International
Code of Conduct
ICoCA Association

THE INTERNATIONAL CODE OF CONDUCT FOR PRIVATE SECURITY SERVICE PROVIDERS' ASSOCIATION (ICoCA)

2018-2019 Annual Report

Dear Members,

This report covers the key activities of the International Code of Conduct for Private Security Service Providers 'Association (ICoCA) from November 1, 2018 to October 31, 2019. The Board adopted the five-year Strategic Plan 2019-2023 in May of this year, and ICoCA immediately began operationalising the implementation steps laid out in the Plan. This Annual Report, therefore, provides the first review of the Strategic Plan's implementation.
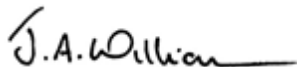
The first goal outlined in the plan is to build the capacity of private security companies to implement the Code of Conduct and become certified Members of ICoCA. We are pleased to report that nine more companies become ICoCA certified during the period, bringing the total number of ICoCA certified companies to 23. During the past year, ICoCA has placed special emphasis on building the capacity of private security companies to help prevent sexual exploitation and abuse (PSEA). As a result of funding from the UK government, PSEA guidelines for private security companies were produced and disseminated to our Members.

In pursuit of goal two to continue to develop effective systems for evaluating compliance with the Code, ICoCA launched the Association's first Company Self-Assessment (CSA). Helping Member Companies reflect on their successes, challenges and concerns in implementing the Code, we are pleased to report that over 90% of Member Companies completed the CSA on time. ICoCA continued to conduct in-country reviews during the period, visiting Peru, Iraq and South Sudan with a trip to East Africa extending beyond the reporting period and more trips planned to Iraq, Honduras and Guatemala in early 2020 thanks to the generous support of the UK government.

As outlined in goal three, ICoCA has worked to expand ICoCA's Membership during the year, with 15 companies joining the Association from ten different countries: Honduras, Afghanistan, Iraq, Nigeria, Libya, Cyprus, Philippines, Tanzania, India and Zimbabwe. We believe this is partly a reflection of the fact that ICoCA has placed special emphasis on engaging with clients of security companies, to raise their level of awareness about the Code and encouraging them to require ICoCA Membership and Certification in their procurement.

Finally, ICoCA has continued to develop and protect its distinct and credible worldwide brand. By presenting and engaging in different forums around the world and showcasing the innovative practices of our Members in providing responsible private security services, ICoCA is increasingly regarded as the leading organization raising standards within the private security sector globally.

Yours,

Jamie Williamson

Executive Director

Rémy Friedmann

Chairman of the Board of Directors

2018-2019 Annual Report

The Board of Directors of the International Code of Conduct for Private Security Providers 'Association ("ICoCA"), in accordance with Article 8.1.2 of the Articles of Association of the ICoCA ("Articles of Association"), submits the following Annual Report to the Association General Assembly covering the time period from November 1, 2018 until October 31, 2019.

Contents

1. Objectives of the Association

The purpose of the Association is to promote, govern and oversee implementation of the International Code of Conduct for Private Security Service Providers (the "Code") and to promote the responsible provision of private security services and respect for human rights and national and international law in accordance with the Code.

2. Governance

2.1 Legal Status and Organisation of the ICoCA

ICoCA is an international multi-stakeholder not for profit initiative established under Swiss Association Law and headquartered in Geneva. ICoCA's membership is made up of three pillars: government, industry and civil society. In addition to the Members, the ICoCA can also grant a non-voting observer status to the parties which have demonstrated support for the principles of the International Code of Conduct and the Association. The Federal Council of Switzerland approved an agreement on the privileges and immunities accorded to the Association on July 3, 2019, which was signed after the reporting period on November 18, 2019. Thanks to the conclusion of this agreement, the documents and information that members provide to ICoCA will be protected. The agreement enables ICoCA to carry out its activities independently and without external pressure.

2.2 ICoCA Board of Directors

The ICoCA Board of Directors is composed of 12 Members who equally represent the three pillars of the Association. The composition of the ICoCA Board of Directors at the end of the covered period was as follows (pillar affiliation and term expiration date indicated for each):

Name	Seat representing	Pillar	Term expiry
Rémy Friedmann	Switzerland	Government	2019
Katherine Gorove	USA	Government	2021
Deirdre Brown	UK	Government	2020
Vacant	Vacant	Government	Vacant
Ryan Berry	The Americas	Industry	2020
Charlie Mayne	Rest of the World	Industry	2019
Chris Sanderson OBE JP	UK/Europe	Industry	2019
Fredrik Ahlén	At large	Industry	2021
Michael Posner	Civil society	Civil Society	2020
Margaret Roggensack	Civil society	Civil Society	2020
Josua Loots	Civil society	Civil Society	2019
Beatrice Godefroy	Civil society	Civil Society	2021

2.3 Board Committees and Working Groups

During the 2018-2019 year, 4 Committees were charged with managing and making recommendations to the Board in different areas of activity.

Executive and Finance Committee Rémy Friedmann Margaret Roggensack Chris Sanderson	Strategic Engagement Committee Ryan Berry Rémy Friedmann Mike Posner
Operations Committee Charlie Mayne Katherine Gorove Beatrice Godefroy	Membership Committee Ryan Berry Deirdre Brown Josua Loots

2.4 Secretariat

The Secretariat, headed by the Executive Director, Jamie Williamson, is responsible for the development and implementation of the core functions of the Association as detailed in Articles 11-13 of the Articles of Association: certification; reporting, monitoring and assessing performance; the complaints process.

The Association has a Memorandum of Understanding (MoU) with the Geneva Centre for Security Sector Governance (DCAF) in effect up until September 2020. In providing support to the ICoCA, DCAF will promote the ICoCA among governments and other relevant stakeholders; support the implementation of Code norms and good practices on national, regional and international levels; strengthen the visibility of the ICoCA within the framework of the Swiss Initiative; strengthen the role of and engagement with CSOs; and provide support to the ICoCA Secretariat.

