

**ACT Secretariat
Narrative Report**

hope
in **action** 

PUTTING
PEOPLE FIRST

2023

Table of Contents

Programme 1: Climate Justice	5
Programme 2: Gender Justice	8
Programme 3: Peace and Human Security	13
Programme 4: Migration and Displacement	14
Programme 5: Emergency Preparedness and Humanitarian Response	16
Programme 6: Communications	18
Programme 7: Alliance Development	19
Programme 8: Effective Secretariat Operations	26
Financial Report 2023	29

A. Introduction and Executive Summary

Needs around the world have increased dramatically in 2023, and existing vulnerabilities and inequalities have continued to deepen. This development has been the result of ongoing wars and violent conflicts (for example in Ukraine, Yemen, Myanmar, and too many others) together with new outbreaks of violence and wars (for example in Israel and Gaza, and in Sudan). It has also been impacted by climate change (2023 was the hottest year on record) and its effects on devastating food security situations in the Horn of Africa among others, and by natural disasters (such as the earthquake in Turkey and Syria, or the disasters in Morocco or Libya).

Global humanitarian needs are at record levels, with more than 360 million people worldwide in need of humanitarian assistance in 2023. Each year, for the past decade, humanitarian needs have been increasing and the increases are becoming steeper. Since the start of 2022, there has been a 30 percent increase in humanitarian needs. Pushbacks against human rights, gender justice, and space for civil society continue in numerous policy areas. The complacency and lack of ambition of the international community vis-à-vis the progress of climate change have led to further stalling or outright regression on achieving the SDGs. All this has impacted ACT Alliance's programmes in 2023 across its thematic and programmatic priority areas.

But there were also positive signs of "Hope in Action" in 2023, on which our collective efforts as ACT Alliance can build together: for example the breakthrough on the Loss and Damage fund in late 2022 and its further operationalisation in 2023. Or the successful joint gender justice work of the Alliance, which shows the value of collective action within our membership and beyond. And the international multilateral efforts to prepare for the major UN 'Summit of the Future: Multilateral Solutions for a Better Tomorrow' in 2024, aiming to agree to a new 'Pact for the Future'. This will hopefully set the scene for what replaces Agenda 2030, complement and accelerate progress on the Sustainable Development Goals (SDG) and shape how the world engages with the new global context and poly crises.

In 2023, ACT Alliance collectively and the Secretariat on its behalf have been able to successfully achieve and over-achieve many of our programme plans. The Alliance proved its relevance and impact in various thematic and programmatic areas and in cooperation with external partners throughout 2023. Here's a very selective list of a few highlights from the below report:

- The year brought a major challenge for ACT's gender justice programme with the announcement of exiting of our main funding partner. But this was met by a wave of solidarity and support from the Alliance and its members, not only through important financial support by ACT members, but also through commitment to the continuation of the programme by many members, alignment of activities, coordination of efforts, and collaborative work to enhance the Alliance's joint work on gender justice. This support has been heartwarming and showed how committed ACT Alliance members are to ensuring that gender justice is deeply rooted in the diverse realities of the communities we serve together.
- ACT Alliance's privileged position in the climate policy space has been demonstrated again in 2023, and ACT's footprint is visible within COP28 decisions, but also and ever more importantly at national and regional levels, where more and more ACT Forums are engaged in climate advocacy and are involved in the midst of climate policy making. Furthermore, ACT's collective work on realising human rights under a compromised 1.5° pathway is starting to come of age, and Forums are contributing to the development of regional-facing recommendations on advancing rights-based approaches to climate programming.

- The reformed ACT Humanitarian Mechanism proved its relevance and improvements further at the onset of major crises in 2023. The Core Humanitarian Standard (CHS) has been integrated into all humanitarian processes managed by the Secretariat, so that from the preparedness and alert stage onwards within the humanitarian programme cycle, there is a strong and measurable focus on quality and accountability. The pilot project on CHS self-assessment to support national/local members, and the great interest this has drawn from the ACT membership is a reason to celebrate, but not for complacency: there are still considerable areas where not the Secretariat, but the ACT membership and the Alliance at large have room for improvement in building an institutional culture of quality and accountability in their humanitarian response and programmes.
- ACT continues to be a thought-leader in several global processes on climate-induced migration and mixed migration flows and is recognised globally in this area. In 2023, the ACT Secretariat contributed to a policy brief on climate-induced human mobility and carried out joint advocacy on the issue together with external and civil society partners. Especially the ACT membership in LAC was highly mobilised on the issue of human mobility in the context of climate change and committed to engage more in this area the future.
- The ACT Secretariat invested considerable time and energy in 2023 into further procedural adjustments to improve the effectiveness, efficiency, and transparency of our work: the development of a new website, of a PMEAL guidance, of fundraising guidelines, an HR management system, and of security protocols and procedures are only a selection of examples on this.
- ACT has increased cooperation with a number of external partners, be it programmatically in joint work in global policy spaces, or through intensified discussions on operational partnerships. These would open the door for especially national ACT members and Forums for cooperation with UN agencies at country-level, hence supporting ACT's commitment to locally-led action and localisation.

All of this gives us confidence that we are on a promising path forward together as an alliance. The engagement of ACT members has again been inspiring and has shown the commitment and support of the ACT membership and the willingness to engage collectively. At the ACT Secretariat, we are grateful for and proud of this unwavering support and spirit of cooperation and “Action by Churches Together”.

Rudelmar Bueno de Faria
General Secretary

Dr Thorsten Göbel
Director of Programmes

B. Programme Summaries

Programme 1: Climate Justice

Programme goal: To protect and support communities affected by the impacts of climate change, enhance adaptation and resilience, to address climate induced economic and non-economic loss and damage, and to build capacity, advocate and mobilise for climate justice.

The following programme results describe the multi-year results that the Secretariat is working towards within the climate justice programme:

- *To enhance inclusive, ambitious and sustainable climate policy and action in accordance with the Paris Agreements and the Sustainable Development Goals by leveraging faith-led advocacy, mobilisation and best practice in adaptation and resilience programming.*
- *ACT Alliance promotes community resilience through Climate Change Adaptation, Disaster Risk Reduction, and Mitigation programmes, including through linking humanitarian relief, rehabilitation and development at community and national levels.*

For 2022, ACT Alliance prioritised:

- i) Climate justice advocacy and mobilisation.
- ii) Supporting a rights-based approach to climate-vulnerability.
- iii) Foundation-building for future-oriented consolidation of ACT Alliance climate change structures.

2023 global temperatures hit highest levels in history as the climate crisis continued to cause unprecedented impacts in different parts of the world. The crisis is deepening inequity gaps with countries and communities that have least contributed to the climate problem increasingly suffering the most. Urgently required action has continually been emphasized. Unfortunately, the pace at which countries are acting is inadequate and compromises the 1.5-degree warming guard rail. Greater efforts to act on climate, address inequities and support communities at risk are required. Global cooperation and multilateralism are increasingly recognizing the need for broader transformation of economies and societies to safeguard our planet. This recognition must now be translated to a fast-paced, just and equitable transition to low-carbon and climate-resilient economies that secures rights of communities, responds to the needs of vulnerable communities and delivers multiple sustainable development benefits. Pathways to harmonious living with nature must include enhanced adaptive capacities, ambitious emission reduction, resilience building, and a repurposed financial architecture that integrates climate justice principles. These pathways must centre national to global level climate governance regimes. With contestation on just how this transition should happen, a factor that stands to compromise attainment of 1.5 warming target and worsening climate impacts, greater joint efforts must be put in driving strategic policy advocacy and impactful people and community mobilization buttressed by a demonstration of working climate mitigation, adaptation and loss and damage solutions at scale. ACT's work in these three spheres of action has in 2023 been supported financially by ACT members: Brot für die Welt, NCA, Kerk in Actie, ACT Canada Forum members and Bill and Melinda Gates Foundation, an external partner.

Regarding **priority 1**, ACT Alliance successfully embarked on a process to review its climate justice advocacy framework position between February and May with the ambition to strengthen its advocacy positioning and messaging at a global stage. Through a consultative, participatory member-driven and secretariat-coordinated process, the new advocacy framework was delivered and considered by the reference group in

July with an accompanying article documenting and reflecting on the process released: [New Climate Justice Framework a collaborative work – ACT Alliance](#).

The Alliance engaged in targeted advocacy and mobilization efforts at national, regional and global levels influencing various climate policies and processes. In its efforts, ecumenical cooperation and outreach were embraced. In 2023, ACT was involved in multiple ecumenical partnerships at global level such as during UNFCCC climate processes, both the mid-way Bonn Intersessional technical session and COP28, and regional climate convening in MENA and Africa. The Alliance's strategic influencing targeting the UN's Subsidiary Bodies meeting in June focused on the topics of mitigation, adaptation, loss damage and human mobility in the context of climate change. ACT was propped up by close collaboration with other ecumenical partners and civil society. ACT's close cooperation with key allied governments played a central role in shaping the outcomes of the session.

Towards COP28, ACT benefitted from its close relationship with country negotiating groups – especially Africa group and the Least Developed Country group to provide technical input in their climate finance submission process. Input provided targeted the new climate finance goal and the Article 2.1 C of the Paris Agreement. Additionally, the Alliance influenced work of the loss and damage fund and funding arrangements transitional committee through close cooperation with allied governments in the committee from the Africa, LDC, SIDs and EU negotiating groups. ACT was represented in all new climate finance goal, Article 2.1 C and transitional committee's expert workshops conducted in 2023.

COP28 provided the opportunity to build on gains made in the UNFCCC June Intersessional session. ACT maintained a strong leadership role of the ecumenical cooperation and sustained close collaboration with both global north and global south governments. On the former, ACT provided both technical support and leadership through its coordination of the ecumenical delegation that comprised of 36 in person delegates, 19 female, 17 male and 25 virtual participants. ACT combined citizen mobilization, political influencing including exchanges with allied governments, and textual drafting strategies in shaping the outcomes of COP28. Citizen mobilization was conducted through the organizing of two campaign stunts and socializing of key COP28 messages using various media channels. ACT successfully convened two side events; human mobility and climate change and loss and damage - lessons from ground. This contributed to significant progress in building momentum towards an ambitious COP28 outcome. Our influencing and mobilization footprint is demonstrable in the loss and damage decision particularly, operationalizing the fund and funding arrangements, climate finance in particular adaptation finance, long term finance and the new climate finance goal decisions, global goal on adaptation, gender and the Global Stocktake outcomes.

ACT garnered 21 media mentions in newspapers, broadcast media and member media. We increased the number of blog posts by members on ACT News during COP – 13 were submitted. These detailed the impact of climate change on communities in the Global South, and featured voices and analysis of members in the Global South as well as technical experts. WhatsApp continued to be a source of exchange for those following COP from a distance, as were the nightly webinars and mid-point seminar.

