

ACT Alliance Membership Application Information

I. Process

Applications for membership to the ACT Alliance can be submitted to the ACT Secretariat at any time electronically by email to Ms Penny Blachut at penny.blachut@actalliance.org.

All applications will be reviewed by the ACT Alliance Membership and Nominations Committee (MNC), which will evaluate whether the applicant fulfils the membership criteria and will make a recommendation to the Governing Board as to whether the applicant should be accepted into membership (the Governing Board meets twice a year, usually in May/June and Nov/Dec). Upon approval of the membership application by the ACT Governing Board, the organization must sign the Membership/Observer Agreement in order to become a full ACT member. The Membership/Observer Agreement represents the expressed commitment of the organization and of the ACT Alliance to work collaboratively in advancing the mission of the Alliance; it is a shared member commitment to effective partnerships and to seek ways to broaden and deepen trust within the Alliance. The Membership/Observer Agreement is therefore mandatory and must be signed by the management of each ACT Alliance member/observer organization.

A membership application submitted to the Secretariat must include (in English):

1. A completed application form (with scanned signatures)¹.
2. A recent annual report².
3. The two most recent external audited statements of accounts, following Internationally Accepted Standards of Accounting, available.
4. A description (of no more than 4 pages) of two programmes undertaken in the last two years (or financially supported), including the objectives of the programme, activities, outcomes, what lessons the organisation learned from this programme, and how these lessons have influenced its ongoing work. (If the applicant is engaged in humanitarian assistance and wishes to apply for ACT Humanitarian funds, one case study must describe one such response).
5. An extract from the Minutes of the governance meeting where it was decided to apply for ACT Alliance membership (this must include the date and location of the meeting, and the names and signatures of the officers that validated the Minutes (if in another language, please provide a translation into English)).
6. The Statutes/Constitution of the applicant church/organization.

Once ALL the above documents are received by the Secretariat, the Secretariat will seek a written endorsement from the relevant ACT national, sub-regional, regional or global forum where the applicant's headquarters are located. (NB: where there is no forum, two ACT members in the applicant's country or region will be asked to endorse the applicant.) Without an endorsement the application will not be received by the MNC. (Applicants applying for Observer status do not need an endorsement).

¹ PDFs are preferred (the application form can also be sent in Word together with JPEG images of the pages containing signatures).

² For an example of what is meant, see ACT's Annual Report; <https://actalliance.org/act-news/see-the-act-alliance-annual-report-2021/>

Prior to completing a membership application form, please read carefully the sections below on Criteria for Membership, Membership Obligations and Member Funding of the ACT Alliance Secretariat, as well as ACT's standards and policies which are mandatory for all ACT Alliance members and which can be found under:

<https://actalliance.org/documents/act-alliance-founding-documents/> and
<https://actalliance.org/about/standards-and-policies/>

II. Criteria for Membership

There are two categories of Membership:

- A. Voting Members
- B. Observer Members

Note for Guidance

1. Where a church has its own department or specialised ministry for humanitarian assistance and/or development and/or advocacy, it is preferred that the department or ministry will represent the Church in the ACT Alliance.
2. If an organisation meets the criteria for Voting Member, it cannot apply for Observer Members status; it must apply for Voting Member status.

Criteria for admission as Voting Member

1. The Church or church-related organization seeking to become a Voting Member must meet at least one of the points (a to g) listed below in order to be eligible:
 - a. Be a member church of the World Council of Churches (WCC) or of the Lutheran World Federation (LWF), or
 - b. Be a specialised ministry for humanitarian assistance and/or development of an ACT member church, if it is constituted as a separate legal entity, or
 - c. Be an organisation affiliated with at least one member church of the WCC through governance ("through governance" is understood as having one or more WCC member churches on their governing body, i.e. a person delegated by that member church as their representative and not an individual member of a church who is serving in a personal capacity), or
 - d. Be an international or national mission organisation belonging to a member church or churches of the WCC and/or LWF who is engaged in development, advocacy and/or humanitarian assistance and who does not use these programmes to further a particular religious or political partisan standpoint, or
 - e. Be an organisation which was previously part of a member organisation but has become independent (such applications must come with the endorsement of the member organisation), or
 - f. Be a church or an ecumenical organisation that has had a long historical programmatic working relationship with the WCC or is a regional ecumenical organisation (referring to the All Africa Conference of Churches, the Christian Conference of Asia, Consejo Latinoamericano de Iglesias, the Conference of European Churches, the Conference of Caribbean Churches, the Middle East Council of Churches and the Pacific Conference of Churches) or

- g. Be an ecumenical organisation from a country where there are no member churches of either the WCC and/or LWF.
- 2. The church or church-related organisation must have a track record of substantial involvement in the area of humanitarian assistance and/or development or advocacy.
- 3. The church or church-related organisation must have a commitment to high quality development advocacy and/or humanitarian assistance activities.
- 4. The church or church-related organisation should be either a national, regional or international organisation.

