.
	    o The relevant roles and responsibilities of leadershipgoverning body, staff and volunteers.
	    o How concerns or allegations of child exploitation, abuse, or non-compliance with the code of conduct or policy will be managed, including sanctions that could be applied in the event of breaches.

2.4.1 Members whose initiatives ~~prioritise~~ involve or directly affect children demonstrate an organisational commitment to their participation.	Policy, statement or guideline document that commits the member to the participation of children in development and humanitarian initiatives which target them.
2.4.2 Members whose initiatives ~~prioritise~~ involve or directly affect children enable children's views to influence initiative designs.	Design or planning framework, tools, templates which require or approaches which consistently show evidence consultation with children, contextual analysis of their needs and rights, and identification of opportunities for their participation.
2.4.3 Members whose initiatives ~~prioritise~~ involve or directly affect children have complaints handling processes that are child friendly.	Complaints handling processes are child friendly.

3. ~~Sustainable~~ Systemic Change and Climate Action

Quality Principle: Development and humanitarian ~~responses~~ initiatives contribute to ~~the realisation of sustainable development~~ systemic change and climate action.

4.3 We invest in quality assessment of our work.	
Compliance Indicators	**To demonstrate compliance, members will have the following Verifiers, commensurate with their size and the nature of their work:**
4.3.1 Members assess the quality of their strategies, designs and plans.	~~Appraisal/selection process that requires~~ Strategies, designs and plans ~~to be~~ are critically assessed against a set of criteria or equivalent, including whether initiatives: • are consistent with the Member's charitable purpose and not-for-profit status; and • meet the targeted need.

5.3 We invest in the sustainability and effectiveness of our collaborations and partnerships.	
Compliance Indicators	**To demonstrate compliance, members will have the following Verifiers, commensurate with their size and the nature of their work:**
5.3.1 Members invest time and resources in supporting the sustainability of local partners, including their broader mandate, strategy and capacity.	Development and humanitarian initiatives consistently show evidence of listening to and responding to local partners' priorities for organisational strengthening. Regular partnership ~~and/or collaborator~~ meetings take place where open feedback and dialogue is facilitated.

9.2.3 Members protect the safety, security and well-being of staff and volunteers.	• Policy, procedure or guidance document outlining the requirements for the safety and, security ~~and travel for~~for personnel while travelling. ~~staff and volunteers.~~ • Workplace, Health and Safety policy and training for staff and volunteers. • ~~Appropriate~~ Current workplace and travel insurances, as relevant. • Anti-bullying policy. • Governing body, senior leadership, staff and volunteers are aware of and have access to safe training in issues related to diversity and anti-racism.

Recommendation 2: Alignment with other standards

Section of the QAF	Relevant standard	Summary of the revision	Rationale	Change to Code reporting
Verifier 1.2.1	ACNC – External Conduct Standards	**Update to proposed change.** Maintain consistency with ACNC definition of 'Vulnerable People' but remove the non-exhaustive list of potential drivers of marginalisation and exclusion.	Feedback – want consistency with ACNC, but strong feedback to not keep expanding a list of potential drivers.	**Possible change** May result in change to policy, statement or guidance for some members. No change from existing expectations under the External Conduct Standards.
Verifier 1.4.1	DFAT	**Reject proposed change.** Do not include partners in the scope of policy.	Feedback –flexibility is needed in how members manage and communicate child safeguarding risks and expectations with partners. Shouldn't have them included in scope of the member's policy.	**No change.** Existing requirement.
Verifier 4.3.1	ACNC	**Reject proposed change.** Removal of 'meet targeted need' as one of the criteria for assessing strategies, designs and plans.	Feedback – language of 'need' outdated. ACNC requirements focused on 'charitable purpose' which has been kept.	**No change.**
Verifier 5.2.1	DFAT	**Update to proposed change.** Include periodic partnership reviews as an example of ways to ensure a shared understanding of responsibilities.	Feedback – suggestion to include another example to signify that inception workshops aren't the only approach.	**Possible change** Members may need to review current approaches to working with partners.
Verifier 7.2.3	ACNC – External Conduct Standards	**Update to proposed change.** Record keeping. Some specificity removed which was in ACNC guidance not requirements.	Improve alignment with requirements of ACNC. Additional specificity which aligns with ACNC guidance (not	**Possible change** Members may need to review current record keeping processes.