This was the second MENA COP in two years. Close collaboration between the MENA Climate Justice Community of Practice (CoP) and ACT Climate Justice Communications resulted in a strong representation of MENA region delegates at COP28. In addition, the MENA Climate Justice CoP collaborated on a statement on care of creation that was released for COP28. ACT wrote about and publicized the statement on social media and ACT News. Another ACT News article featured an interview with ACT MENA staff giving context for ACT's climate justice and gender justice work in the region. The MENA region translated the Season of Creation

guide again and promoted the Season throughout the region. The advocacy section of this guide contained an orientation to the COPs and climate justice, extending knowledge of the importance of advocacy at global climate event.

Regional-level engagement also outside MENA remained a year-round priority of the climate justice programme. Building on advocacy efforts the previous year, the Alliance was strongly involved in the UNFCCC and Africa Union's Africa Climate Summit and week. ACT organized a Faith Actors' and Leaders' Engagement in Adaptation Advocacy in Africa, a consultation that culminated into the release of a call to action with key messages developed – [Final Summary messages Faith leaders and actors adaptation consultation.pdf](#). In partnership with other ecumenical organizations, Green Faith, Tearfund, All Africa Conference of Churches (AACC), a jointly organized faith leaders' press conference released critical faith demands which can be found here: [Final Africa Climate Week Faith Statement.pdf](#). In LAC, the programme contributed to LAC's migration and displacement workshop convened in September. The convening released a resolution ([ActAlliance Data - LAC Commitments 2.0.pdf - All Documents \(sharepoint.com\)](#)) that included a decision to establish a human and climate mobility community of practice.

In October, ACT in collaboration with the Middle East Council of Churches and Association of Theological Institutes in the Middle East successfully convened an Ecumenical pre-COP28 summit, termed the Ecumenical Perspectives on Climate Change Symposium in Beirut, Lebanon. The Symposium provided an opportunity to articulate the importance of creation care and climate action, releasing a set of messages for COP28 <https://actalliance.org/act-news/mecc-statement-on-creation-care-addressed-to-cop28/>. The symposium was hailed as both strategic and timely, one that elicited reflections on the role of faith actors in climate action and advocacy in the region. ACT additionally organised a convening of faith organizations in development with an interest in climate change to catalyse partnerships in climate work. The meeting facilitated insightful discussions on climate work undertaken by various organizations and established a loose coordination space (network) that will foster exchange, sharing and strategy discussions on climate-related developments in the region.

On **priority 2**, Research work on rights-based approaches to climate programming has been conducted. The three drafts are undergoing final internal Secretariat review and are due release end of March 2024. The research focused on climate work conducted by representative forums in the regions and embodied a process that included a regional level consultative selection of forums and mapping of climate change projects. The forums involved in the research are Argentina, Honduras and Peru – LAC region; Ethiopia, Malawi, Tanzania, Zimbabwe – Africa; and Bangladesh, Indonesia, Myanmar and Nepal – Asia Pacific. The research deployed a literature review approach and interrogation of select projects against human rights criteria which allowed development of regional-facing recommendations on advancing rights-based approaches to climate programming. A focus on various forums in the regions presented a unique opportunity for forums to contextualize the study objectives and approach, compare progress in rights-based approaches work, and own the rights-based approaches debate. This work was led by the Reference Group Programmes Community of Practice and coordinated by the Secretariat facilitating both regional and global level input to the research.

The ACT Secretariat embarked on a collaborative research study with FELM, FCA, LWF and Act Church of Sweden. The unique joint study on organisational understanding of loss and damage response interventions/activities, programming considerations, and institutional contexts for addressing loss and damage will underpin ACT's evidence-based influencing on the operationalization of the loss and damage

fund. The approach catalysed additional financial commitment from FELM and FCA while building on DCA's work in identifying loss and damage activities.

The award-winning good practice project went to the Ethiopian Church Forest Initiative (<https://www.kirkensnodhjelp.no/en/news/latest-news/ethiopias-church-forests-project-wins-the-2023-act-climate-resilience-award/>), a project of the Ethiopian Orthodox Church Development and Inter Church Aid Commission (EOC-DICAC). The project was awarded for its strong resilience benefits and innovate nature centred around faith institutions, and strategic partnerships.

Under **priority 3**, ACT made significant progress in conducting research analysis on strengthening structural arrangements and coordination of the climate programme, options for the design of the climate hubs in the regions, approaches to fundraising and conducting a revision of the ACT Secretariat's environmental policy. The outputs will epitomize clear options on how ACT will strengthen its climate structures in 2024 including fundraising needs and lessons that can be leveraged in pursuing funding opportunities.

Finally, the Climate Justice programme, having benefitted from fundraising efforts the previous year (2022), successfully set up the two projects, the Africa adaptation advocacy (USD 500.000) and Locally Led Climate Fund initiative (USD 200.000) <https://actalliance.org/act-news/east-africa-two-new-climate-justice-projects/>. The latter project builds on the former and aims at shoring up advocacy efforts by drawing lessons from on-ground practical interventions. Some results from the LLCF initiative already realized are: lobbying for allocation of at least 5% allocation of climate change funds for adaptation actions in Uganda, training of 90 climate justice champions in six arid counties in Kenya to support advocacy work, documentation of indigenous knowledge in Zimbabwe, and Zimbabwe rehabilitation of 5 boreholes to improve access to clean, safe and portable water to the beneficiaries and implementation of livelihood diversified activities that involved poultry raising, bee keeping and vegetable production serving as adaptation alternatives in Ethiopia.

Programme 2: Gender Justice

Programme goal: To be a leading faith-based alliance speaking out on gender justice, with a strong track record of effective programming that responds to intersecting inequalities.

The following programme results describe the multi-year results that the Secretariat is working towards within the Gender Justice programme:

- *ACT members are committed to promote changes in attitudes and structural arrangements towards a more gender just distribution of power.*
- *The programmatic work of the ACT Alliance contributes to gender just societies.*
- *ACT Alliance is a global progressive force for gender justice, contributing to the SDGs and connecting the national to the regional and global levels.*

For 2023, ACT Alliance prioritised:

- i) External Programme evaluation and Participatory Phase two planning.
- ii) Grounding Theological discussion on gender justice.
- iii) Support to forums and members with strategic gender justice projects.
- iv) Gender justice advocacy at national/forum, regional and international level.

In 2023, the ACT Gender Programme continued to work along four outcomes:

1. Mobilising members' commitment to promote changes in attitudes towards a more gender-just distribution of power;
2. Supporting forums in implementing programmatic work that contributes to gender-just societies;
3. Using its unique position and networks to act as a global progressive force for gender justice;
4. Enhancing programme quality in ACT Alliance to advance gender justice.

2023 was a year that continued to see growing anti-rights movements and backlashes, with fundamentalist, conservative and antidemocratic groups and governments continuing to use religion, culture, and tradition to counter the promotion of human rights and gender equality. In this controversial context, the Gender Justice Programme is facilitating an approach rooted in the life and dynamics of forums and members and regional CoPs. This collective work is challenging patriarchal structures of power and creating an enabling environment for relevant gender justice interventions at multiple levels: international, societal, community, and individual. Countering the backlash against women's rights, including SRHR, is a priority of ACT Alliance. We seek to create a new narrative that positions faith-based actors and communities at the centre of a transformative faith perspective.

In 2023, the ACT Alliance Gender Justice programme significantly advanced its commitment in advocating for gender justice, underpinned by its objective to serve as a leading faith-based alliance in this critical area. Throughout the year, the programme fortified its partnerships for advocacy, engaging with key organizations such as WCC, LWF, WCRC, Faith to Action, Side by Side, and GIN-SSOGIE. This collaboration was particularly evident in our concerted advocacy efforts within UN spaces and forum levels, highlighted by our participation in CSW67 through joint side events and workshops, and our pivotal role in co-leading the Inter-Religious Convention in South Africa. This event alone brought together over 170 faith actors from across the globe, emphasizing human rights and gender justice within faith communities.

Strategically, the alliance capitalized on workshops and global advocacy platforms to strengthen faith-based partnerships. Notably, the co-hosting of a Side Event at the Human Rights Council and strategic workshops with UNFPA and Islamic Relief in Istanbul underscored our proactive stance in fostering dialogues and actions on gender justice.

2023 also marked a significant year for programme development and evaluation. With Swedish International Development Cooperation Agency (Sida)'s transition, ACT Alliance embarked on developing a new phase for the programme, focusing on diversifying its funding base and incorporating insights from comprehensive evaluations. A pivotal moment was the Bangkok workshop, which brought together members from all regions to reflect on past achievements and challenges, setting a collaborative path forward.

The implementation of roadmaps across Africa, Asia, LAC and MENA regions was a testament to the alliance's commitment to embedding gender justice deeply within member organizations. These efforts were complemented by strategic meetings, capacity-building workshops, and the integration of theological research to support policy development and advocacy efforts. Moreover, the alliance's commitment to enhancing its gender policy and programme integration saw significant strides. In 2023, the Gender Justice programme collaborated with the Safeguarding Community of Practice to ensure a gender transformative Safeguarding Policy, Guidance and Training. Alongside workshops and training sessions, it exemplified a holistic approach to integrating gender justice across all areas of work.

As the ACT Alliance Gender Justice programme looks forward to the next phase, it remains steadfast in its mission to deepen its impact through strategic advocacy, robust partnerships, and programmatic excellence. Building on the solid foundation laid from its beginning to 2023, the programme is well-positioned to advance its vision for a world where gender justice is a realized and cherished value for all. A new communication strategy is accompanying this process with a stronger presence on voicing out systematically, producing a LinkedIn Page, named Faith in Gender Justice.

On **outcome 1**, to mobilise members' commitment to promote changes in attitudes towards a more gender just distribution of power, and to support a contextualization of gender policies and institutional mechanisms to mainstream gender justice, the ACT Secretariat supported deepening our theological work for gender justice. The year was distinguished by significant collaborative efforts, such as the convening of the Gender Justice Reference Group, which facilitated a global dialogue on gender justice through regular virtual and in-person meetings in Berlin and Bangkok. This global platform exemplified ACT's commitment to fostering inclusive discussions on gender justice, marking a strategic move towards a unified approach to gender equality.

The development of briefing papers on SRHR and GBV, co-authored with members, showcases the programme's collaborative spirit, leveraging collective expertise to tackle pressing issues affecting gender justice. The anticipation of forthcoming papers on Climate and Transformative Masculinities promises to enrich the discourse on gender justice with fresh insights and perspectives, reflecting the programme's ongoing commitment to addressing the multifaceted nature of gender inequality.

Regional roadmaps across Africa, Asia-Pacific, Latin America and the Caribbean (LAC), and the Middle East and North Africa (MENA) regions further illustrated the GJP's localized approach to gender justice. Initiatives ranged from in-person workshops focusing on gender and security in South Africa, cross-regional Conversatorios on women in leadership, to the development of the "Argumentario" in LAC, which provided a theological and advocacy basis for addressing GBV, SRHR, and economic justice. The 16 Days of Activism campaigns in various regions demonstrated innovative and impactful approaches to raising awareness and advocating for gender justice, with activities such as the red bench initiative and the red scarf campaign at COP28 amplifying the call for gender equality.