2.5 Members

ICoCA is a membership driven and supported organisation. Over the reporting period, emphasis has been placed on consolidating relationships with current Members and continuing building awareness and recognition with potential new Members. During the reporting period, 18 new Members joined the Association (3 CSOs and 15 Industry Members). A current list of Members can be found on the ICoCA website.[1]

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[1] www.icoca.ch

3. Membership

3.1 Government Membership

ICoCA has seven Government Members: Australia, Canada, Norway, Sweden, Switzerland, the United Kingdom and the United States. The contribution from Governments continues to play a substantial role in the development and effectiveness of the ICoCA, both as regulators and clients of the private security industry and as financial supporters of the Association. The Association welcomes the efforts of Member Governments to encourage ICoCA's membership and recognition, in particular with those countries which are members of the Montreux Document Forum. The Association looks forward to continuing to work with Members and other governments to help support and promote the role of ICoCA worldwide.
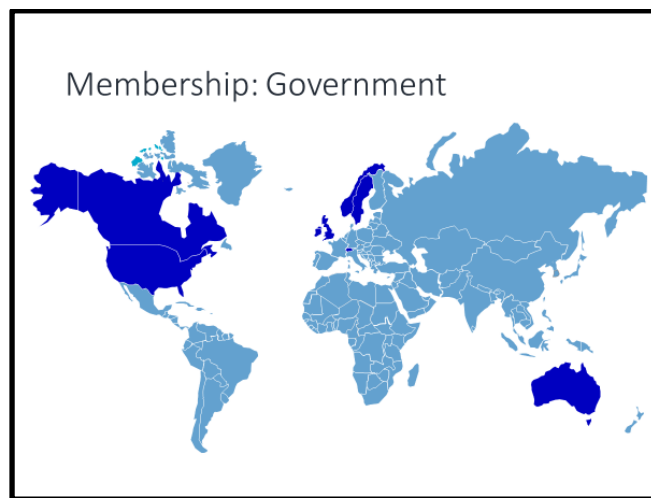
3.2 Civil Society Organisation Membership

The Association's civil society organisation (CSO) membership was 33 CSO Members at the end of the reporting period, with 3 CSOs from three different countries (China, DRC and Guatemala) joining during the year. The 33 CSO Members represent 14 countries and operate in five main languages (Arabic, Chinese, English, French and Spanish). A number of CSO Members also participate in other related initiatives, such as the Private Security Governance Observatory established by DCAF and/or the Voluntary Principles Initiative (VPI). The Association continues to support the role of CSOs in the promotion of the provision of responsible private security services, and works towards expanding the involvement of both regional and international civil society organisations in the Association.

Membership: Civil Society

3.3 Industry Membership

The Association's membership at the end of the reporting period was 91 Industry Members, with 15 companies joining during the year. The Secretariat continues receiving applications for membership on a regular basis, from an increasingly diverse and global reach. ICoCA Member Companies are not only headquartered, but also operate all over the world. The 15 companies which joined during the last year come from ten different countries[2]. ICoCA Member Companies range from small family owned local companies to large international companies with transnational operations, providing land as well as maritime security services.

Membership: Industry
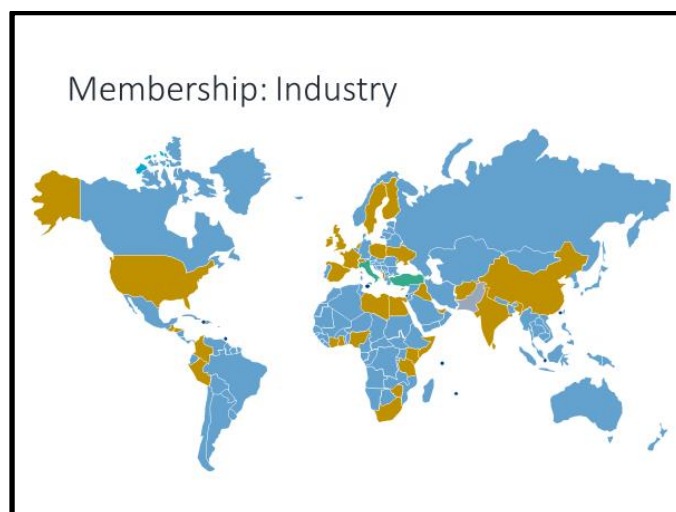
3.4 Observers

The Association also benefits from the engagement of 35 Observers, representing a diverse range of organisations and perspectives. Observers include clients of security companies, accredited certification bodies, consultancies, academic institutions, industry associations, non-governmental organisations and individual experts, which brings unique expertise and valuable insights to ICoCA's work. Six Observers joined ICoCA during the reporting period, and the Secretariat continues receiving applications on a regular basis. An Observer Advisory Group was formed at the 2018 AGA and is convened on a regular basis to provide regular input to the Association.

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[2] Honduras, Afghanistan, Iraq, Nigeria, Libya, Cyprus, Philippines, Tanzania, India, Zimbabwe

4. Report Back on Implementation of the Strategic Plan 2019-2023

The Strategic Plan 2019-2023 was adopted by the Board of Directors in May 2019. As outlined in the Plan, the level of implementation of the respective objectives will be reviewed and reported on annually. This Annual Report therefore includes the first report back on the Strategic Plan 2019-2023. While the first reporting period represents less than six months, a number of the goals, objectives and implementation steps were already in progress at the time the Strategic Plan 2019-2023 was adopted. As this is a five-year plan, however, not all implementation steps have been operationalised. Only those steps where implementation has begun are included in this report.

4.1

GOAL 1:

Build the capacity of private security companies to implement the Code of Conduct and become certified Members of ICoCA.

