

Different Types of Self-regulation initiative for umbrella organizations  
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For CEMEFI, within the Transparency, Legitimacy and Advocacy (LTA program) issues the two main points of participating in the workshop are:

1. To share and learn how mechanisms of transparency are developed and to how to help others do the same and
2. To share concerns/ questions in self-regulation process

Mexico has a population of 112 million and a large portion of which are poor or extremely poor. There are approximately 5,000 organizations authorized to receive donations. Besides, fiscal incentives, it took 10 years of advocate work, from 1994 to 2004, for a Federal Law on Promotion of Civil Society Organizations to be passed by Congress. This law enhances non-profit organizations to flourish as they are recognized as public interest and among other things, recognizes the right of organizations to participate in public policy. In 2011, 14327 were registered at the Federal Registry of Civil Society Organizations created by this law. The sector in Mexico is insufficient if it means that each organization would ideally be able to serve approximately 23,000 people.



**Total Population 2010**  
112,322,757  
**(INEGI y CONAPO):**

**5318 authorized donees**  
June 2011

**14327 registered at the**  
**Federal Registry of Civil**  
**Society Organizations in**  
**2011**

Transparency is a very important topic for Cemefi as umbrella organization. There are recent legal provisions intended to reinforce transparency mechanisms such as a web page launched by the Ministry of Finance in which organizations provide general information including financial information. However, self-regulation mechanisms are regarded as important for the sector. Cemefi has initiated a self-regulation process called Indicators of Institutionalization and Transparency. Around 500 of these organizations have complied with standards. CEMEFI's indicators of transparency comprise of the presence of a vision, mission and goals; published annual report; existence of an office/ business address for at least one year; recognition by the government as a tax-exempt organization.

This raises self-regulation questions like what is the impact of our standards and its meaning in the country? How important is self-regulation in NGOs to the government? Consequently, what is the role of government in regulation?; should regulation be voluntary or compulsory?; what is the role or involvement of other networks in the regulatory process?

CEMEFI has collaborated with local charity commissions who are authorized to have the revisions of the standards so they can help in appointing and deciding whether they should receive this indicator of transparency certificate. This raises additional questions on regulations such as what is the purpose of the network?; how are they going to impose the standards and will it be more burden to the organizations if it is no longer volunteer work? There are entities like Sonora that is requiring this certificate before they give public funds.

Admittedly, some standards may be difficult to comply with for small NGOs. Are we really building more trust or are we helping an elite group of NGOs to be the ones that show off these standards?; How do we evaluate the certification process? This process should be able to help build trust, improve the organizations, set goals for organizations to meet. How can we develop a tool kit for legitimacy, transparency and accountability?