			requirements) will be provided in guidance, e.g. records should be kept for 7 years.	No change from existing expectations under the External Conduct Standards.
Indicators 7.4.1 and 7.4.2	ACNC - External Conduct Standards and Governance Standards	**Reject proposed changes.** Maintain existing governance requirements.	Feedback – rationale for change not strong enough.	**No change.**
Indicator and Verifier 7.4.3	ACNC - External Conduct Standards and Governance Standards	**Update to proposed change.** Indicator and verifier updated to include third parties. Consolidation of proposed changes to verifier for improved clarity. Definition of 'third parties' updated in-line with ACNC.	Third parties a requirement of ACNC.	**Possible change** Requirement to document conflicts was already present, new requirement to also 'review'. Now refers to third parties. Requirements align with existing laws of directors' duties, regulatory standards (ACNC and others)
Verifier 9.2.2	Whistleblowing	**Update to proposed change.** Removal of reference to good faith disclosures. Change 'Eligible Disclosures' to 'disclosures that qualify for protection'. References to "officers" changed to "governing body members".	Whistleblowing legislation refers to "reasonable grounds" not "good faith" disclosures. Consistency with Code terminology.	**Possible change** Members may need to review whistleblowing policies. Changes reflect existing legislative requirements which apply to some members and ACNC requirements which apply to all.
Definitions – formal partnership	DFAT	**Update to proposed change.** Updated definition of formal partnership to:	Feedback – terminology of 'formal partnership' preferred over 'implementing partner' or 'project	**No change.** Members need to consider if this will influence their compliance

			partner'. Members can identify themselves if their in-country offices are considered formal partners. 'Sharing risk and resources' a preferred term to 'financial exchange'.	with indicators 5.1.2 and 5.2.1.
Definition – Whistleblowing protections	ASIC – Whistleblowing legislation	**Update to proposed new definition.** Change 'Qualifying Disclosures" to "Disclosures that qualify for protection": (see QAF)	Alignment with ASIC.	**No change.**

1.2 We prioritise the needs, voice, rights, and inclusion of those who are in vulnerable positions or experiencing marginalisation and exclusion.

Compliance Indicators	To demonstrate compliance, members will have the following Verifiers, commensurate with their size and the nature of their work:
1.2.1 Members demonstrate an organisational commitment to the inclusion and representation of those who are in vulnerable positions and those who are affected by the intersecting drivers of marginalisation and exclusion.	Policy, statement or guidance document that commits the member to the inclusion and representation of those who are in vulnerable positions or experiencing marginalisation or exclusion – temporarily or ongoing. - and those who are affected by the intersecting drivers of marginalisation and exclusion, including not restrictedincluding as related to to race, religion, ethnicity, indigeneity, illness or health status, disability, age, displacement, caste, gender, gender identity, sexuality, sexual orientation, trauma, poverty, class and socio-economic status.

4.3.1 Members assess the quality of their strategies, designs and plans.	Strategies, designs and plans are critically assessed against a set of criteria or equivalent, including whether initiatives are consistent with the member's charitable purpose and not-for-profit status.

5.2.1 Members negotiate shared goals and respective contributions with partners and those they collaborate with.	• Policy, statement or guidance document committing the member to partnership and/or collaboration and the approaches it takes.
	
	• For formal partnerships, partnership agreement template or examples of partnership agreements that consistently describe:
	    o Value and contribution of each party.
	    o Shared goals, roles and responsibilities of all parties.
	    o Financial and non-financial resources and support offered by and required of each party.
	    o Dispute resolution process.
	    o Mutual accountabilities for reporting, sharing information and communication.
	    o Specific statements about child protection, prevention of sexual exploitation, abuse and harassment, policies, procedures and incident reporting (see 1.4 and 1.5).
	
	• For formal partnerships, members and partners ensure shared understanding of responsibilities under partnership agreements (e.g. through inception workshops or periodic partnership reviews)

7.2.3 Members keep records for all its operations outside Australia	• Records that include information necessary for the organisation to be able to prepare a summary of its activities and related expenditure outside Australia on a country-by-country basis.