OBJECTIVE 1.A

Develop training, guidance and development tools for ICoCA Member Companies to integrate provisions of the International Code of Conduct in their policies and practices

IMPLEMENTATION

1. Produce guidance and training materials on between one and three specific Code provisions annually.
2. Make available training resources to Member Companies on issues specifically related to the content of and compliance with the Code.
3. Design and establish mechanisms and platforms to enable the exchange of best practices and cooperation between private security companies that are Members of ICoCA.

Implementation Step 1 - In April 2019, thanks to the generous support of the Foreign and Commonwealth Office of the Government of the United Kingdom, ICoCA published its first set of *Guidelines for Private Security Providers on Preventing and Addressing Sexual Exploitation and Abuse* ("PSEA Guidelines" or "Guidelines"). The Guidelines have been developed through an extensive consultation process with different stakeholders such as ICoCA Members and subject-matter experts. Their aim is to provide support to ICoCA Member companies in developing and implementing PSEA policies which are survivor-centred and upheld by staff at all levels, consistent with the obligations that derive from Paragraph 38 of the International Code of Conduct and international PSEA good practices and recommendations.

The ICoCA PSEA Guidelines cover several aspects of the policy development and implementation process, including personnel recruitment and training, the performance of risk assessments, and the

management of complaints. They have been translated into Arabic, Chinese, French and Spanish, and are publicly available on the ICoCA website.

As well as more detailed guidance documents, ICoCA has compiled useful resources developed by other organisations for six principles of the Code so far.

Implementation Step 2 – During the last twelve months, ICoCA has conducted an evaluation of training needs through in-country meetings with Member companies, clients of security companies, meetings with regulatory authorities and by reviewing company training materials. Two workshops were conducted for in-country security managers for one large multinational corporation based in Switzerland. A Training Project Officer was recruited early in 2019 with a Security, Police and UN background to create, develop and lead a training strategy for ICoCA. The Training Project Officer will support ICoCA's members by developing training materials, and ultimately by conducting training for Members 'trainers, focusing on Human Rights, International Humanitarian Law and the Code. Since coming on board, the Training Project Officer has begun to develop a suite of training materials based on the evaluation of training needs conducted so far. Training materials will cover the Code, Human Rights, the Use of Force & Rules of Engagement, International Humanitarian Law, the Operational Environment, and the 10 Principles of the Code, to name a few. Other materials such as the basic rules for a local security guard and the basic rules for an International Security Officer are also in process of being developed for ICoCA Members to help their staff be fully compliant with the Code when undertaking their duties.

Some of these Training materials are being provided to the general public on the ICoCA website and through Social Media (LinkedIn, Facebook, Twitter), while other training materials will be made available to ICoCA members only.

Implementation Step 3 - To mark the release of the PSEA Guidelines, ICoCA hosted a webinar on 14th May 2019 with the participation of an ICoCA Member Company, the Government of Canada and the European Interagency Security Forum (EISF). Over 50 people from 17 countries attended the event. This new webinar format, piloted for the first time this year, is intended to enable the sharing of best practices between Members, Observers and other interested parties. Recordings of all webinars are available on ICoCA's YouTube channel.[3]

To further support implementation of the PSEA Guidelines, ICoCA recruited an experienced PSEA Consultant and convened a full-day multi-stakeholder Roundtable in Geneva on 28th May 2019 following on from the webinar, with the objective of bringing different perspectives to the table and to identify next steps. The workshop was attended by 17 participants (not including Secretariat staff) representing Members and other experts.

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[3] https://www.youtube.com/channel/UCIsFlhcYswrovVIa50MTjzw

Workshop on Preventing Sexual Exploitation and Abuse, Geneva, 28 May, 2019

OBJECTIVE 1.B

Ensure all Member Companies achieve or work towards achieving ICoCA Certification

IMPLEMENTATION

1. Clearly communicate the process and benefits of ICoCA Certification.
2. Cooperate with accredited Certification Bodies to reinforce complementarity between ICoCA and external certification processes.
3. Utilise the Company Self-Assessment and Indicators to measure the progress of Members towards certification.
4. Provide tailored feedback and recommendations to Members, where appropriate, to support their progression towards ICoCA Certification.

Implementation Step 1 – The Association continued to work towards increasing visibility of ICoCA Certification and ICoCA Certified Members, including amongst current Transitional Members. ICoCA redesigned the certification pages on its website and launched a new format webinar series featuring representatives from Member Companies, Governments, Civil Society Organisations and Observers, with an event on 'Achieving ICoCA Certification: Why the Investment?' held in February. The webinar was attended live by 66 people from 23 countries. A recording of the event is available for viewing on ICoCA's website and YouTube channel.

Behind the scenes during Feb 26 webinar 'Achieving ICoCA Certification'

Implementation Step 2 - ICoCA has continued to engage and work closely with Certification Bodies with the view to facilitate attainment of external and ICoCA certifications by Member Companies. The Association especially continued to work towards avoiding duplication in documentation and other certification-related requirements, with the view to ensure a smooth and efficient process for companies, including by ensuring a progression and potential opportunities for continual improvement once ICoCA Certification is obtained.

Implementation Step 3 - The Secretariat further defined steps and progress in membership by developing indicators which help companies track their level of compliance with the Code and their progress towards ICoCA Certification (see Objective 2.a for more information on the indicators, the Company Self-Assessment and evaluation of oversight by the Association of Member Companies' performance under the Code).

Implementation Step 4 – During the last year, ICoCA successfully assisted nine companies in obtaining ICoCA Certification. Providing land and maritime services, these companies come from a diverse range of countries. The companies are: Salama Fikira International (Mauritius), VSC Security Solutions (Iraq), Frontline Responses Finland (Finland), Hua Xin Zhong An (Beijing) Security Services Co. Ltd (HXZA) (China), Al Murabit Security Services (Iraq), Libertine Global Solutions (Nigeria), Alphard Maritime Pte Ltd (Singapore), Control Risks Group (UK) and Marine One (Pvt) Ltd. Out of about 40 externally certified ICoCA PSC Members, 23 are now ICoCA Certified. The ICoCA Secretariat has continued to encourage all Member Companies which have already obtained external certification to one of the ICoCA Board recognised standards (PSC.1, ISO 18788 or ISO 28007) to apply for ICoCA Certification.

