

## Code of Corporate Governance

The NGO Code of Corporate Governance, which Dóchas co-authored in 2009 in conjunction with the Corporate Governance Institute of Ireland, is obligatory for all Dóchas member organisations.

This Code was developed to help each Dóchas member to determine an appropriate approach to its governance obligations.

The existence of this Code is invaluable to Development NGOs, releasing them from the necessity that would otherwise exist to interpret the Combined Code on Corporate Governance, which is primarily directed at the boards of public listed companies, and which would be an excessively cumbersome tool for most NGDO's to interpret and to apply appropriate elements.

The “Comply or Explain” nature of the Code means that members of Dóchas are encouraged to adapt the Code to their specific circumstances.

The Code requires each NGO to adopt the principles contained in it, but the extent and way in which the organisation implements the principles is at the discretion of the board of the organisation. Dóchas encourages all its members to reflect on, and demonstrate explicitly, what elements of the Code are appropriate to the scale, and nature of activities of their organisation, and to the requirements of its stakeholders.

The Code is about requiring NGO boards to demonstrate (through its stewardship and in its annual reporting) how well the entity is governed, and consequently the annual report should, inter alia, detail:

- How the NGDO operates
- How it is held accountable
- The circumstances determining the extent of adoption or non-adoption of the Code by the directors, given that the Code is not mandatory
- How the entity is led and controlled by the board
- The board's collective responsibility for performance, for solvency and for meeting its obligations
- The board's specific responsibilities
- The board's arrangements for its own periodic review and for renewing the board's directors
- How the board has delegated its responsibilities to its CEO and to its committees, clearly showing how the board oversees all such delegations
- How the board and directors' integrity is overseen
- How the company meets its obligations to be open to all its stakeholders.

See also:

- [Checklist for Board Self-Evaluation](#)
- [Corporate Governance Assessment Tool](#)