7.4 We have responsible and independent governance mechanisms.

Compliance Indicators	To demonstrate compliance, members will have the following Verifiers, commensurate with their size and the nature of their work:
7.4.1 Members have a governing body.	A governing instrument, charter or policy that meets ACNC governance standards and sets out: • The processes for selection, appointment and induction of Rresponsible persons People and any provisions for termination. • Clear term limits and number of consecutive terms a responsible person may serve. • A requirement for the majority of the Responsible Peoplepersons to be non-executive. • The approach to remuneration and expense reimbursement of responsible personsResponsible People.
7.4.2 Members establish their membership and define how the organisation is governed and operates.	A governing instrument that sets out: • The organisation's basic goals and purposes. • The not-for-profit nature of the organisation. • Membership of the organisation, as applicable, and members' rights and obligations. • Governance structure and processes of the organisation. • Frequency and processes for meetings of members (at least annually). • Rules for meetings of the governing body, including the frequency of meetings (at least two a year) and quorum for meetings. • Powers and responsibilities of responsible persons including a statement of the overall responsibility of the governing body. • Strategic controls to be exercised by the governing body. • Financial controls to be exercised by the governing body. • Power of the governing body to delegate authority to officers, staff and others.
7.4.3 Members manage conflicts of interest with responsible people, staff, and volunteers and third parties relating to all activities undertaken by the organisation.	A conflict of interest policy that includes: • A definition of 'conflict of interest'. • A requirement for responsible people, staff, and volunteers and third parties to disclose perceived, potential and actual conflicts of interest. • A requirement to document and review disclosed perceived, potential or actual conflicts of interest. • Procedures for the prevention, management orand remedy of conflicts of interest, and their potential impact, including open and fair procurement of goods and services (or reference made to a relevant policy, see also 8.1.3).

| 9.2.2 Members enable staff and volunteers to make complaints and report suspected wrongdoing through fair, transparent and accessible procedures, without fear, recrimination or disadvantage | Both of the following must be in place for all members:

• A policy or guideline which:
    o Must meet complaints handling requirements in 7.3.3.
    o Is clearly accessible to all staff and volunteers.
    o Provides clear processes that are safe and confidential.

• A whistleblowing policy, for disclosures where a whistleblower has reasonable grounds to suspect their information discloses misconduct or wrongdoing, that has the following components as a minimum:
    o States the purpose and importance of the policy.
    o Requires staff and volunteers to disclose possible misconduct or wrongdoing, and encourages disclosures from other whistleblowers.
    o Outlines any Whistleblowing Protections for governing body members, staff, volunteers, their relatives or dependents, and others, including as required by law, and guaranteeing that staff and volunteers who disclose possible misconduct or wrongdoing will be protected from adverse employment consequences.
    o Clarifies to whom Eligible Disclosures can be made.
    o Outlines processes to protect anonymity where requested, confidentiality, and a fair and impartial investigative process. |

Formal Partnership: A partnership between a member and a partner where the partner is responsible for the oversight or delivery of an aspect of a development or humanitarian initiative. It will involve a documented arrangement, signed by parties and will often involve the sharing of risk and resources. This term includes 'implementing partners' used by DFAT Accreditation.

Recommendation 3: Statement of interpretation

Recommendation 3: Revise the Code to explicitly integrate the contents of the [Statement of Interpretation](#) (as approved by the Code of Conduct Committee and the ACFID Board in 2021).

Section of the QAF	Summary of the revision	Rationale	Change to Code reporting
Compliance Indicators, Verifiers and Good Practice indicators	**New addition.** "To demonstrate compliance, members will have all of the Verifiers in place, commensurate with their size and nature of their work. **Members will also ensure that their policies, processes and guidelines are implemented and subject to regular review**."	Direct response to recommendation. Ensures consistency between the Code of Conduct and the Quality Assurance Framework.	**No change**
Definitions – implemented; regular review	**New addition.** Definitions of 'implemented' and 'regular review' from the Statement of Interpretation.	Clarity	**No change.**
Description for each Commitment.	**New addition.** Language previously used to introduce the Verifiers has bene shifted to a Commitment level, and states: *"To demonstrate compliance, members will have all of the Verifiers in place, commensurate with their size and the nature of their work. Members will also ensure that their policies, processes and guidelines are implemented and subject to regular review."*	Reflects the language used in the Code and QAF Introductions. Improve readability.	**No change**

Each of the Compliance Indicators has one or more compliance Verifiers. Verifiers are the description of evidence that is required to substantiate compliance with each Compliance Indicator. Compliance Indicators which demand a more prescriptive approach because of regulatory requirements or high risk have verifiers with more detailed specifications. To demonstrate compliance, members will have all of the Verifiers in place, commensurate with their size and the nature of their work. Members will also ensure that their policies, processes and guidelines are implemented and subject to regular review. Where a Compliance Indicator requires members to ensure they have appropriate mechanisms to assess, manage and mitigate the risks relevant to these Compliance Indicators and Verifiers when working with partners, this should also be undertaken commensurate to the size, nature and risk profile of the partner agency and the partnership.