ICoCA Certified Member Companies

OBJECTIVE 1.C

Establish mechanisms for ICoCA to expand its influence and oversight over the provision of private security services globally

IMPLEMENTATION

1. Develop a formal participatory structure that expands the number of private security companies adhering to the International Code of Conduct, taking into account the characteristics of the local private security landscape.

2. Engage with all stakeholders to explore and receive feedback in relation to the evolution of the formal participatory structure.

Implementation Step 1 - On 21 October 2019, the Board recommended to the General Assembly the creation of a new Affiliate category for companies, for approval at the 2019 Annual General Assembly (AGA) on 21 November 2019. The purpose of the Affiliate category would be to expand the footprint of ICoCA's influence and facilitate access to Membership status. Affiliate status would be in addition to the existing Certified and Transitional Members categories.

This proposal was made with the view to further ICoCA's mission of raising industry standards globally, focusing on complex environments. Particular emphasis was placed on making sure a clear

differentiation would be made between Member Companies and this new category of Affiliates and to ensuring that incentives to become certified would be maintained. In this context, the proposed participatory structure aims at actively encouraging formal participation of companies that are working towards full compliance with the Code, without diluting nor undermining the value of ICoCA Membership, or the value and importance of ICoCA Certification.

In addition, and in line with ICoCA's Vision to be the leading organisation providing governance and accountability mechanisms that ensure respect for human rights and international humanitarian law in the provision of private security services, a level of oversight of Affiliate private security companies would be provided.

Implementation Step 2 – Building on last year's AGA, the association engaged extensively with stakeholders in a variety of environments including in various country settings over the past twelve months to help develop an appropriate participatory structure. Based on these discussions, the Board recommended the creation of an Affiliate category, see Implementation Step 1, above.

4.2

GOAL 2:

Build upon and continue to develop effective systems for evaluating compliance with the Code of Conduct and addressing non-compliance.

OBJECTIVE 2.A

Build an evidence-based system that supports routine monitoring and evaluation of Code compliance for all ICoCA Member Companies and a system to identify and address non-compliance issues

IMPLEMENTATION

1. Continue to strengthen the Association's oversight and accountability functions through in-person and remote dialogue with Member Companies; company self-assessments; field-based reviews and exchanges with other relevant stakeholders.

2. Continue to develop and enhance company self-assessments to reflect the evolving security environment and any revisions in the Association's implementation guidance.

3. Conduct field-based reviews and other periodic in-country evaluation missions of Member Companies' operations.

4. Solicit information from civil society organisations, open source media, security experts and others pertaining to the particular characteristics of each operating environment, and potential factors that could increase the risk of abuses.

Implementation Step 1 - Throughout the reporting period the Secretariat worked on strengthening its system supporting routine monitoring and evaluation of Code compliance for all ICoCA Member Companies with a focus on four different areas: indicator development, Company Self-Assessment (CSA), field missions and exchanges with Member Companies, as well as strengthening the Association's civil society network. In addition, the Secretariat maintained its regular review of information regarding Member Companies 'conduct and industry trends. This remote monitoring system involves both desk-based research for the analysis of publicly available information and the establishment of dedicated monitoring networks in the field.

In order to assess Member Company compliance with the Code, ICoCA developed indicators[4] for a number of specific Code provisions, namely those addressing: the Rules for the Use of Force; the Apprehension of Persons; the Prohibition of Torture and other Cruel, Inhuman or Degrading Treatment or Punishment; Protection from Sexual Exploitation and Abuse (PSEA) and Gender-Based Violence (GBV); the Selection and Vetting of Personnel; Training of Personnel; and Company Grievance Mechanisms. In order to be considered compliant with the Code, a Member Company is not expected to satisfy all these indicators when applying for ICoCA Membership or Certification, but there is an understanding that each company will apply these metrics, and be evaluated against them as part of ICoCA's monitoring process. While a number of indicators express basic compliance with Code principles, others might go beyond the explicit requirements of the Code, reflecting ICoCA's commitment to promoting continual improvement by Member Companies and raising private security industry standards globally.

The Association expects to develop additional indicators based on its expanding operational footprint and further guidance tools developed in the future.

Implementation Step 2 - The second quarter of 2019 marked the launch of the Association's Company Self-Assessment (CSA) programme. The CSA is an online written assessment Member Companies have to complete on an annual basis. The CSA helps Member Companies reflect on successes, challenges and concerns on how the company implements the Code. In addition, it assists Transitional Members in assessing their

These indicators are helpful in guiding and assisting:
- ***Companies***, *including:*
- *Industry applicants, in assessing their level of readiness to apply for ICoCA Membership,*
- *Transitional Members, in assessing their progress towards ICoCA Certification, and*
- *ICoCA Certified Members, in assessing their efforts to continuously improve their performance.*
- ***Clients***, *in their due diligence efforts and in assessing areas of risk for their procurement decisions;*
- ***Civil Society Organisations***, *as a reference document when raising awareness among communities and working together with companies;*
- ***Governments***, *as a reference point when creating or updating regulations and policies;*
- ***Certification Bodies***, *in strengthening their understanding of specific Code requirements when certifying Member Companies to ICoCA recognised standards (PSC.1, ISO 18788, ISO 28007);*
- ***The ICoCA Secretariat***, *as important performance indicators in their ongoing monitoring process and in assessing Member Companies' progress towards meeting the requirements of the Code, in conducting assessments of compliance concerns and of complaints submitted by third parties and personnel, and in evaluating whether a Company can be recommended for ICoCA Membership and Certification.*

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[4] The full list of indicators is available here:
https://www.icoca.ch/sites/default/files/uploads/2019%20ICoCA%20List%20of%20Indicators.pdf

progress towards achieving ICoCA Certification and offers ICoCA Certified Members additional ideas, good practices and support to their efforts to continuously improve. In order to be considered compliant with the Code, a Member Company is not necessarily required to answer all the questions in the CSA affirmatively. While a number of questions express basic compliance with Code principles, others might go beyond the specific requirements of the Code and respond to ICoCA's goal of promoting continual improvement by Member Companies and of raising private security industry standards globally.