The year 2023 stood out as a transformative period for the GJP, marked by the development of closer partnerships, especially with global members mobilized in the International CoP and robust regional initiatives that collectively enhanced the programme's reach and impact. The year brought a major challenge, with the announcement of the exiting of our main funding partner. But this was met by a wave of solidarity and support from the Alliance and its members, not only through important financial support by ACT members Act Church of Sweden, ELCA, and NCA to build a bridging year budget (2024), but also to commitment with the continuation of the programme, alignment of activities, coordination of efforts, collaborative work to enhance the Alliance's collective work on gender justice. These accomplishments have laid a solid foundation for the next phase of the GJP, ensuring that ACT Alliance's efforts in promoting gender justice are deeply rooted in the diverse realities of the communities it serves while steadfastly advancing towards a more gender-just world.

In 2023, under **outcome 2**, the ACT Secretariat further enhanced its accompaniment and support for ACT Forums, entering in dialogue and building collaborative programmatic work with them towards creating gender-just societies. This year's focus remained on pivotal areas such as gender-based violence (GBV),

sexual and reproductive health and rights (SRHR), economic justice, family law, and transformative masculinities. Recognizing the evolving dynamics of member relationships, the programme continued to refine its resourcing methodology to bolster its identity as a collaborative alliance rather than merely a funding entity. This approach facilitated deeper ownership and engagement, as well as shared learning across forums, underscoring a commitment to sustainability and high-quality programming.

Regionally, accompaniment in Africa, Asia-Pacific and Latin America and the Caribbean (LAC), emphasized the comprehensive scope of the Alliance's work. In Africa, significant disbursements supported initiatives in Ethiopia, Sierra Leone, Tanzania, Uganda, and Zimbabwe, focusing on areas such as transformative masculinities, GBV and SRHR. The Asia-Pacific region saw continued efforts in gender policy accompaniment and shared learnings, particularly from the Solomon Islands' gender audit. LAC's involvement in Peru and Brazil further showcased joint efforts in addressing backlashes and countering fundamentalism. MENA's preparation for a regional roundtable on family law, although postponed, highlighted the commitment to continue addressing systemic gender injustices in a predominantly interfaith context.

The programme played a crucial role in elevating learnings from projects, facilitating regional workshops, and revising humanitarian and gender tools for gender-responsive programming. This global oversight ensured that insights from various forums were integrated into broader strategic planning and implementation, reinforcing a decolonized and decentralized approach to gender justice programming.

The emphasis on monitoring projects from 2020-2023, combined with the organization of virtual learning spaces on transformative masculinities and migration and displacement, showcased the commitment to continuous improvement and adaptation of strategies based on learnings and evaluations.

In 2023, the ACT Alliance Gender Justice Programme successfully navigated challenges and leveraged opportunities to advance gender justice across its membership. Like the recruitment of a Gender and Security Consultant and the development of gender training at both regional and global levels that highlighted a proactive stance towards addressing emerging threats and ensuring a safe, inclusive space for advocacy and action.

On **outcome 3**, the programme continued to enhance the capacity, convening power and credibility of ACT Alliance to be a transformative force for gender justice, and to counter backlashes on gender equality. The Gender Justice programme enabled strategic participation by members to influence policy forums, notably, the UN Commission on the Status of Women (25+ members participated in person), the UN Commission on Population and Development (6+ members). In April 2023 the programme co-hosted a side event with Argentina, Norway and UNFPA on [Rights, Religion and Reproductive Justice](#) which included UNFPA Executive Director, Natalia Kanem. While the prophetic voice of ACT Alliance was amplified, there was also an increasing concern for the safety and security of our members, who are speaking out for gender justice, which is now a cross-cutting area of our work.

The programme continues to invest in strategic partnerships and collaborations. In 2023, this included joining the Global Campaign for Equality in Family Law, and starting to plan joint activities, including an upcoming roundtable in the MENA region. ACT Alliance played a leading role in the convening of the Inter-Religious Convention, hosted by ACT Ubumbano in South Africa. This collaboration demonstrated the ability of the programme to lead multi-faith dialogues and constructively push the boundaries, including sharing methodologies to advance sexual and reproductive health and rights (SRHR) and reproductive justice.

Our public campaign “The Road 2 Equality” continues to be used and positioned among our membership and partners as a key visibility element, providing continuity. The innovative messaging and products have been recognised both internally and externally, by members, advocates, and partners and continue to be used. During CSW 67 the gender justice communications developed an [innovative campaign](#) to highlight the importance of digital technologies in achieving gender equity and equality. On March 8, to mark the International Women’s Day, the gender justice programme produced a video to highlight the voices of advocates working on gender justice within ACT Alliance to promote the idea that much more needs to be done at the intergovernmental level to create safe spaces for women and girls everywhere. The communication material shed light on the abuse that women and girls face in digital spaces daily and the risks for faith-based advocates when they engage to promote key issues related to SRHR and human rights on social media. For the meeting that the gender programme organised in Thailand, a videographer was hired to record interviews of key gender justice advocates participating in the gathering to report back to donors and show the key work done by the programme. The interviews and a [showreel of the videos](#) will be used in 2024 to promote our work and at CSW68. During CPD the communications team supported the advocacy team and delegations by producing graphic materials for side events and social media. The communications team also developed the graphic and key elements of the final report presented to Sida. During the [16 days of activism against GBV](#) the comms team produced a strategy, key messages and materials to mark the occasion and maintained relationship with UN women to align objectives.

On **outcome 4**, in 2023, the ACT Alliance GJP significantly advanced gender mainstreaming and quality programming across the Alliance, especially in the area of gender and humanitarian efforts. Building on the foundations laid in 2022, the programme enhanced its methodologies through the revision of templates, fostering cross-programmatic learnings, shared analysis, and targeted capacity strengthening. This holistic approach ensured a deeper integration of gender perspectives into other areas of ACT Alliance’s work, reflecting a commitment to gender justice across all levels of operation.

The programme’s influence extended into specific areas of ACT’s work, showcasing innovative approaches to gender mainstreaming in various thematic programmes. In the realm of migration, the LAC Migration meeting in Colombia served as a platform for integrating gender considerations into migration discussions and responses, inclusive of gender mainstreaming in the Documento Politico produced in 2023. Climate action, a critical area of ACT’s work, saw significant advancements through participation in COP28, the development of a briefing paper, and engagement in the Wilton Park Roundtable, all of which underscored the importance of gender-responsive climate solutions. Furthermore, the training on Gender in Peace and Human Security for programme managers highlighted the crucial role of gender perspectives in enhancing peacebuilding and security efforts.

All ACT Secretariat staff received a comprehensive gender mainstreaming training at the global staff meeting, which exemplified the commitment to raising awareness and competence on gender issues among ACT personnel. This initiative was complemented by the integration of gender mainstreaming principles into the Safeguarding Policy, reinforcing the Alliance’s dedication to creating safe and inclusive environments for all.

Through these strategic interventions, the Gender Justice programme has not only improved the gender mainstreaming and quality of programming within the ACT Alliance but has also set a precedent for integrating gender justice as a fundamental aspect of humanitarian and development work. This comprehensive approach ensures that gender considerations are at the forefront of ACT Alliance’s efforts, contributing to more equitable, effective, and sustainable outcomes for communities worldwide.

Programme 3: Peace and Human Security

Programme goals: To address the root causes of conflict, prevent violence, contribute to peace processes, and to promote human security and sustained peace and justice. To increase ACT's capacity and active engagement in local, regional, and international peacebuilding/human security.

The following programme results describe the multi-year results that the Secretariat is working towards within the Peace and Human Security programme:

- *ACT Secretariat has increased knowledge about the work, needs and resources of ACT members/forums in the field of peacebuilding/human security and increased capacity to provide support in this theme.*
- *ACT members/forums on the ground have strengthened capacities for engagement on peace and human security, including the active participation of women and youth.*
- *Enhanced collaboration with WCC and other ecumenical and inter-faith partners.*
- *ACT has strengthened international engagement and influence on peace and human security processes.*

For 2023, ACT Alliance planned to prioritise:

- i) Reviewing, updating and finalizing the sub-strategy.
- ii) Strengthening the work of the Africa CoP and collaboration with the Reference Group and Ecumenical support to the peace work in Colombia.
- iii) Exploring nexus programming opportunities with other programmes namely: Emergency Preparedness and Humanitarian Response (EHR), Gender and Climate Justice.

Due to limited funding of the programme, most of the initiatives were facilitated by the P&HS Reference Group in collaboration with the Secretariat staff. The Reference Group led the process of reviewing and finalizing the sub-strategy and the work plan for 2023/2024. Efforts were made to create space for the P&HS Africa CoP for purposes of experience sharing and peer learning as well as ecumenical accompaniment to the Colombia peace processes. Finally, quite a good number of meetings embarked on the exploration of nexus programming between P&HS, EHR, Gender Justice and Climate Justice with deeper discussions during the joint Reference Groups meeting in Berlin, Germany, at the Secretariat level but also between reference groups. In terms of ecumenical collaboration, ACT collaborated regularly with WCC staff through their involvement in the P&HS Reference Group.

Regionally, ACT furthered its efforts in Africa both through addition of Rev. Dr Ephraim Yakubu from Christian Council of Nigeria as a new member of the P&HS Reference Group, and through coordinating a meeting for the P&HS Africa CoP, where forums/members shared what they were doing and explored linkages with other forums. It was a space for experience sharing and peer-learning.

This meeting revealed a lot of P&HS initiatives going on at the forum level in Africa as narrated, including developing approaches for community safety, use of peace clubs and looking at the impact of conflicts and psychosocial support in Cameroon. In Ethiopia, the national CoP on P&HS was formed under the consortia approach, collaboration with the government, focus on the Tigray situation and the role of peace ambassadors in managing community conflicts. In Nigeria, the forum expressed willingness to strengthen the work on P&HS and formation of a national CoP. ACT members in the country have formed peace mediators

in the conflicted communities and commemorated the International Peace Day. In South Sudan, ACT members are engaged in community dialogues through interchurch committees and also organized a youth conference/forum focusing on the role of youth in peacebuilding. In Zimbabwe, the Forum formed a CoP on Justice, Peace and Reconciliation, engaged in dialogue sessions with paramilitary groups, community-peacebuilding through creation of community peace structures that involve religious leaders, government officials, and community leaders, and also undertook active peace monitoring especially during elections, created safe spaces for women as well as young people to speak up. Finally, the Forum links up with other peace actors to strengthen their engagements. This was followed by a meeting between the P&HS Africa CoP and the Reference Group aimed at learning what each group is doing and exploring mutual support with the aim of strengthening the P&HS work of ACT Alliance in Africa.

The second regional strand of ACT's P&HS engagement in 2023 was the ACT Colombia Forum's engagement in the national peace process. Considering the post violent conflicts context of Colombia marred with social and political tensions as well as human rights violations, the ACT Colombia Forum led by LWF embarked on a project for dialogue and advocacy to contribute to peace and human rights protection for the people in Colombia. The Forum undertook the following activities: exchange of ecumenical experiences in peace building with WCC and other faith-based actors; ecumenical mission to Choco; dialogue sessions with relevant duty bearers, and human rights advocacy initiatives at international, national and local levels, including hosting a delegation of human rights defenders to the UN in NY.