Implemented: The process of communicating a policy and providing training to governing body members, staff, and volunteers as is appropriate, and applying the policy to the members' systems, procedures and programs accordingly.

Regular review: Includes monitoring, reviewing, evaluating, and amending a policy, process or guideline as is necessary.

Recommendation 5: Climate Change

Section of the QAF	Summary of the revision	Rationale	Change to Code reporting
Verifier at 3.2.2	**Update to proposed change.** Maintain reference to minimising carbon footprint, but as a sub-set of minimising environmental impact.	Feedback – minimising your organisation's carbon footprint is a sub-set of minimising your environmental impact. Wording should reflect this, rather than having it as a standalone item.	**Possible change.** Members may need to revise their existing policy, statement or guidance document.
Good Practice Indicator at 3.2.2	**New GPI.** "Program designs, implementation and monitoring and evaluation processes include consideration of potential and realised impacts on the environment."	Feedback – gap in the current GPIs regarding reviewing impact of activities on the environment. Suggested a new GPI.	**No change**

3.2.2 Members demonstrate an organisational commitment to environmental sustainability, climate action and improved environmental outcomes in their organisation's internal operations.	Policy, statement or guidance document committing the member to minimising the environmental impact, including the carbon footprint, of their organisation's internal operations.

Good Practice Indicators

- A focal person with responsibility for environmental sustainability is in place.
- Climate change mitigation, adaptation, and impact, and disaster risk reduction are incorporated into program strategies wherever possible.
- Program designs, implementation and monitoring and evaluation processes include consideration of potential and realised impacts on the environment.
- Environmental sustainability and impact training is provided to key personnel and partners.
- Periodic reports are provided internally and to relevant external stakeholders on environmental sustainability and impact achievements.
- Information about the impacts of climate change and environmental sustainability issues are promoted in public communications.
- Climate action policy, programs and advocacy reflect climate justice and equity principles.
- Organisational targets are in place to measure progress in minimising the environmental impact of our operations.

Recommendation 6: Locally-led development and humanitarian action

Section of the QAF	Summary of the revision	Rationale	Change to Code reporting
Indicator 1.2.1	**Reject proposed change.** Maintain reference to intersecting drivers of marginalisation and exclusion.	Feedback – important to maintain reference to intersectionality in the Code.	**No change.** Existing requirement.
Verifier 2.1.1	**Update to proposed change.** Clarify that the naming and addressing of power imbalances refers to organisational relationships.	Feedback – scope of this requirement needed greater clarity. Members should be considering the power imbalances that impact on their relationships with the organisations/groups/communities they work with.	**Possible change.** Members may need to review their current practices, particularly how they work to reduce power imbalances.
Verifier 2.1.2	**Update to proposed change.** Use 'voices and decision-making of local actors' rather than 'local voices'.	Feedback – 'local voices' as a term was not well understood. Updated for clarity. Definition of local actors to be included – see below.	**Possible change.** Members may need to review their current practices and consider if and how they need to change.
Verifier 6.1.1	**Update to proposed change.** Public materials must reflect the perspectives of primary stakeholders.	Feedback – may not always be possible or safe to 'promote the voice of primary stakeholders' in public materials. Suggest shifting focus to reflecting their perspectives, similar to approach taken to commitments around advocacy.	**Possible change.** Members may need to review how they incorporate the perspectives of primary stakeholders in their public materials.
Definitions – locally-led action	**Update to proposed change.** Locally-led action definition updated to: - include reference to recognising power imbalances; - Clarify what actions could contribute to successful locally-led action.	Feedback – locally-led action should always be thought of in the context of power and its influence on relationships and systems. Previous definition implied that locally-led action has to involve direct funding, but not all ACFID members transfer funds to partners. Updated to reflect direct funding means of supporting locally led action.	**No change.**

Definition – local actors	**Update to existing definition.**	Expanded to capture wide range of individuals, organisations and institutions that have the knowledge and expertise to understand and respond to the needs of their communities.	**No change.**

1.2 We prioritise the needs, voice, rights, and inclusion of those who are in vulnerable positions or experiencing marginalisation and exclusion.

Compliance Indicators	To demonstrate compliance, members will have the following Verifiers, commensurate with their size and the nature of their work:
1.2.1 Members demonstrate an organisational commitment to the inclusion and representation of those who are in vulnerable positions and those who are affected by the intersecting drivers of marginalisation and exclusion.	Policy, statement or guidance document that commits the member to the inclusion and representation of those who are in vulnerable positions or experiencing marginalisation or exclusion – temporarily or ongoing.