The CSA was developed based on the above-mentioned indicators with a number of additional sections to be filled in by Transitional Members (i.e. non-ICoCA Certified Members) only. In total, 83 Member Companies or 93% completed this year's CSA. All ICoCA Certified Member Companies submitted the CSA.

Implementation Step 3 – In September 2019, ICoCA secured a grant from the Foreign and Commonwealth Office of the Government of the United Kingdom for the implementation of field assessment and outreach missions in six Official Development Assistance (ODA) eligible countries. From 6 to 13 September 2019 an ICoCA delegation travelled to Erbil, Kurdistan Region of Iraq (KRI), to meet with Member companies, private security clients, civil society organisations and local authorities. As part of this trip, ICoCA engaged with 30 stakeholders to:

- Introduce the Code and the work of the Association;

- Assess the steps taken by Member companies to implement the requirements of the Code;

- Discuss the local security situation and related private security procurement practices and challenges; and

- Raise awareness of stakeholders' shared responsibility towards responsible business conduct and the raising of private security industry standards in the region.

The mission provided an invaluable opportunity for ICoCA to deepen its understanding of the KRI operating environment and to strengthen the Association's oversight and accountability functions through in-country evaluations of Member companies 'operations.

Missions to East Africa (South Sudan, Kenya and Tanzania) will take place over October 29 – November 8, 2019, while subsequent trips to Honduras and Guatemala are planned for early 2020.

OBJECTIVE 2.B

Identify and build the capacity of civil society organisations that can highlight human rights issues resulting from the operations of private security companies

IMPLEMENTATION

1. Strengthen cooperation with other organisations linked to the private security industry and involving a civil society organisations component, such as the Voluntary Principles Initiative and the Private Security Governance Observatory.

2. Explore, through CSO Members and their respective networks, the opportunity of conducting capacity-building exercises at the national and regional levels.

3. Facilitate the exchange of good practices and lessons learned from civil society organisations and their experiences of highlighting human rights issues resulting from the operations of private security companies.

Implementation Step 1 - ICoCA invested in strengthening its cooperation with other organisations linked to the private security industry and involving a civil society organisations component. As such, it secured a joint project with its partner DCAF under the Security and Human Rights Implementation Mechanism (SHRIM). The project seeks to strengthen the capacity of CSOs to support implementation of the International Code of Conduct. Specific objectives include:

1. Identify key requirements for effective civil society support to ICoCA;

2. Reinforce the capacity of CSOs to engage constructively with key actors, e.g. private security companies and state actors.

3. Develop a tool for CSOs to support the implementation of the International Code of Conduct.

4. Strengthen synergies with the DCAF-supported African civil society Observatory and form partnerships with other relevant initiatives.

The tool will be tested in the Democratic Republic of Congo (DRC) where six ICoCA CSO Members, eight African Private Security Observatory Members and Voluntary Principles Working Groups are present.

The project started in November 2019 and will conclude in March 2020.

Implementation Step 2 – ICoCA used the opportunity of its field missions to hold two workshops for CSOs in Peru and Iraq, introducing 28 CSO representatives to the Association and the Code. The workshop in Iraq included a meeting with ICoCA Industry Members met with CSOs in a safe environment for the first time. Two more CSO workshops will be taking place in Kenya and Tanzania in November 2019 and in Guatemala and Honduras in early 2020.

CSO Workshop Participants in Erbil, Iraq, September 2019

OBJECTIVE 2.C

Ensure that the ICoCA's Complaints mechanism is robust and accessible

IMPLEMENTATION

1. Support private security companies in implementing their company grievance mechanisms in compliance with the Code through training and guidance.

2. Work with ICoCA Members to ensure accessibility of the Association's complaints function.

3. Strengthen ICoCA's capacity and capability to address serious complaints.

4. Raise awareness and improve understanding of the Association's complaints function.

Implementation Step 1 - During the past year, ICoCA supported its Member Companies in strengthening their company grievance mechanisms, using the Guidance on Company Grievance Mechanisms launched in June 2018 and the indicators developed during the reporting period. Following review of ICoCA Membership and ICoCA Certification applications, the Secretariat has worked with companies to ensure they have the required level of performance.

The CSA completed in September 2019, was used as another tool by Member Companies and the Secretariat to assess company performance and to identify areas for further improvement. Generally, all Member Companies have a company grievance mechanism in place addressing third party and staff concerns, and make relevant information available on their websites.

The Secretariat noticed some areas of improvement such as the manner through which Member Companies communicate their complaints mechanisms. Even though 88% of the answers provided in the CSA indicated that Member Companies offer complainants different options or channels to communicate a complaint to the company, a number of companies identified room for improvement in communicating indicative timelines or making the information on their websites even more accessible. Seventy-eight per cent of Member Companies indicated that they have a link to their complaints mechanism available on the main site of the website. With regard to communicating indicative timelines, 80% of all answers indicated that companies state indicative timelines in their procedures. However, only 58% also communicate those on their website.

During the past year Member Companies reported having registered a number of complaints and incidents. Nineteen companies indicated that they received complaints from their personnel. Nine Member Companies reported that they also received complaints from third parties. Other Member Companies reported that they haven't received any complaints.