The ecumenical experience exchanges created space to learn, deepen and reflect on the challenges of peace work in four areas of Colombia, greatly affected by the armed conflict and that, in the company and mobilization of faith-based organizations, have been able to advance peace-building proposals. The joint mission to Choco created a space to listen to the risks and security and protection situation of the communities affected by the repeated displacements and paid attention to the requests and proposals for the construction of peace in the territory, which the communities urgently demand. The mission further animated an ecumenical celebration that integrated the spiritualities of the territory and sought to be a space for healing and reconciliation.

Programme 4: Migration and Displacement

Programme goal: To promote and realise the rights of people on the move.

The following programme results describe the multi-year results that the ACT Secretariat is working towards within the Migration and Displacement programme:

- *ACT members and ecumenical partners are supported in their ability to accompany and amplify the voices of migrants and displaced people and improve their access to rights and protection.*
- *Global policy mechanisms and frameworks incorporate ACT's recommendations for strengthening rights and protection of migrants and displaced people.*

For 2023, the ACT Alliance Secretariat (with dedicated financial support from ACT members, UMCOR, Kerk in Actie, and Brot für die Welt) prioritised:

- i) Capacity building on both technical capacity for assisting people on the move, and specific advocacy capacity to improve rights-based policies on migration and displacement.
- ii) Global advocacy coordination on migration and displacement, in the context of the GCR and GCM.

- iii) Integration of migration and displacement into ACT's other thematic priorities, especially on climate justice.

On **priority 1**, the ACT Secretariat launched its regional consultation process on programme priorities by organizing a first-ever regional workshop on migration and displacement in LAC, which took place in Bogota in February, with the participation of 32 organizations from LAC, Europe, and North America. Participants agreed on a series of eight regional joint commitments, four relating to advocacy and four relating to humanitarian response. The meeting also initiated a drafting process for a joint statement on migration in the region.

Additional capacity building activities were implemented relating to research and advocacy on human mobility in the context of climate change and are detailed under priority 3 below.

Regarding **priority 2** on global advocacy coordination on the implementation of the Global Compact for Safe, Orderly and Regular Migration (GCM), the programme continued its participation in the UN Network on Migration (UNNM) and its working groups (including on regular pathways and on climate change) and participated in preparations for the second round of regional reviews for the GCM to take place in 2024-25. This included continued ACT Alliance co-leadership of the UNNM workstream on regular pathways, which reviewed applications and accepted additional members in June, and reviewed proposals for national-level implementation of its guidance note and selected two proposals from Brazil and Mexico; as well as participated in the first virtual stakeholder consultations and regional briefings on the process for the 2024-25 Regional Migration Review Forums (RMRFs) of the GCM.

The programme also engaged with members and UNHCR in preparation for the second Global Refugee Forum (GRF), which took place in Geneva in December. While ACT has not yet joined any new pledges for this round of the GRF (pending an internal assessment of the Alliance's capacities to deliver on relevant pledges), we closely followed the discussions on climate action, on synergies in addressing refugee and migration issues, and on localisation. On the latter, ACT was represented as a panellist at a high-level event on the multistakeholder-pledge on localisation, sharing recent ACT EU guidance as well as members' experiences in this area.

On the issue of climate change and human mobility (**priority 3**), ACT and Bread for the World published a joint policy brief on [human mobility and the climate crisis in international frameworks](#) in March. Following a launch event, the study later also anchored discussions with policymakers and stakeholders at the Bonn Intersessionals in June, as well as at the UN climate action week in New York in September. Furthermore, a follow-up workshop to the regional workshop on migration and displacement in LAC (mentioned above) for Central America in September focused especially on the issue of human mobility in the context of climate change.

In addition, regional consultations on climate change and human mobility were organised in Africa, LAC, South & Southeast Asia (online), the Pacific, and Georgia, most of them including and led by ACT members. These were conceived and carried out in cooperation with the Climate, Migration and Displacement Platform (CMDP), of which ACT is a founding member, and with funding support from Friedrich-Ebert Foundation (FES), and followed up with the visit of a delegation drawn from consultation participants from all regions to Bonn and Geneva, where they attended the UNFCCC Intersessionals, as well as sessions of the Human Rights

Council, and met with stakeholders (including the UN Special Rapporteur on the promotion and protection of human rights in the context of climate change) to share the outcomes of their deliberations.

Later in the year, the outcomes of these activities were used by CMDP members, including ACT, to prepare for and advocate on these issues at COP28. ACT and its partners were represented on several panels in Dubai addressing issues of human mobility and climate change, while also contributing to rights-based language being included in several of the negotiated texts.

Programme 5: Emergency Preparedness and Humanitarian Response

Programme goal: To enable an effective ecumenical response that saves lives and maintains dignity, strengthens the resilience of affected communities and accountability to people and communities affected by crisis.

The following programme results describe the multi-year results that the Secretariat is working towards within the Emergency Preparedness and Humanitarian Response programme:

- *Stronger participation of affected communities, local and national organisations and faith actors in preparedness and humanitarian response; and greater investment in preparedness, disaster risk reduction and resilience.*
- *A reputation for delivering high quality humanitarian response programming according to best practice standards, and accompanied by a robust capacity building mechanism especially for ACT national members and local partners.*
- *Strengthened ACT Alliance brand in humanitarian coordination at all levels to realise and leverage the benefits of working together.*
- *Humanitarian advocacy at all levels informed by the advocacy agenda of ACT national forums and the voice of communities affected by crises.*

In 2023, humanitarian needs rose to unprecedented levels, as some 363 million people required humanitarian assistance globally. The well-established patterns of conflict and climate change as drivers of mass displacement continued, with the world's most vulnerable experiencing acute levels of hunger and suffering. Whilst humanitarian needs continued to grow, funding within the humanitarian system did not keep pace as the funding shortfall across humanitarian appeals globally was 62%¹ by year end. With famine-like conditions in parts of the Horn of Africa and other contexts, food insecurity has driven increasing numbers of people to adopt destructive coping mechanisms. ACT Alliance members have responded and continue to respond to the humanitarian needs of affected populations in some of the world's most severe humanitarian crises.

For 2023, ACT Alliance prioritised:

- i) Supporting members and forums on delivering on programme quality and accountability commitments in Appeals and RRFs including integration of CHS in all Secretariat-led processes.
- ii) Working with members and forums to develop strong collaborative EPRPs that prioritise locally-led response.
- iii) Developing forum-led humanitarian advocacy initiatives with a priority focus on localization.

¹ UN OCHA Dec 2023 GHO update

Through a number of joint meetings in Prague (EPHR Reference Group, Humanitarian Directors meeting, ACT Europe Forum meeting, ACT Ukraine response strategy day), ACT members took advantage of the presence of a number of actors from across the Alliance to discuss central strategic elements in the application of ACT's humanitarian policy, and in the response on Ukraine. Several members developed an initiative to provide solidarity contributions to the ACT Secretariat to ease the running of the Humanitarian Mechanism, which was greatly appreciated.

On **priority 1**, in 2023 ACT Secretariat staff were involved extensively in supporting quality assurance across RRFs and Appeals. Building on the revision of humanitarian templates, Secretariat staff provided technical support for members across all regions. The Core Humanitarian Standard (CHS) has been integrated into all humanitarian processes managed by the Secretariat, so that from the preparedness and alert stage onwards within the humanitarian programme cycle, there is a strong and measurable focus on quality and accountability. Working in close cooperation with ACT's Quality & Accountability Advisor, staff organised capacity strengthening workshops across regions both in-person and online to support members to understand the centrality of the CHS to our processes. A pilot initiative, with support from Kerk in Actie, saw four local ACT members undergo the CHS self-assessment process, helping to establish an organizational baseline of understanding of Q&A, and to apply for membership of the CHS Alliance. Monitoring and Evaluation (M&E) guidance specific to ACT appeals and RRFs was developed, clearly setting out the roles and responsibilities of Secretariat staff in relation to M&E (including remote monitoring) within the humanitarian mechanism. A Humanitarian Operations Manual was developed which defines the scope and responsibilities of ACT Alliance stakeholders in appeals and RRFs. The manual also outlines the principles, standards, and protocols that the ACT Alliance adheres to in humanitarian operations. In 2023, the ACT Secretariat was re-certified against the CHS for its humanitarian mandate.

On **priority 2**, the EPRP working group undertook a member survey in April 2023 which was designed to help strengthen coordination and collaboration on EPRPs. Using the findings from the survey, the working group revised both the forum and organisational EPRP templates, simplifying both to enhance usefulness for forum and member organizations to assess their capacities to respond, prepare for a response, and plan better together. A medium-term workplan was developed to support members across four priority areas which include operationalization of the new EPRP templates, Standard Operating Procedures (SOPs) linked to the EPRP process, as well as a revamp of the online platform and the development of capacity strengthening support materials for members. This work has been carried over into 2024.

In 2023, in line with commitments in the Global Strategy, locally led response was a core area of focus in our humanitarian advocacy work. On **priority 3**, the humanitarian team worked with ACT national forums to help ensure the voice of communities affected by crises are reflected in what we do. A series of consultations were organized at regional level to create a space for national members in ACT Alliance to articulate their priorities and feedback in relation to what locally led action means to them. Information shared will help guide the Secretariat's work on localisation going forward. Moreover, as described above, ACT was represented as a panellist at a high-level UNHCR event on the multistakeholder-pledge on localisation at the Global Refugee Forum, sharing recent ACT EU guidance as well as members' experiences in this area.

Programme 6: Communications

Programme goal: Effective external and internal communications to maximise impact and supports improvements in quality and accountability.

The following programme results describe the multi-year results that the Secretariat is working towards within the Communication programme:

- *ACT has increased visibility for its work in humanitarian, gender, climate, migration, and other key areas internally and in the media and with other external audiences.*
- *ACT's communications feature evidence-based storytelling, lifting the voices of communities where ACT works.*
- *ACT members and bodies have increased communications capacity.*

For 2023, ACT Alliance prioritised:

- i) ACT Website development: ACT soft launched the new website in 2023 and began development of the Assembly micro-site.
- ii) Capacity building for ACT forums and members, both synchronous and asynchronous.
- iii) Gender, Climate and Humanitarian communications.

ACT communications continued to provide substantial support to the Ukraine war response and Syria/Türkiye earthquake response, utilizing the ACT appeals communications coordination WhatsApp group and monthly communications check-in calls, engaging directly with members, coordinating communications material sharing, contributing to humanitarian advocacy, supporting members in their communications work, and providing communications capacity building for member staff (**priority 3**). Capacity building workshops (**priority 2**) were held in LAC and Africa region in collaboration with local communications staff taking the lead for some segments of the trainings. In addition, in-person communications trainings were held in Moldova, Argentina, Peru, and Canada (the Canada training was specifically targeted at youth during the Canadian Lutheran/Anglican Youth national event).

The website development (**priority 1**) continued in 2023, culminating in a soft launch of the new website. The Assembly micro-site development began in the third trimester after the logo and branding guide were developed, to be launched in trimester one of 2024.