2.1 We seek to reduce power imbalances and invest in locally-led development and humanitarian initiatives.

Compliance Indicators	To demonstrate compliance, members will have the following Verifiers, commensurate with their size and the nature of their work:
2.1.1 Members demonstrate an organisational commitment to locally-led action.	Policy, statement or guidance document that commits the member to locally-led action. Evidence of naming and addressing power imbalances in organisational relationships relevant to the member's development and humanitarian initiatives.

| 2.1.2 Members contribute to locally-led action in their development and humanitarian initiatives. | Evidence of ~~local~~ the voices and decision-making of local actors is consistently captured in:
• Design or planning framework, tools, templates or approaches.
• Monitoring and evaluation framework, tools, templates or approaches
• The allocation of resources (time, funds and people) throughout the project cycle
• The design and evaluation of feedback and complaints mechanisms |

6.1 We are truthful in our communications.	
Compliance Indicators	**To demonstrate compliance, members will have the following Verifiers, commensurate with their size and the nature of their work:**
6.1.1 Members' public materials accurately describe the organisation and its work.	Public materials ~~which~~: • Are obtained and used according to ethical principles. • Are consistent with their stated purpose and values. • Accurately describe the nature and scope of their work. • Acknowledge the role of partners. • Are consistent with ACFID's Fundraising Charter (8.1.2) where the public materials relate to fundraising. • Reflect the perspectives of primary stakeholders.

Locally-led action: Locally-led development and humanitarian action recognises, respects and strengthens the leadership and decision-making of local actors who are best placed to understand and respond to the needs of their communities. By its nature, this will look different in each country context, and even within countries or programs. Successful locally-led action recognises how power imbalances influence development and humanitarian initiatives, and can be facilitated by ~~relies on~~ strong and equal partnership, quality direct funding, transparency and mutual accountability, and diversity and empowerment in staffing and leadership. (draft ACFID Locally-led Action Framework)

Local actors: Describes a wide range of individuals, organisations and institutions, who have the knowledge and expertise to understand and respond to the needs of their communities. This can include local and national governments, local and national NGOs, civil society organisations, community-led organisations and communities. ~~In-country NGOs, CSOs, Disabled Persons Organisations and other entities involved in the implementation of development and humanitarian initiatives.~~

Recommendation 7: Anti-racism, racial justice and diversity

Section of the Quality Assurance Framework	Summary of the revision	Rationale	Change to Code reporting
Indicator 1.1.2	**Update to proposed change.** Commitment to *pursuing* racial justice.	Feedback – previous wording suggested a static commitment, and didn't recognise that it should be an on-going and long-term process to pursue racial justice.	**Possible change.** Members may need to consider how their organisation is demonstrating a commitment to the pursuit of racial justice.
Definition – racial justice	**Update to proposed change.** Racial justice definition updated to reference the elimination of racial hierarchies.	Feedback – achievement of racial justice should involve the elimination of the racial hierarchies that have historically worked, and continue to work, to deny justice to people of colour.	**No change.**

1.1.2 Members demonstrate an organisational commitment to the pursuit of racial justice.	Policy, statement or guidance document which commits members to the pursuit of racial justice.

Racial Justice: The systematic fair treatment of people of all races, resulting in equitable opportunities and outcomes for all. It is not just the absence of discrimination and inequities, but also the presence of deliberate systems and supports to achieve and sustain racial equity through proactive and preventative measures. The pursuit of racial justice seeks to remove the racial hierarchies that have historically worked, and continue to work, to deny justice to people of colour.

Other changes: Misconduct Disclosure Scheme

Section of the Quality Assurance Framework	Summary of the revision	Rationale	Change to Code reporting
Indicator 1.3.3	**Update to proposed change.** Scope of the new Indicator narrowed to organisations that "deploy personnel for humanitarian initiatives".	Feedback – a range of feedback was received. A majority of members impacted by this change suggested that the scope should be narrowed to only include members that deploy personnel for humanitarian initiatives. It will remain a Good Practice Indicator for all other members.	**Change for relevant members.** Members that deploy personnel for humanitarian initiatives will be required to join the MDS.

1.3.3 Members that deploy personnel for~~support or undertake~~ humanitarian initiatives participate in the Misconduct Disclosure Scheme. *This indicator and verifier are relevant to members who are engaged in the deployment of personnel for ~~support or undertake~~ humanitarian initiatives.*	Evidence of participation in the Misconduct Disclosure Scheme.