The following table illustrates how many companies have had incidents or received complaints with regard to specific Code principles.

Code principle	Incidents	Complaints
Apprehension	14	5
Prohibition of torture	6	2
PSEA	5	3
Use of force	18	8

In addition to working with Member Companies on strengthening their company grievance mechanisms, the Secretariat also introduced the main Code principles for an effective company grievance mechanism to CSO workshop participants during its field missions.

Implementation Step 2 - Further to working with its Members on strengthening company grievance mechanisms, the Secretariat maintained its complaints function with complaint forms available on its website in multiple languages as well as offering the possibility to raise an issue by phone through WhatsApp and other means. The ICoCA received two allegations during the reporting period, neither of which, once reviewed, qualified as possible violations of the Code by Member Companies.

Implementation Steps 3 & 4 - To inform its research on alternative grievance mechanisms, the Association gathered information from different mechanisms such as the CSA and field missions, exchanged with experts, and followed projects aiming to improve the effectiveness of grievance mechanisms. As such the Secretariat followed actively the Access to Remedy Project *Enhancing effectiveness of non-State-based grievance mechanisms in cases of business-related human rights abuse* implemented by the United Nations Human Rights Office of the High Commissioner (OHCHR) as well as the project of the International Commission of Jurists (ICJ) on *Effective Operational Grievance Mechanisms*. The Secretariat presented the Guidance on Company Grievance Mechanisms to private security clients and other stakeholders during a one-day event organised by the German Federal Ministry of Labour and Social Affairs in the framework of the German implementation of their National Action Plan on Business and Human Rights.

4.3

GOAL 3:

Diversify and expand ICoCA's Membership among companies, governments and civil society, and ICoCA's engagement with other relevant stakeholders.

OBJECTIVE 3.A

Increase awareness and buy-in of ICoCA by governments in different regions and by intergovernmental organisations

IMPLEMENTATION

1. Participate in meetings of the Montreux Document Forum and engage with relevant UN Working Groups and other international and regional bodies to increase awareness of ICoCA as a key actor to raise standards in the private security industry.

2. Broaden outreach to non-member governments and intergovernmental organisations to improve their understanding of the role and purpose of ICoCA and encourage participation in the activities of the Association, where appropriate.

3. Encourage the development and implementation of regulations or policies by governments and intergovernmental organisations related to the private security industry, including procurement regulations, which refer to ICoCA.

4. Encourage governments to integrate ICoCA into National Action Plans on business and human rights.

Implementation Steps 1 & 2 - ICoCA attended the Annual Plenary Meeting of the Montreux Document Forum (MDF) as well as the MDF Working Group on Maritime Security. ICoCA also met with twenty members of the Peruvian Working Group of the Voluntary Principles initiative in December 2018 to raise awareness of ICoCA with members of the extractive sector in the country.

Implementation Step 3 – ICoCA met local and regulatory authorities during the missions to both Peru and Iraq to raise awareness and advocate for the development and implementation of policies, including procurement regulations, which reference ICoCA.

OBJECTIVE 3.B

Increase the number of private security company clients encouraging or requiring ICoCA membership in contracting for security services

IMPLEMENTATION

1. Engage with clients to increase their awareness of ICoCA and encourage them to reference it in relevant procurement language and policies.

2. Provide advice on clients' procurement policies and generate model clauses in relation to private security standards and compliance with the Code of Conduct.

3. Engage with other entities that have a vested interest in the mitigation of risks by clients, e.g. investors, insurers, banks and trade associations.

Implementation Step 1 – ICoCA engaged with clients of security companies on a number of fronts, with the objective of:

- Further understanding the criteria clients use to vet and select security providers;

- Raising awareness on clients' due diligence responsibilities and the importance of contracting companies who meet relevant standards;

- Encouraging clients to require ICoCA Certification and Members in their procurement policies, and;

- Generating increased client recognition of ICoCA Member companies and their efforts to operate consistent with the International Code of Conduct.

During the field mission to Peru in December 2018, ICoCA engaged with clients contracting private security services, particularly in the extractives sector. This included a meeting with 20 members of the Voluntary Principles Peruvian Working Group, to introduce them to ICoCA, and a meeting with ten members of the Security Committee of the 'Sociedad Nacional de Mineria, Petroleo y Energia (SNMPE)'.

During its field missions to Iraq and East Africa in September and October 2019 respectively, ICoCA took the opportunity to meet bilaterally with clients. In addition, and as part of two Overseas Security Advisory Council (OSAC) meetings, the ICoCA presented on its mission and work to a number of clients.

ICoCA conducted meetings and informational sessions with a number of multinational corporations headquartered in Switzerland, including Philip Morris International, Novartis, Syngenta and Merck. In the case of Philip Morris, this led to an invitation to conduct two workshops for their Regional Security Managers based in Latin America and Africa.

A webinar was hosted by ICoCA in partnership with the Voluntary Principles Initiative (VPIs) in October, 2019 on 'Contracting Private Security Companies: Risks and Responsibilities in a Rapidly Changing Market', focusing on the role clients of private security companies play in ensuring the provision of responsible private security. 75 people participated in the event live from 24 countries, including security managers from large multinational extractive companies. A recording of the webinar was sent to a further 55 people including those based in a further 12 countries who were unable to attend on the day. The recording has been viewed over 100 times.

ICoCA was an official partner at the 8th Annual Emergency Humanitarian PPP Summit, East Africa held in Nairobi, Kenya 31 October - 1 November, 2019. The Summit's aim was to provide the private sector with the tools and information necessary to access the UN/NGO procurement market. ICoCA participated as an official partner promoting the responsible procurement of private security companies. ICoCA held meetings with 14 humanitarian aid agencies at the event, all clients of private security companies, to inform them about the Association and to encourage them to require ICoCA Membership and ICoCA Certification in their private security procurement processes. Clients demonstrated different levels of awareness of ICoCA. They all expressed interest in the work of the Association as well as openness to dialogue and further engagement. ICoCA is following up on a number of potential avenues for further engagement, including the potential of hosting a panel at the event next year.