On **priority 3**, ACT continued to have dedicated communications support for climate justice and gender justice work, as well as a communications officer for the Ukraine appeal. This allowed more focused work in these areas. The ACT Secretariat Communications team supported climate justice advocacy and mobilisation with an array of communications initiatives under the umbrella of the ACT Now for Climate Justice campaign (see in more detail above under programme 1). Our involvement in the ecumenical Season of Creation emphasized the importance of listening to the voices and needs of communities impacted by loss and damage and led to more of ACT's key advocacy messages being heard in parishes around the world. Our targeted communications ensured the Season of Creation Celebration Guide was available to all members. An addition to ACT's communications and advocacy around climate justice were the engagement in several webinars on key climate advocacy points before and during COP28, including a mid-COP "check in" webinar aimed at ACT members around the world to update on the state of the negotiations and ACT's engagement.

The gender justice public campaign "The Road 2 Equality" continues to be used and positioned among our membership and partners as a key visibility element, providing continuity. The innovative messaging and

products have been recognised both internally and externally, by members, advocates, and partners and continue to be used. The communications team contributed to the ACT Alliance annual report to highlight the work of the gender justice programme in the global publication. The activities are described in more detail above under programme 2. The communications team also supported with the development of the Sida report and developed the graphic and key elements of the final report presented to Sida.

The communications team continued to develop and engage with the branded templates for ACT products, including reports, statements, advocacy pieces and more. The templates have been used by ACT bodies throughout 2023 for the products they have produced. These templates and other work to increase the visibility of the ACT brand continue to help build ACT's recognition both internally and externally.

Regional communications work continued in Africa and was developed by the regional office in Colombia for the LAC region. In trimester three, ACT began work on a contract with ALC Noticias, an ecumenical news organization based in LAC, to provide support for communications in the region in 2024.

Programme 7: Alliance Development

Programme goal: ACT Alliance is robust and able to deliver its strategy through the active engagement of members, dynamic forums and effective ACT structures that work together in a culture that enables learning and supports improvements in quality and accountability.

The following programme results describe the multi-year results that the Secretariat is working towards within the programme for Alliance Development:

- *ACT Alliance members and the Secretariat demonstrate accountability in every aspect of their work, to the communities they serve, as well as within the membership, staff and governance.*
- *ACT Secretariat has an efficient PMER system and is able to evaluate impact and progress towards the Global Strategy. Intentional capacity building increases forums' and members' capacity in key areas.*
- *ACT Alliance has an effective and committed governance.*
- *ACT members engage in collaboration as well as strategic relationships within the wider ecumenical movement, civil society and other faith-based organisations.*
- *Have cohesive, effective and high-impact forums as central implementing structures of ACT Alliance.*
- *Have strategic, effective and relevant partnerships and advocacy to increase the impact of ACT Alliance's work.*

For 2023, the ACT Alliance Secretariat will prioritise:

- i) Implementation of activities to strengthen quality and accountability, based on the approved ACT roadmap on accountability improvement & compliance; and the CHS audit outcomes.
- ii) Strengthening the work of forums and the support from the Secretariat to forums through an assessment of the membership engagement model and through the global forum leadership meeting.
- iii) Mainstreaming the civic space tools to the whole alliance to strengthen the ability of forums to respond to unfavourable environments.
- iv) Enhance policy coherence, reputation, impact and awareness through new forum-driven advocacy guidance; advocacy sign off procedures; and advocacy templates.

Quality & Accountability

In 2023, ACT Alliance remained steadfast in its commitment to quality, accountability and safeguarding. Significant progress was made through collaborative efforts at secretariat-level; active engagement with ACT structures and strategic linkages with other networks through various initiatives.

The finalized ACT Accountability Improvement and Compliance Roadmap was presented to the Governing Board in May 2023. Subsequently, the Secretariat was tasked with developing a plan to implement this roadmap. Due to limited resources within the Secretariat and the ACT Q&A Reference Group to fully undertake the Accountability Roadmap project, the Q&A Reference Group proposed to the MNC a preliminary step, conducting minor revisions to the Code of Good Practice (CoGP) and updating the ACT Code of Conduct (CoC).

ACT Alliance maintained collaboration with key partners including Sphere, HQAI, CHS, Fabo, and SCHR, emphasizing our commitment to global standards and initiatives. Niall O'Rourke, Head of Humanitarian Affairs, represented ACT Alliance on the Sphere board, ensuring active engagement at a strategic level. ACT staff participation in the Sphere members' Town Hall meeting provided a platform for exchanging ideas and collectively influencing the direction within the humanitarian community. Regional events on the revision consultations of the Core Humanitarian Standard (CHS) in Jordan and Kenya were attended by ACT and its members, showcasing dedication to enhancing humanitarian accountability.

The ACT Secretariat requalified for CHS certification and is in process of developing an action plan in consultation with the ACT Secretariat humanitarian and other team members around Corrective Action Requests (CARs). In March 2023, a MENA Regional Workshop on Quality, Accountability, and Safeguarding was conducted for all local/national members. Subsequently, in August 2023, a CHS workshop was held in Uganda for forum members, followed by another in Kenya in September 2023 for national forum members. These workshops aimed to enhance understanding and implementation of humanitarian standards within their respective regions.

A significant achievement was attained with the aid of the CHS Self-Assessment pilot project, led by the ACT Secretariat and funded by Kerk in Actie (KiA). The project was carried out by four national members of ACT in Cuba, Haiti, Indonesia and Kenya, with technical support from the ACT Secretariat and CHS Alliance. The launch of Phase 2 of the CHS Self-Assessment Pilot Project occurred in December 2023, marked by a global webinar and a call for members to submit Expressions of Interest. Plans are underway for regional-level, drop-in sessions in French, Spanish and English, scheduled for January 2024.

The ACT Reference Group on Q&A has persistently provided guidance to the Secretariat in implementing the Global Strategy, in line with the annual workplan. Regular meetings of the group have facilitated ongoing support for ACT's humanitarian programmes, ensuring that quality and accountability considerations are integrated into humanitarian operations manuals and tools. Collaboration with the Community of Practice on Safeguarding has been fruitful, enhancing collective efforts in promoting safe and accountable practices through policy framework. Notably, members of the ACT Q&A Reference Group actively participated in the Joint Reference Groups meeting held in Berlin in July, further solidifying our commitment to enhancing quality and accountability standards within the Alliance. We were pleased to welcome a new member to the ACT Q&A Reference Group, hailing from Nairobi, Kenya, and affiliated with Christian Aid, which strengthened our global representation and enriched our expertise in this crucial area.

The ACT Safeguarding Community of Practice (CoP) remained highly active, convening quarterly meetings with compelling agenda items that fostered productive discussions and learning. The completion of consultancy work on Safeguarding policy, guidance documents and hybrid training materials marks a significant milestone, with funding secured through collaborative efforts within the CoP and in partnership with the ACT Gender programme. For the first time, the Co-Chairs of the ACT Safeguarding CoP participated in the Joint Reference Groups meeting, reinforcing connections and collaborations with the Q&A Reference Group. The drafting of the Safeguarding Policy Framework, Guidance Documents, and hybrid training materials has been a consultative process, informed by survey results and focus-group discussions. The next step involves the review and endorsement of the policy framework by the Reference Group on Q&A, followed by seeking approval from the Governing Board in May 2024.

Collaborative efforts with Fabo ACT Learn – a digital platform was fruitful, with ACT participating in learning events and engaging in regular coordination and Fabo advisory group meetings. Furthermore, ACT Secretariat staff undertook refresher e-Courses at Fabo, ensuring adherence to mandatory training requirements.

ACT maintained its commitment to implementing the Complaints Policy, offering guidance to members and providing support as needed. Efforts were made to assist Forums and members in integrating CHS requirements into various aspects such as appeal/RRF publishing, monitoring, and reporting. Furthermore, CHS requirements were taken into account within the ongoing humanitarian reforms process, ensuring alignment with global standards and enhancing accountability within the Alliance’s operations.

Measuring Change and Impact (PMEAL)

In 2023, the ACT Secretariat engaged intensively in a second phase of PMEAL development with development of a Programme PMEAL framework, which is close to finalisation. This focuses on the thematic programme PMEAL and draws on learnings from current bigger (and externally funded) projects and the humanitarian mechanism. It establishes a well-defined programme PMEAL model for the Secretariat, and minimum PMEAL requirements for projects funded through the ACT Secretariat.

Furthermore, over the course of 2023 the ACT Secretariat conducted several discussions on the mid-term review of the Global Strategy 2019 to 2026, which will be summarised for the Governing Board and Assembly in 2024.

Governance

In 2023 the Governing Board looked at the results/recommendations from several reviews of the current membership engagement model and of the membership compliance and accountability roadmap. It requested a redefinition of the member strategy to address the principal issues around membership and funding to be delivered for the ACT Assembly 2024, as well as the development of an adapted compliance and accountability roadmap, as a priority, due to the involved risks of non-compliance, with the rationalization and simplification of the Alliance’s policy environment prior to the 2024 General Assembly. Another important focus was the implementation of the revised funding model with the creation of the Working Group on Future Funding Model 2026. Initial draft proposals for membership and funding models were examined, received Governing Board input, and were approved.

A particular focus of the work of the Governing Board was on the preparations for the 2024 General Assembly, with special emphasis on the theme, programme, nominations process, draft budget and security issues. Other foci included participation in a session on the mid-term review for the period 2019-2022 of the

Global Strategy and the approval of a proposal for addressing ethical issues with a training session and simulated situations.

The Membership and Nominations Committee (MNC) met several times to elaborate the 2024 General Assembly nominations process, ToRs and nomination forms. It inducted two new MNC members and successfully led the process to fill a vacant seat on the Governing Board. It crafted a draft proposal for the new ACT Alliance membership model, which expands and reinforces core principles and membership obligations, and includes three modifications in the membership criteria. It screened eight membership applications, six of which were accepted as new members by the Board. It reviewed 11 potential suspensions, suggesting arrangements for most; only one member was suspended by the Governing Board, three recommended arrangements were accepted, and the others were granted until March 31, 2024, to respond. It also successfully proposed an interim solution allowing Global members to pay their forum fees either in their regional forum or to the global forum.

Partnerships and Crosscutting Advocacy

In addition to the advocacy described under programmes 1-5 above, the ACT Secretariat focused in 2023 on increasing and deepening the level of clarity on advocacy ways of working and procedures as well as furthering the thinking and understanding on a forum-driven approach to advocacy. This included raising awareness around ACT's advocacy sign-off procedure, the forum-driven advocacy guidance as well as the new advocacy templates through a series of regional webinars.

ACT has continued to bolster its engagement in interfaith-platforms and in the religion and development space, for example through leading roles in the UN Multi-faith Advisory Council, and very strong and visible engagement in PaRD and in interfaith spaces around the UNFCCC COP28. Furthermore, ACT engaged in the UN OHCHR's Faith for Rights initiative, with a focus on gender justice, women's rights and faith contribution to intersectional human rights issues (such as human rights and climate change, for example).