Criteria for admission as Observer Member

The following types of organizations may apply for observer status within the ACT Alliance:

- 1. Regional ecumenical organizations and national council of churches which do not have their own development, advocacy or humanitarian assistance programmes (who therefore do not qualify to be voting members), but who wish to work closely with the Alliance.
- 2. Global ecumenical bodies who wish to work closely with the Alliance.

Observers Members will be regularly updated on ACT’s work and will be able to participate in the appropriate ACT Alliance national, sub-regional, regional or global forums as observers. They will pay an annual observer fee to the Secretariat. They may not participate in the governance of the ACT Alliance and cannot co-brand their organizations with ACT Alliance’s name or use its logo.

III. Membership Obligations

Voting Member Obligations

The ACT Alliance Statutes stipulate that Voting Members of the ACT Alliance must commit themselves to:

- 1. Adhere to the vision, mission and commitments of the ACT Alliance, as summarised in the Founding Document, dated February 27, 2009.
- 2. Adhere to and comply with all mandatory policies of the ACT Alliance which have been or shall be adopted by the Governing Board.
- 3. Adhere to the Code of Good Practice of the ACT Alliance (including the Code of Conduct for the Prevention of Sexual Exploitation and Abuse and other codes which may be adopted by the Governing Board in the future) as well as The Code of Conduct of the International Red Cross and Red Crescent Movement and NGOs in Disaster Relief, and for organisations involved in humanitarian assistance, also the Humanitarian Charter and Minimum Standards in Disaster Response (Sphere Standards).
- 4. Co-brand with the name ACT Alliance according to the co-branding policy which has been or shall be adopted by the Governing Board.
- 5. Actively participate in National and Regional Forums where they exist and work with, share resources with and strengthen other ACT Alliance Members.

6. Pay the Forum Fee and the Income Based Fee (IBF), as the case may be, and comply with any other financial obligation as set by the By-Laws which will be adopted by the Governing Board and/or contribute to the ACT Alliance according to their means and potential.
7. Agree to submit annual audited financial and narrative reports on request.
8. Meet the ACT Alliance criteria as set by the Governing Board for accessing appeal funds for humanitarian assistance and related activities.

Observer Member Obligations

The ACT Alliance Statutes stipulate that an Observer Member must commit themselves to:

1. Adhere to the vision, mission and commitments of the ACT Alliance, as summarised in the Founding Document.
2. Adhere to the Code of Good Practice for the ACT Alliance (including the ACT Code of Conduct and other codes applicable to all observers which may be adopted by the Governing Board in the future).
3. Pay an annual observer fee as determined by the Governing Board.

For ACT Alliance Statutes see: <https://actalliance.org/documents/revised-statutes-of-act-alliance/>

IV. Member Funding of the ACT Alliance Secretariat

ACT Alliance is one of the world's largest coalition of churches and church-related organizations engaged in humanitarian, development and advocacy work. It consists of 145 members working together in over 120 countries, with headquarters in 73 countries, whose aim is to create a positive and sustainable change in the lives of poor and marginalised people regardless of their religion, politics, gender, sexual orientation, race or nationality in keeping with the highest international codes and standards. For the Alliance to reach its potential of working together, it is important that the Secretariat is well resourced and has an adequate and stable income.

As per the membership agreement, members will pay annual fees to ACT Alliance as determined by the ACT Governing Board. ACT governance has agreed that the following elements will comprise the funding base for the ACT Secretariat:

- A **Forum Fee** paid directly to each national and/or regional forum where the member organization is present and active. Where there is no active forum, the fee is invoiced by and paid to the Secretariat.
- An **Income Based Fee (IBF)** is paid by all organizations whose annual income is over USD 5 million. The income related fee (see definition below) is set by the Governing Board.
- **Secretariat Monitoring and Coordination Costs (SMC)** is a direct charge implemented as of 2022, levied on each appeal and RRF donation and allocated to a special budget to cover the costs of the Humanitarian Mechanism. The % of the SMC is decided each year depending on projected income and the Secretariat's humanitarian team budget. In 2023, 3% will be charged. For Appeals started prior to 2022, ICF is paid as a 3% levy on appeal and RRF funds. The ICF goes to ACT Secretariat Core funds.
- Additional **Voluntary Contributions** and **earmarked project funds** are welcomed as support to the Secretariat's Core activities or for specific programmes in order to ensure the adequate funding of programme activities not covered by external donors.