8th Annual Emergency Humanitarian PPP Summit, Nairobi, Kenya, Oct 31, 2019

Implementation Step 2 - In all one-on-one interactions with clients of security companies, ICoCA is offering input on their procurement policies to ensure reference to private security standards, compliance with the Code of Conduct and advocating where possible that private security companies should be ICoCA Members and ideally ICoCA Certified Members.

OBJECTIVE 3.C

Continue building a civil society pillar that advances the objectives of ICoCA

IMPLEMENTATION

1. Further elaborate the roles and responsibilities of ICoCA CSO Members in supporting the functions of the Association globally, regionally and locally.

2. Design and conduct outreach that encourages participation from civil society organisations in support of ICoCA's functions.

3. Engage proactively with CSO networks and organisations working on human rights and humanitarian law.

4. Sensitise the CSO community to its roles and responsibilities in contracting private security companies.

Implementation Step 1 - The Secretariat analysed its CSO Membership, evaluated the profiles and roles they played during the past years and flagged identified areas of potential improvement. Selected CSO Members took an active role in supporting the Association in organising the CSO components of its field missions, setting up in-country WhatsApp groups to promote their communication, and being introduced to Industry Members in order to identify areas of collaboration. Other CSOs conducted baseline studies on the private security industry in country or introduced the Association and the Code during events in which they have participated. Based on its Strategic Plan, the Association will seek to strengthen its relationship with its CSO Members and further elaborate CSO roles and responsibilities.

Implementation Steps 2, 3 & 4 - During the last twelve months, the ICoCA continued its outreach efforts towards civil society organisations. As part of the field missions conducted in Peru and Iraq, two dedicated workshops were organised by the Association, involving 28 CSO participants. CSO workshops were also planned in Kenya and Tanzania. These engagements were aimed at building awareness among communities regarding the international oversight framework for private security companies, and at contributing to a better understanding of the private security sector.

CSO Workshop in Erbil, Iraq, September, 2019

4.4

GOAL 4:

Develop and protect a distinct and credible worldwide brand reflecting ICoCA's leadership role.

OBJECTIVE 4.A

Promote the activities and visibility of the Association by establishing new and strengthening existing relationships with international and national organisations through strategic cooperation and partnerships

IMPLEMENTATION

1. Consistently use recognised branding and identity in all outreach efforts communicated in the relevant languages.

2. Ensure regular representation at international and regional fora and events such as the UN Forum on Business and Human Rights, the Montreux Document Forum and other relevant meetings in order to achieve broad acceptance of ICoCA.

3. Strengthen engagement with international and multilateral organisations, such as the Organisation for Economic Co-operation and Development (OECD), the European Union (EU), the Organization for Security and Co-operation in Europe (OSCE) and the Organization of American States (OAS).

4. Use state and non-state clients as "ambassadors" of the Association.

Implementation Step 1 – ICoCA has consistently deployed its logo and brand identity in all its outreach outputs, whether hardcopy, online or through social media. The website continues to be provided in both French and English and guidance documents are made available in multiple languages (English, French, Spanish, Arabic and Chinese[5]). ICoCA has focussed its efforts on growing its audience through LinkedIn and Twitter over the last twelve months, increasing its number of followers on LinkedIn by 63% and on Twitter by 80%. ICoCA also now has a YouTube channel, with recordings to 3 webinars which ICoCA has organised over the last year posted to the channel. These recordings have received a total of 269 views so far.

Implementation Step 2 – ICoCA presented on two panels during the UN Forum on Business and Human Rights in November 2018. ICoCA also attended as an Observer at the 2019 Annual Plenary Meeting of the Voluntary Principles Initiative during the year, raising the profile of the Association with key actors in the extractives sector. ICoCA also actively participated in the first session of the UN Human Rights Council Open-ended Intergovernmental Working Group mandated to elaborate the

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[5] ICoCA is particularly grateful to CSO Member Hainan CGE Peace Development Foundation for providing translation into Chinese.

content of an international regulatory framework on the regulation, monitoring and oversight of the activities of private military and security companies held in Geneva in May, this included providing input on dedicated sessions focused on gender and the extractives sector. Jamie Williamson, ICoCA's Executive Director also gave the keynote address at the 2nd Non-Traditional Security forum in Hangzhou, China in November 2018.

Implementation Step 3 – ICoCA provided input into the draft of a report for the Inter-American Commission on Human Rights, which is due to be released at the end of 2019.

OBJECTIVE 4.B

Promote the activities and added value of the Association within the business community across relevant industry sectors.

IMPLEMENTATION

1. Develop relationships with key trade and industry organisations to increase awareness of the importance of ICoCA in raising private security standards.

2. Raise the visibility of ICoCA Members' good practices and activities that advance respect for the International Code of Conduct and the UNGPs.

Implementation Step 1 – ICoCA met with ten members of the Sociedad Nacional de Mineria, Petroleo y Energia (SNMPE) in Peru during the mission to the country in December 2018. ICoCA interacted with 14 humanitarian organisations at the Humanitarian Emergency Summit in Nairobi, Kenya 31 Oct and 1 Nov, 2019 to increase awareness about ICoCA and the role private security company clients have to play in raising private security sector standards. ICoCA also attended both the Security in Complex Environments (SCEG) Annual Meeting in May and the International Stability Operations Association (ISOA) Annual Summit in October to raise awareness and update these key industry organisations about ICoCA and its Strategic Plan.