In the latter part of 2023, the ACT Secretariat intensified its preparatory work for the major global UN 'Summit of the Future: Multilateral Solutions for a Better Tomorrow' to be held in 2024. With the SDGs being heavily off track, partly due to several crises in the last years and partly due to lack of political traction and will or financing to achieve Agenda 2030, this will be an important cross-cutting advocacy process to watch for ACT since it may already lay foundations for the conversation about a post-SDG global architecture for sustainable development. ACT established connections with civil society leads for the process as well as Permanent Missions and UN staff, and together with ACT EU received support through a traineeship programme to help coordinate members' advocacy activities in this area.

Moreover, the ACT Secretariat continued to strengthen existing partnerships with UN agencies such as UN Women, UNFPA and UNEP (see above programmes 1 and 2 for more details) and build the relationship with UN agencies and human rights bodies that ACT is yet to establish a systematic engagement with. The ACT Secretariat also intensively followed up on and participated in UNHCR's changed operational partnership framework, and possibilities of an operational partnership with UNHCR on localization and ACT's RRF. Further deepened conversations however only materialised in early 2024. Moreover, the ACT Secretariat strengthened its efforts towards the continuation of the existing partnership with Sida – albeit unfortunately unsuccessfully.

ACT Secretariat continued with consultative meetings and using the space for sharing key activities being undertaken by ACT members on advocacy towards the Africa Union, and how the rest can support and engage. As a result, Christian Aid undertook advocacy training for representatives of ACT forums in Africa and held a total of four sessions from June to September 2023. The ACT Secretariat reviewed progress and drew strategies of follow up actions for selected/interested forums and agreed to accompany selected forums that had shown interest to support them come up with their respective national forum advocacy strategies. In terms of partnerships, the ACT Africa Regional Office participated in planning meetings for the South Sudan Church Leaders' retreat under the auspices of the South Sudan Council of Churches (SSCC) and contributed to the AACC Partners meeting.

After more than 10 years, the ACT Secretariat ended its role as focal point of the faith-based constituency of the Civil Society Partnership for Development Effectiveness (CPDE). Much still remains to be done in the realm of Effective Development Cooperation, but with political interest in the Development Effectiveness agenda waning both among states and faith-based networks, the ACT Secretariat simply could not afford the capacity any longer to coordinate the faith-based constituency.

Members and Forums

The above report from the thematic programmes outlines the work with members and forums in implementing the Global Strategy, the reporting in this chapter reflects the work of strengthening the forums as central implementing structures of the Alliance and also the work on increasing the engagement of groups of members as well as individual members.

Africa:

During the ACT General Secretary's visit to Africa in February 2023, meetings were held for East and Southern Africa Forum Convenors and Coordinators in Addis Ababa and in Accra for Central and Western Africa. He further held meetings with forums in Burkina Faso, Kenya (online) and DRC (online). The visit was preceded by several planning meetings by members in the region. The General Secretary visited the Tigray region to express solidarity to the people and to the ACT members who responded to the crisis. The visit was received as a "wake-up" call for active forum engagement, as well as strengthening partnerships with UN agencies and with respective national governments, by the Forums.

East and Southern Africa forum convenors and coordinators held a workshop in Addis Ababa and focused on sharing best practices in various thematic areas, peer learning, gender justice, advocacy and AU engagements, and a field visit among other activities was undertaken. The ACT Regional Office held induction sessions for the new Country Director for Christian Aid-Kenya and the Church World Service (CWS) Country Representative for South Africa, as well as for new forum coordinators for Nigeria, Uganda, Malawi, Somalia and South Sudan.

Together with the ACT Director of Programmes, the Africa Regional Representative held meetings with forum members in Madagascar and Mozambique aimed at having a common understanding of the context of Madagascar and Mozambique and how this aligns to the work of ACT Alliance – Humanitarian, Sustainable Development and Advocacy; strengthening ACT forums; deeper understanding of the internal operations/systems of each of the ACT members and strengthening partnership and collaboration within the forum including shared capacities. Similarly, the regional office participated in Tanzania, Uganda and Zimbabwe forum meetings, to gain acquittance on forum work and give updates from the ACT Secretariat.

The ACT regional office participated in the Act Church of Sweden partners meeting held in Nairobi, which focused on Act CoS' new strategic plan and how to strengthen partnerships with ACT Alliance members among other partners. With support from KIA, the ACT regional office held a 3-days capacity enhancement workshop for programme managers/officers of national members from East and Horn of Africa. This focused on project management cycles, ACT Humanitarian policy/mechanism, CHS, communication, networking and advocacy, as well as consortia and fundraising. Similarly, the workshop for ACT national members from West and Southern Africa was held in Lusaka, Zambia focusing on the same topics as above.

Asia Pacific:

In 2023, the Asia Pacific region saw some changes in leadership (conveners and/or coordinators) in a number of national forums, particularly Bangladesh, Cambodia, Nepal and PANZ. Notably, a new subregional forum for Pakistan-Afghanistan was also formed, with plans to formalise the process through 2024. The ACT Secretariat provided face-to-face and remote support to forum planning and coordination processes, with visits made to Indonesia, Pakistan and PANZ. The ACT agenda for the Pacific remains a key priority for the PANZ Forum and the Secretariat, with plans made to strengthen ACT presence and communication in the subregion through existing ecumenical partners such as the Pacific Conference of Churches (PCC) and linking up with the Brot für die Welt Pacific Office.

Europe:

Through a number of joint meetings in Prague (EPHR Reference Group, Humanitarian Directors meeting, ACT Europe Forum meeting, ACT Alliance EU Assembly, ACT Ukraine response strategy day), ACT members took advantage of the presence of a number of actors from across the Alliance to discuss central strategic elements in the application of ACT's humanitarian policy, and in the response on Ukraine. The ACT Secretariat continued to support the ACT Europe Regional Forum and the national forums in Ukraine and Armenia

Joint work through the ACT appeal committee for the Ukraine response and the Armenia RRF was supported by the Europe Humanitarian Officer and the ACT Secretariat and led to a stronger engagement in the work of the forums.

LAC:

The LAC Regional Office achieved notable progress in 2023. The team's efforts contributed significantly to the reactivation and strengthening of the ACT Alliance in LAC, fostering greater collaboration, communication, and programme implementation among member organizations, forums, and communities of practice (CoPs).

Substantial progress was made in enhancing relationships and communication with member organizations and forums. Face-to-face meetings and consistent communication channels and materials were developed to facilitate collaboration and information sharing. Visits from the Humanitarian Officer and Regional Representative to almost all forums helped foster greater cohesion and closeness. Additionally, visits from the Communications Director and General Secretary to Peru, Argentina, and Brazil helped cultivate enthusiasm and clarity regarding the role of the ACT Alliance in the forums they visited.

The team actively supported the reactivation of forums, such as those in Central America and Chile. In efforts to support the work of forums, the regional office implemented two annual virtual dialogue spaces between forums and the entire regional team. Moreover, it assisted in reviving the Youth Community of Practice (CoP), including supporting the development of a regional project and its implementation, and activating our new

Human and Climate Mobility CoP after facilitating two in-person events to consult members on what they wanted to do as a region and how to advance as a region towards joint action. Additionally, the team facilitated dialogue spaces between forums, CoPs, and staff from the ACT Secretariat, as well as with several United Nations Offices and external partners, enabling initial introductions and promising exchanges.

Lastly, the regional office played a critical role in implementing ACT Alliance programmes in LAC, ensuring effective coordination, leadership, capacity-building and advocacy. For example, the office facilitated two in-person capacity-building initiatives, one related to ACT's humanitarian mechanism and the second related to Effective Development Cooperation (CPDE). Together with the members, the regional office also secured resources and non-financial support for the national and regional dialogues addressing regressive agendas and their impact on democracy and human rights in 2024.

To see more of the LAC regional team's achievements, please refer to our first-ever regional report in English and Spanish: <https://actalliance.org/documents/executive-reports-2023-lac/>

MENA:

In 2023, the MENA region saw the resumption of full travel for member organizations post-COVID, necessitating a recalibration of operational modalities for forums and CoPs in the region. Direct engagements with members in Iraq, Jordan, Syria, Lebanon and Palestine were prioritized due to lack of travel over the past 2 years, fostering collaboration amidst evolving circumstances. With large-scale emergencies like the Syria earthquake and the Hamas/Israel war, the Secretariat pivoted workplans and provided additional coordination and support, notably intensifying forum coordination efforts within Syria and Palestine. The Secretariat's role in crisis response and coordination was pivotal, ensuring effective collaboration with regional forums, OCHA, and donors. 2023 showcased the region's resilience and commitment to collective progress. Climate action remained a focus, with the regional office coordinating a regional climate symposium for church leaders, televised throughout the region, a climate annual meeting and a regional climate faith actors meeting. MENA planned and organized the global ACT Forums Coordinator and Convener meeting, but due to the war in Gaza, the meeting was postponed until March 2024.

North America:

North America welcomed a new forum in 2023 with the creation of the ACT Canada Forum. The Canada Forum also launched the Locally Led Climate Fund (LLCF) to provide funding for local forum initiatives in climate adaptation in Eastern and Southern Africa in 2023. The North America Forum continued to support and engage with the Latin American forums as well through engagement in events and processes, funding for ACT work in the region, and welcoming representatives from LAC to their annual meeting.

Youth Engagement in the Alliance:

In 2023, the ACT Youth CoP underwent a transitional change in leadership, with nomination of three new co-chairs and one extension from previous leadership. The Youth CoP was engaged in strategic processes within climate and gender justice programmes, which included the CSW consultation, climate justice consultations and COP28 participation.

Additionally, two youth CoP members participated in the joint reference group meeting, enabling linkages with other CoPs and reference groups, which they plan to strengthen more in 2024. The CoP also had one briefing session with the two Governing Board youth representatives, held before the Board meeting, providing inputs on youth engagements and their suggestions on the agenda.

Significant revived engagement was also felt in the LAC region, with strategic youth CoP meetings and engagements in three webinars on fundamentalism as well as representation in an event “Towards joint migration”, which took place in the Dominican Republic. In addition, there was an in-person youth CoP meeting in Brazil, supported by Kerk in Actie.

Towards the end of the year, the ACT General Secretary held a meeting with the Youth CoP to discuss the nomination and election process for the 2024 General Assembly. The Youth CoP agreed to continue with the engagement with the General Secretary.

Programme 8: Effective Secretariat Operations

Programme goal: A fully capacitated and decentralised Secretariat staff team, with effective management of resources, supports and facilitates the Alliance in the implementation of ACT’s Global Strategy.