1. Fees

Payment of the Forum Fee and Income Based Fee, where applicable, is a condition of ACT membership.

Forum Fee per year

Members: USD 1,000

Observers: USD 500

Income Based Fee per year

All organizations with a total annual income of USD 5 million or above will pay an Income Based Fee. This fee is in addition to the Forum Fee.

The member's total income averaged over the past two years is used to determine the income bracket. According to the Governing Board's decision, as of 2023, there is a 17% increase in the IBF at each income level. Income brackets are however capped at their 2022 levels to ensure that no member faces more than a 17% increase in IBF in 2023.

Income-based Fee		17% Increase*
Total Annual Income (USD)	Current IBF	Revised IBF
Over 125 million	200,000	234,000
100 – 125 million	168,750	197,500
75 – 100 million	131,250	154,000
50 – 75 million	93,750	110,000
25 – 50 million	56,250	66,000
20 – 25 million	33,750	39,500
15 – 20 million	17,500	20,500
10 – 15 million	12,500	15,000
5 – 10 million	7,500	9,000

* rounded up to closest USD500

2. Procedures for paying the fees

a) Forum Fees

The Forum Fees will be paid directly to each national and/or regional forum where the member organization is present and active. Where there is no active forum, the fee is invoiced by and paid to the Secretariat.

b) Income Based Fee

The ACT Secretariat will invoice the member organizations which to our knowledge are liable to pay IBF, as per the specified income and fee categories shown above.

In normal years, annual member survey data on the total annual income of each organization will be verified. In addition, the Secretariat will conduct random spot-checks of some member organization audit reports in

order to verify declared annual operating volume. The ACT Secretariat reserves the right to adjust IBF invoices in light of verified data from the annual member survey and/or financial audits. Each member organization is also encouraged to actively check that it is invoiced in the correct band corresponding to their total income.

The due date for payment of the Income Based Fee will be **March 31, of the current year invoiced**. Organizations which have difficulty paying by that date may agree with the Secretariat to pay by instalments over the course of the year.

Definition of Total Annual Income

All organizations are different, undertake different activities and have different ways of presenting their income. For all ecumenical organizations and specialized ministries/agencies, the Income Based Fee is based on the 'total annual income' of the organization according to their audited accounts. This includes income from 'back donors' (i.e., government and other restricted funding) but not gifts "in kind".

Churches should calculate the total income of the department(s) which deal with humanitarian assistance and development and therefore would exclude income for other matters such as the salary of clergy. In order to mitigate against fluctuations in income, an average of the previous two years will be used as a basis for calculating the Income Based Fees.

c) International Coordination Fee (see above) – only for appeals launched until end 2021

The International Coordination Fee (ICF) is a percentage of income paid to appeals that were initiated up until the end of 2021. As of 2022, the ICF is replaced by direct costs charged within each appeal (SMC) – as per the decision of the ACT Governing Board.

3. Non-Payment of Fees

If Income Based Fees and Forum Fees invoiced by the Secretariat are not paid on time, members will be sent reminder letters stating that non-payment of fees risks suspension of membership and thus exclusion of participation of life in the Alliance. The Membership and Nominations Committee (MNC) will be informed after two reminders and will make recommendations to the ACT Governing Board on suspension of members failing to comply with financial obligations to the Alliance. Non-payment of Forum Fees to forums will be reported back to the Secretariat for similar follow-up and risk of suspension.

Following ACT policies, once an ACT member has been suspended it cannot:

- Participate in ACT forums, play the role of forum convenor/chair/coordinator, and its voting rights in the forum are suspended;
- Access humanitarian funds channelled through the ACT Secretariat, including RRFs or appeals;
- Participate in ACT structures, including governance, reference groups and communities of practice, and it will also have to step down from the groups while suspended;
- Benefit from travel, accommodation or other expense subsidies paid from ACT's budget;
- Be nominated by the Secretariat or ACT members to represent ACT in external meetings, programmes, consultations, etc.

Members are encouraged to engage with the Secretariat in order to reach an agreement related to the settlement of non-payment of fees. Full membership rights for suspended members will be restored as soon as payment is made.

Exceptions

It is recognised that there may be very good reasons why members cannot pay their contributions on time. Should any member not be able to pay their Forum Fee or Income Based Fee, they should agree on a payment plan with the ACT Secretariat. Their membership will then not be suspended, and they would retain full membership rights as long as the agreed payment plan is implemented. In cases where the Secretariat needs guidance in processing exceptions, it will consult with the Membership and Nominations Committee.

20 March 2023