Implementation Step 2 – The new webinar series launched this year, showcases and raises the visibility of ICoCA Members good practices. For example, the latest webinar featured an innovative mentoring structure being piloted by an ICoCA Member company in Northern Kenya to bring up a local company to international standard and ultimately become ICoCA certified. This event, produced in collaboration with the Voluntary Principles Initiative helped to raise the profile of ICoCA Members' good practices with key actors in the extractive sector. In a similar vein, ICoCA this year launched a 'Pillar Profiles 'feature in the quarterly newsletter, to share Members good practices and activities that advance respect for the Code and the UNGPs with other Members.

OBJECTIVE 4.C

Strengthen the role of Observers in contributing to the realisation of ICoCA's mission

IMPLEMENTATION

1. Continue to develop partnerships with Observers and potential Observers in order to increase awareness of the importance of ICoCA in raising private security standards and to address their needs and expectations.

2. Increase the opportunities for the Observer Advisory Group to provide advice and guidance to the Association in the implementation of its strategic directions and the accomplishment of its mission.

Implementation Step 1 – An Observer Advisory Group was formed during the 2018 AGA in order to provide more structured contribution from Observers towards the realisation of ICoCA's mission. ICoCA received a number of inquiries during the year from parties potentially interested in joining ICoCA as Observers and in joining the Observer Advisory Group. Six new Observers joined during the year and the Observer Advisory group membership has remained constant at six members.

Implementation Step 2 – The Observer Advisory Group was convened twice during the reporting period and provided general guidance and feedback on the Association's strategy, and in particular regarding outreach activities the Association could consider. ICoCA followed up on recommendations made by the Advisory Group, which included, for example, convening a webinar in partnership with the Voluntary Principles Initiative in order to engage more with private security company clients in the extractives sector. Observer Advisory Group members themselves volunteered in each of the three webinars produced during the year.
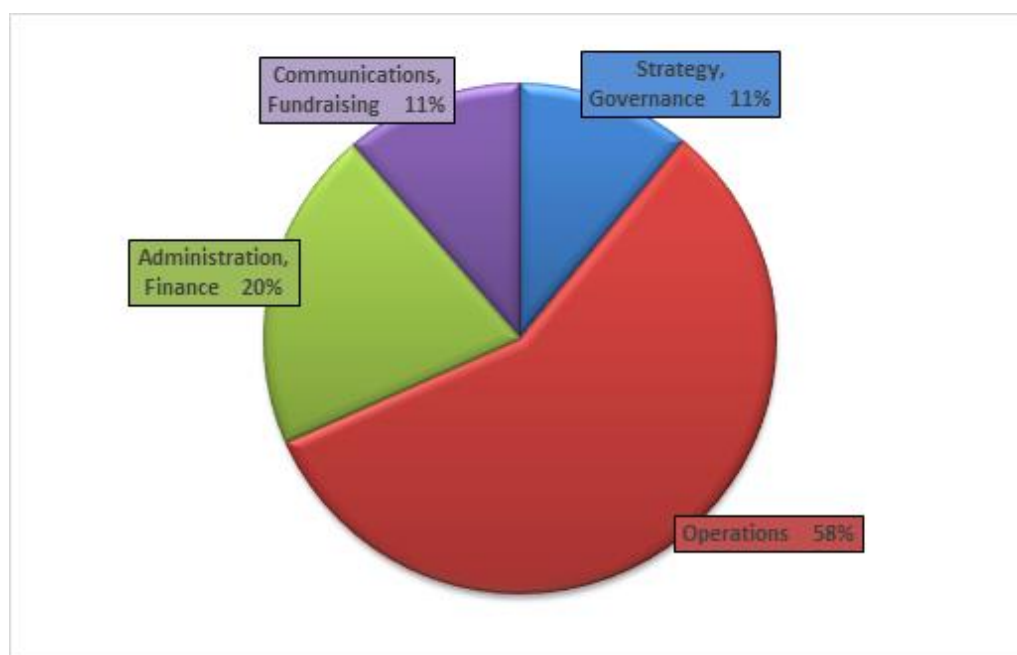
5. Financials

5.1 Stabilization and Operating reserve - In 2019, ICoCA confirmed the financial stabilisation started during 2018 with the creation of an "Operating reserve". The objective of the reserve is to enable the Association to continue operations for a fixed period of time, in the event of a significant downturn in income or unforeseen increases in routine operating costs, but also to address unforeseen liabilities for employment or other legal claims not covered by any insurance. Based on the 2018 results, the reserve was set to cover three months operating expenditures.

5.2 Income by source - The Association has received its financial support from three principal sources: contributions from Member Governments, annual Membership Dues from Industry Members, and a one-time Joining Fee from candidates applying for Industry membership (largely covering the cost of administering the application and associated due diligence process by the Secretariat and the Board). Additional modest revenue has come from Observers' annual fees.

The main objective for 2019 was to strengthen the Association's financial structure by diversifying its sources of revenue. Several meetings have been organized with different stakeholders and this effort will be continued in 2020.

5.3 Expenditures by category –

5.4 2018 Audited financial statements - In accordance with Article 8.1.6 of the Articles of Association, and the applicable Swiss Association Law, ICoCA's finances for the period from 01 January until 31 December 2018 were audited in March 2019. New auditors Berney Associés Audit SA, were appointed. A copy of the audit letter and the audited financials is attached as Annex A. The final budget for 2018 was CHF 1'059'399 and approved budget for 2019 CHF 1'319'534

5.5 2019 and 2020 Budgets - The ICoCA Board of Directors approved the core budget for 2019 at its Q1 Meeting in February 2019. The Board of Directors reviewed the Association's performance against the approved budget on a quarterly basis, and adjusted it when needed.

In late-2019, the Board considered an operating budget for 2020. The 2020 budget is based on projected membership dues revenues as well as target contributions and grants from Member Governments and other funding sources. The 2020 budget has been prepared using conservative estimates of revenue growth from Membership dues and is set to enable ICoCA secure lasting growth.

6. Closing Remarks

This report was submitted for approval to Members of the Association at the Sixth Annual General Meeting, 21 November 2019.