The following programme results describe the multi-year results that the Secretariat is working towards within the programme for Effective Secretariat operations:

- *ACT has a robust funding model and fundraising that ensures an adequately resourced Secretariat to facilitate the effective implementation of the Global Strategy.*
- *ACT has a motivated and competent workforce, built through a transparent recruitment process, and maintained through a staff development strategy and by supporting staff wellbeing.*
- *ACT manages and plans its financial resources by applying best practice, according to updated and relevant policies and procedures, through a transparent and consultative budget process, and through stable and reliable financial software.*
- *ACT has appropriate IT and knowledge management infrastructure to ensure an efficient working environment within the Secretariat, ACT structures and with other relevant stakeholders.*
- *ACT Secretariat offices are managed with cost efficiency and an optimised office structure to deliver the approved strategy.*

For 2023, ACT Alliance will prioritise:

- i) Resource mobilisation with external donors (resource permitting, i.e., we urgently need to hire someone to work on this as a strategic imperative to secure future financial resources for the Secretariat and the Alliance).
- ii) Development of integrated IT system(s) across membership, governance, programme, donor project and appeal management (to be prioritised after 2022 review and scoping).
- iii) HR focus on developing processes and offerings around staff care, training opportunities and people management.

Resource mobilisation

In May 2022 the Board approved a new provisional Sustainable Funding Model for the Secretariat that was implemented in January 2023, and will be in place until latest end 2025. The Governing Board also mandated a Funding Model Working Group that was initiated in May 2023 with senior representatives of six ACT member organizations. In 2023, the working group held four meetings, including one face-to-face in Geneva, and made some headway with establishing principles for the new model, as well as modelling potential funding scenarios.

In the climate justice space, the ACT Secretariat successfully secured funding for a “Needs-based Advocacy on Adaptation” project which is implemented by the Panafrican Climate Justice Alliance (PACJA) and funded through the Bill and Melinda Gates Foundation.

In the area of civil society space, the ACT Secretariat instigated and supported the cooperation of a consortium of ACT members and some other civil society organizations under the lead of DanChurchAid. The consortium successfully passed the concept note stage and was invited to submit a full proposal but was unfortunately in the end not awarded the grant. Nevertheless, the process was extremely useful for all involved members, and has allowed the Alliance to lay the foundations for future joint consortia under an ACT Alliance umbrella.

With the hiring of a Resource Mobilisation and Grant Coordinator in May 2023, the ACT Secretariat began to streamline existing proposal development and grant management processes at the intersection of Programme and Operation teams. By the end of 2023, foundations for this area of work were established. This includes the systematising of the proposal writing process, guidelines for Go/No-Go decision-making for new funding opportunities. In 2024, the focus will be on resource mobilisation efforts and the development of fundraising roadmaps for underfunded programme areas and support the diversification of funding for the climate and gender justice programmes.

Information Technology

A consultancy to review ACT’s digitalisation needs across internal and external stakeholders was conducted in Q1 and 2, 2023. The outcomes of the consultancy provided prioritisation of needs as well as system solutions but whilst the Secretariat’s system needs were thoroughly mapped – how to meet these needs was not conclusive. Alongside commercially available systems, the consultants presented their recommended option of developing an integrated bespoke solution over a 2-to-3-year period. Due to the high cost and other risks associated with a system development, the Secretariat Digitalization Working Group decided to consult with larger ACT members for advice. Member consultations were held in Q4 2023, but these also did not lead to any conclusive recommendations. Due to this lack of conclusive direction and the lack of dedicated capacity and technical expertise within the secretariat staff, the decision on how to proceed was postponed until 2024 when we hope we will be able to make headway. However limited funds and capacity are impeding progress.

Human Resources

The ACT Secretariat’s new Employment Regulations and approach to compensation and benefits came into effect as of 1st January 2023, together with a new system of time and absences management. The new system allows for staff to be empowered in flexible working arrangements whilst allowing for managers to better monitor volume of working hours and ensure staff take adequate rest and vacation. Through the performance management system and dedicated development budget, staff are encouraged to take up training opportunities related to their professional development objectives. In working towards continual systems improvements, additional modules were added to our online HR platform including a full online HR database and contract management system.

After two years of no face-to-face staff meetings for all staff due to COVID-years and budget constraints, in 2023 a “Staff Week of Meetings” was held in Belgrade in late January, bringing together almost 40 staff including some from ACT EU staff. In spite of the tragic death of our Bangkok-based finance colleague that occurred just before the meeting started, the meeting was deemed a success. Whilst allowing time for our

staff to collectively grieve, the meeting went ahead as planned and the final evaluation indicated that it was a learning rich experience that enhanced our joint understanding of our work, strategic direction and challenges.

Without a dedicated full-time HR professional on staff, the Secretariat continued to rely upon two consecutive “Syni” HR Officers (cost-free trainees provided to ACT through an unemployment scheme). These provided significant extra staff capacity which allowed a renewed focus of recruitment and HR processes and development of new tools and forms. Unfortunately, we were faced with the sudden death of one of our staff members prior to the staff meeting in late January. This led to a focus on staff care and allowed for in-depth discussions on the topic led by management and the Staff Representation Group. In the autumn of 2023, the Secretariat had the opportunity to participate in a free pilot of a staff wellbeing survey for NGOs offered by a British company, focussed on mental health. This provided important baseline data that will allow us to work in a more targeted way to address issues and to check on progress for critical KPIs to ensure our staff’s wellbeing.

Financial Management

Following the retirement of our Swiss based Finance Manager, after successful completion of the 2022 audit cycle, in May 2023 we appointed our very experienced and qualified Thai-based colleague as interim finance manager, overseeing the operations and humanitarian finance teams, themselves based in their majority in Bangkok, Thailand. All audits and annual processes were well managed and overall financial management is in order and on track.

For the Humanitarian Finances, the devastating loss of one of our two Humanitarian Finance Coordinators led to loss of capacity in the team which led to inevitable delays until her replacement was hired mid-year. At this point the humanitarian finance team was reorganised to better separate tasks and provide more dedicated member support. Meanwhile, work continued on development of a “dashboard” to show humanitarian funding and transfers of appeal and RRF funds. Despite dedicated work and efforts from the finance team and with the developers, the dashboard did not provide accurate reporting and was abandoned for a more agile solution. Unfortunately, in spite of developer promises and concerted efforts across the whole team, this solution has also not come to fruition in 2023 and the problem persists into 2024.

Office Operations

The ACT Secretariat’s decentralised offices and diverse hosting solutions continue to function well with ACT’s minimum employment standards (often well above local standards – thus to the benefit of the employee) being applied consistently across all locations. Due to predominant preference for home working and in order to save costs, LAC and Toronto offices relinquished their physical office locations. With regards to the pending office move to WCC’s Green Village in Geneva, a lease agreement for the Kyoto building as of June 2024 was signed with WCC. Preferential rates have allowed ACT to secure the new premises, with mostly open plan office and dedicated adequate meeting room facilities, at the same cost as our Ecumenical Centre contract. Preparations for move to the Kyoto building were started with regards to review and inventory of basement archives. ACT Secretariat attended initial viewings of the new premises with WCC in 2023 and the move is still scheduled for June 2024.

Security

Following the departure of ACT’s 50% Global Security Coordinator, a 50% position of Global Security Advisor was recruited and hired in May 2023. The incumbent was able to join the preparatory visit to the location of

the General Assembly 2024 in Yogyakarta to conduct an initial security risk assessment and draft a security risk analysis. A consultancy company, Global Risk Advice, based in the Netherlands and with strong links to the ecumenical movement, was hired as interim security advisor to ensure staff security advice and remained on a retainer for emergency and out of hours security cover in 2023 to complement the part-time GSA role.

The Secretariat, through the Director of Operations and Global Security Advisor, continued to support and champion the ACT Safety and Security Community of Practice which met regularly in 2023, and held two face-to-face meetings.

In terms of systems and policies, some advances were made in 2023, despite limited staffing. A Safety, Security and Travel (SST) Risk Management Policy was drafted and approved, a powerapp/SharePoint-based Travel Approval system was developed and launched to improve tracking of staff travel and a thorough process for pre-travel security risk assessments, approvals and travel monitoring was established for travel to high and extreme risk countries, as per the SST Risk Policy. This is planned to be formalised to a Safety, Security and Travel Risk Management Policy (SOP) in 2024. In addition, in order to ensure readiness for handling of any crisis events related to ACT Secretariat or our staff, an in-person Crisis Management Training for the Global Leadership Team plus the Head of Humanitarian Affairs was run in Geneva in October at the end of the Strategic planning week.

Financial Report 2023

This report provides explanations to the 2023 audited accounts of the ACT Secretariat. The accounts were audited by the firm PricewaterhouseCoopers (PwC) Switzerland. The final audit opinion is unqualified. In compliance with Swiss law, the financial statements are presented both in CHF as well as in our operational currency USD. For ease of understanding, here below we show only the results in USD. The full 2023 audit report is available on ACT's internet.

1. Income and expenditure

a. Operating result 2023

The table below shows the operating result for the year ending December 31, 2023. For corresponding CHF figures, please refer to the full Audited Accounts. The net annual operating result, including both operations and humanitarian funding streams, is a deficit of USD -287'292 (2022: 2'372'443.-).

As Operational funds and Humanitarian Mechanism funds are accounted for separately, the accounts show a use of USD 355'940 of ACT's Restricted funds for the Humanitarian Mechanism to cover the corresponding income shortfall to the Humanitarian Mechanism in 2023. It should be noted that in 2022, due to high levels of income for the Ukraine appeal, combined with a new 7.5% SMC (Secretariat Management Charge) on all appeal income, there was a surplus of USD 1'338'089.- which was transferred to the Restricted funds for the Humanitarian Mechanism. In early 2023, in order to minimise the volume of additional SMC raised and rather use the surplus, a decision was taken by ACT's General Secretary to reduce the SMC rate to 3%. Thus, the deficit on the Humanitarian Mechanism funding was intentional, in order to draw down the Humanitarian Reserve supporting the appeals for which the SMC was levied.

After the above Humanitarian allocation, the net operational surplus for the year is USD 68'647.- (2022: 313'163.-). The funds are to be allocated according to the decision of the Governing Board.

	Note	2023	2022
		USD	USD
Operating Result	-	279,987	2,404,547
Exchange (Gain) / Loss Core budget		7,307	32,104
Intermediate Result before change in funds	-	287,293	2,372,443
(Transfer to) Restricted funds - project funds carry forward		-	52,431
Use of / (Transfer to) Restricted funds for Humanitarian Mechanism	10	355,940	1,338,089
(Transfer to) Funds in Trust		-	493,948
(Transfer to) Restricted funds		-	174,813
SURPLUS / (DEFICIT) FOR THE YEAR AFTER ALLOCATIONS		68,647	313,163
SURPLUS / (DEFICIT) FOR THE YEAR AFTER ALLOCATIONS		68,647	313,163

NB. For the notes please see the full Audited Accounts

b. Income

In 2023, we see a decrease in overall income to USD 33'060'538.- (2022: USD 40'308'134.-). Given that 2022 was an exceptional year in terms of income to appeals, an overall decrease of income in 2023 was expected but in fact the income to appeals remained high compared to the recent trend prior to 2022. Details are provided below.

With regards to the level of fees in 2023, we see an overall increase of 16% to USD 2'133'846.- (2022: USD 1'842'467.-) – the primary reason for this was the Governing Board approved increase in the Income Based Fees (IBF) by 17% for each band. On other lines, there was also an increase in the Forum Fees collected by the Secretariat (when the Forum is unable to collect the fees themselves) and an expected significant decrease in the International Coordination Fees (ICF) – the fee charged on appeals that started prior to the introduction on SMC in 2022.

