



MEDIA RELEASE

REFINEMENT OF THE CODE OF GOVERNANCE FOR CHARITIES AND INSTITUTIONS OF A PUBLIC CHARACTER

1. The Charity Council will embark on an exercise to refine the Code of Governance for Charities and Institutions of a Public Character (IPCs), which was first introduced in November 2007.

2. The Charity Council convened a Sub-Committee to oversee this exercise. It has also invited 33 representatives from various charities and IPCs, grantmakers, professional bodies, academics and auditors to form three workgroups to refine the various sections of the Code, as well as to develop guides and templates for use by charities. The Council aims to complete the exercise and publish the refined Code by the end of this year. The exercise will be conducted based on the following four key principles:

i. Adopting a Refinement Approach

Many charities are already in the process of implementing the Code. To ensure continuity in the Code's best practices, the Sub-Committee would adopt a refinement approach in this exercise.

ii. Involvement by Stakeholders of the Charity Sector

To engender a culture of self-regulation in the charity sector, various practitioners and stakeholders of the sector have been invited to participate in the Sub-Committee and workgroups.

iii. Greater Clarity

The Code would be refined to be more concise and easily understood by charities. The workgroups will also look into developing guides and templates on sections in the Code that require more guidance.

iv. Greater Flexibility

Currently, the Code operates on a "comply or explain" approach and its guidelines are tiered according to sizes of charities. The sub-committee and workgroups would consider whether the guidelines in each tier should be adjusted.

3. On the involvement of various practitioners and stakeholders in the sector in the exercise, Chairman of the Charity Council, Mrs Fang Ai Lian says, "Involving stakeholders in the exercise will promote self-regulation. We hope that through this process, the refined Code will provide charities with greater clarity on governance best practices and help resolve difficulties at the operational level."

THE CHARITY COUNCIL

11 March 2010

About the Charity Council Networking Seminar

The second Charity Council Networking seminar for charities and professional associations highlights the importance of retaining, managing and developing leadership and manpower talents in the charity sector in an economic recovery. The seminar entitled "Talent Management and Retention in An Economic Upturn" is expecting an attendance of over 150 board members and management staff of charities.

Mrs Fang Ai Lian, Chairman of the Charity Council notes that good volunteers and employees are needed for charities to help their beneficiaries effectively, and the charity sector will be successful if each charity thinks ahead and builds up its capacity by nurturing its talent pool.

About the Charity Council

The Council was set up in October 2006 to promote a culture of good governance and self-regulation in the charity sector. It seeks to be a:

- i. **Promoter** - encourage adoption of good governance standards and best practices, enhance public confidence in the charity sector;
- ii. **Enabler** - help build the governance capabilities of charities to enable them to comply with regulatory requirements and enhance public accountability of charities; and
- iii. **Advisor** - advise the Commissioner of Charities (COC) on key regulatory issues where there may be broad-ranging impact on the charity sector.

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