With regards to Member Contributions and Donor funds, also including appeal income, overall there was a decrease of 18% compared to 2022. Whilst Voluntary Contributions (VC) increased by 10% to USD 766'240.- (2022: 697'436.-) and funds earmarked to projects and programmes increased by 12% to USD 2'122'024.- (2022: USD 1'893'638.-); the overall funding received for appeals (including both appeal funds and the Secretariat Monitoring Costs (SMC) reduced by 21%. There was an 18% decrease in funds received and allocated to the appeals in 2023 – USD 27'043'981.- (2022: USD 32'936'4242.-) and a significantly higher decrease of 62% in the SMC to USD 850'364.- in 2023 (2022: USD 2'259'457.-). As explained above the reduction in SMC income was intentional and due to a reduction in the percentage SMC charged. It should also be noted that no Solidarity Fund contributions were received for appeals in 2023, compared to USD 353'797.- in 2022. In summary, whilst overall income fell, ACT maintains a healthy level of income and support from its members both for its operations and programmatic activities as well as to the humanitarian appeals. As a reminder, the volume of appeal income in 2021 was USD 11'854'726 .- compared to 2023: USD 27'043'981.- (2022: USD 32'936'4242.-), so appeal income in 2023 was over double the pre-Ukraine year of 2022. This is an excellent indicator of the trust and confidence accorded by members to ACT's new Humanitarian Mechanism.

INCOME	Note	2023	2022
Fees		USD	USD
Forum fees	5	36,500	18,500
Income based fees (IBF)	5	2,083,000	1,690,625
International coordination fees (ICF)	5	14,346	133,342
Total Fees		2,133,846	1,842,467
Member Contributions and Donor Funds			
Voluntary contributions unearmarked	7	766,240	697,436
Other income		733	103
Funds earmarked to projects & programmes	6	2,122,025	1,893,638
Solidarity fund contributions		-	324,813
ACT Europe Forum funds for Ukraine Appeal	10	143,348	353,797
Appeals income net of SMC & ICF		27,043,982	32,936,424
Secretariat monitoring and coordination cost (SMC) income	5	850,364	2,259,457
Total Member Contributions and Donor Funds		30,926,692	38,465,666
Total Income		33,060,538	40,308,134

NB. For the notes please see the full financial statements.

c. Expenditure

The total operating expenditure for 2023 is shown in the audited accounts under three categories: Core, Project and Humanitarian. Core costs are those which relate to the general running of the Secretariat and core activities. We can see significant changes over the previous year related to Core staffing costs which have increased by 22% to USD 1'851'586 (2022: USD 1'517'703), which though higher is still below the 2021 cost level. Indeed, staffing did increase in 2023 with the hiring of several new positions detailed in the notes to the audited accounts. In 2023, there was also a conservative reallocation of some Core staff costs to the Humanitarian Mechanism to better reflect actual time allocations of Secretariat staff, whose time is often solicited for Humanitarian work. We can also note an overall increase in Office costs in 2023 compared to 2022, reflecting general inflation as well as higher than planned costs. Under Core, activity costs increased by a significant 82% to USD 378'219.- year over year (2022: USD 202'892.-) which can be explained by increased travel for meetings and member related activities, as well as holding an All Staff Week of meetings in person after an absence of 2 years due to COVID-19. In addition, in 2023 we did incur costs for the General Assembly 2024, which are booked when spent so to the 2023 accounting year.

Under project and programme expenses, the expenditure is overall 15% higher in 2023 compared to 2022 – which corresponds to an equivalent increase in income. The primary reason for this is the increase in funds for the Climate Programme, which received a new project grant in 2024, leading to an annual increase in expenditure of 69% to USD 684'911.- (2022: 404'385.-). The other main strategic programmes (Gender, PHS and Migration) remained stable compared to the prior year whilst there was additional funding received for Quality and Accountability projects which led to the five-fold increase in expenditure in this area to USD 79'011.- (2022: 12'000.-).

Under the Humanitarian appeals, we can read in the accounts that appeal expenditure is matched to appeal income in the accounts at USD 27'043'981.-, with USD 3'333'063.- of appeal funds held in trust on the balance sheet awaiting disbursement. Expenditure of the SMC funds for the Secretariat's management of the Humanitarian Mechanism increased by 30% year on year to USD 1'206'304 (2022:931'217.-). This figure includes both staffing and activity costs. Staffing costs in particular increased, due to unplanned allocation of core staff costs for those actively involved in appeal coordination and management. However, the costs stayed slightly higher than those budgeted for the year.

EXPENSES	Note	2023	2022
		USD	USD
Core Costs:			
Staff costs		1,851,586	1,517,703
Office costs		499,470	405,007
Depreciation costs		29,904	29,904
Activity costs	8	378,219	202,892
Provision for doubtful debts and write off		4,000	31,975
General Assembly costs		61,686	7,257
Project and Programme Costs:			
Climate Justice Programme 1	6	684,911	404,385
Gender Justice Programme 2	6	1,084,333	1,096,950
Peace and Human Security Programme 3	6	26,992	23,915
Migration and Displacement Programme 4	6	127,305	132,179
Quality & Accountability Project	6	79,011	12,000
Support to Faith Based CPDE (IBON Project)	6	15,923	21,869
ACT Forum Capacity Building	6	77,016	47,032
ACT Security Group	6	11,392	74,493
Other Projects	6	15,142	28,384
Humanitarian:			
Humanitarian Mechanism (SMC) costs	10	1,206,304	931,217
ACT Europe Forum funds for Ukraine Appeal	10	143,348	
Appeals disbursements		27,043,982	32,936,424
Total Expenses		33,340,524	37,903,587

d. Provisions to doubtful debt and write-offs

In 2022, as part of the closure and audit procedures, a significant amount (USD 31'975) of unrecoverable/doubtful debt was written off. As the accounts are well managed and up to date, in 2023 the amount was only USD 4'000 (relating to outstanding membership or forum fees), booked as a core expense.

2. Balance sheet

a. Assets

The Secretariat held USD 7'225'609.- of Assets as of December 31, 2023 (2022: USD 7'565'871.-). The decrease year on year is explained by a balance between a decrease in cash held at the bank and an increase in other debts owed to ACT.

ASSETS	Note	2023 USD	2022 USD
Current Assets			
Cash at bank		6,650,960	7,169,349
Income receivable net		48,629	70,457
Staff advances		26,443	24,719
Other debtors		414,848	186,712
Total Current Assets		<u>7,140,880</u>	<u>7,451,237</u>
Non Current Assets			
Software at cost		149,522	149,522
Software accumulated depreciation		-64,793	-34,888
Total Non Current Assets		<u>84,729</u>	<u>114,634</u>
TOTAL ASSETS		<u>7,225,609</u>	<u>7,565,871</u>

b. Liabilities and own funds

With regards to Current Liabilities, in 2023 these have decreased to USD 1'757'794.- (2022: USD 2'221'860.) with the main reduction coming from a decrease in unspent earmarked project funds held. Funds in trust related to appeals increased somewhat compared to 2022 but this is part of the normal receipt and disbursement cycle.

LIABILITIES AND OWN FUNDS	Note	2023 USD	2022 USD
Current Liabilities			
Accounts payable		295,800	297,651
Other creditors		336,429	189,379
Accrued expenses		167,207	139,556
Funds received in advance (Unspent earmarked contribution)	11	958,358	1,595,274
Total Current Liabilities		<u>1,757,794</u>	<u>2,221,860</u>
Funds in Trust			
Appeal funds	9	3,333,063	2,921,966
Total Funds in Trust		<u>3,333,063</u>	<u>2,921,966</u>

c. Own funds/Reserves

The final component of the Balance Sheet is the reserves. In 2022, there was a significant increase to the reserves by way of transfer of restricted funds for the Humanitarian Mechanism as well as the operating surplus. On the 2023 balance sheet we see the movement of the 2022 results of which: USD250'000.- for the General Assembly 2024 to restricted reserves and the allocation of the remaining USD 63'163.- operational surplus to the Unrestricted Reserves. In addition, we see the reduction of USD 355'940 from the Restricted Humanitarian Reserve that relates the Humanitarian Mechanism shortfall in 2023, already described above.

Own Funds	Note	2023 USD	2022 USD
General Reserve	4		
Restricted Reserve		1,981,353	2,087,293
Unrestricted Reserve		84,752	21,589
Total Reserves		2,066,105	2,108,882
Result of Operations for the Year		68,647	313,163
Cumulative Translation Adjustment			-
Total General Reserve		2,134,751	2,422,045
Total Own Funds		2,134,751	2,422,045
TOTAL LIABILITIES AND OWN FUNDS		7,225,607	7,565,871

The details of the Reserve movements are shown clearly in the table below which is included within the Audited Financial Statements. For the Restricted Humanitarian Reserve, the balance at the end of 2023 was reduced to USD 982'148.- (2022: 1'338'088.-). The Unrestricted Reserve has increased to USD 84'752.- (2022: 21'589.-). It should be noted that as for the Restricted General Reserve, whilst showing a balance of USD 999'205.- at the end of 2023, after reduction of the USD 250'000.- to be used in 2024 towards the General Assembly costs, this reserve will be reduced to the previous end 2022 balance of USD 749'205.- Overall the Restricted General reserve thus remains relatively low and still needs to be bolstered to ensure organisational security in case of a difficult financial year or in the event of any liabilities, or organisational closure. As for the General Humanitarian Reserve, this will remain as a buffer to be used to compensate any shortfall from income to the Humanitarian Mechanism and its use will be strictly controlled. The Unrestricted Reserve can be used according to the conditions specified in the Reserve Policy.

MOVEMENTS IN GENERAL RESERVES FOR THE YEAR ENDED 31 DECEMBER

2023	Restricted reserve Humanitarian	Restricted reserve - general	Unrestricted reserve	Surplus/(deficit) for the year 2023	Total
	USD	USD	USD	USD	USD
As at 1st January 2023	1,338,088	749,205	21,589	313,163	2,422,045
					-
Allocation of prior year result			63,163	-313,163	250,000
<i>Fund for the Assembly</i>		250,000			250,000
Surplus/(deficit) for the year 2023	-355,940			68,647	-287,293
Cumulative Translation Adjustment Movement					0
					-
As at 31 December 2023	982,148	999,205	84,752	68,647	2,134,752

3. Recommendations from auditor: internal control system

In previous audits, our Auditor PwC made recommendations related to improving the internal control systems (ICS) for finances at ACT. These controls have now in the majority been implemented to the satisfaction of PwC. In the Auditor's Report to the GB 2023, there are however two outstanding recommendations related to the area of "Financial Closing" as well as one related to IT security. The Secretariat will endeavour to ensure that these recommendations are addressed in the course of 2024.

In addition, a new minor recommendation this year is related to a review of the consistency of the Income Based Fee charges, which are currently capped by the Governing Board. The ACT Secretariat is already working on reviewing the fee structure as part of the Funding Model Working Group and will seek to establish comprehensive baseline data of all members income levels. This is noted in the management comments to the recommendation.
