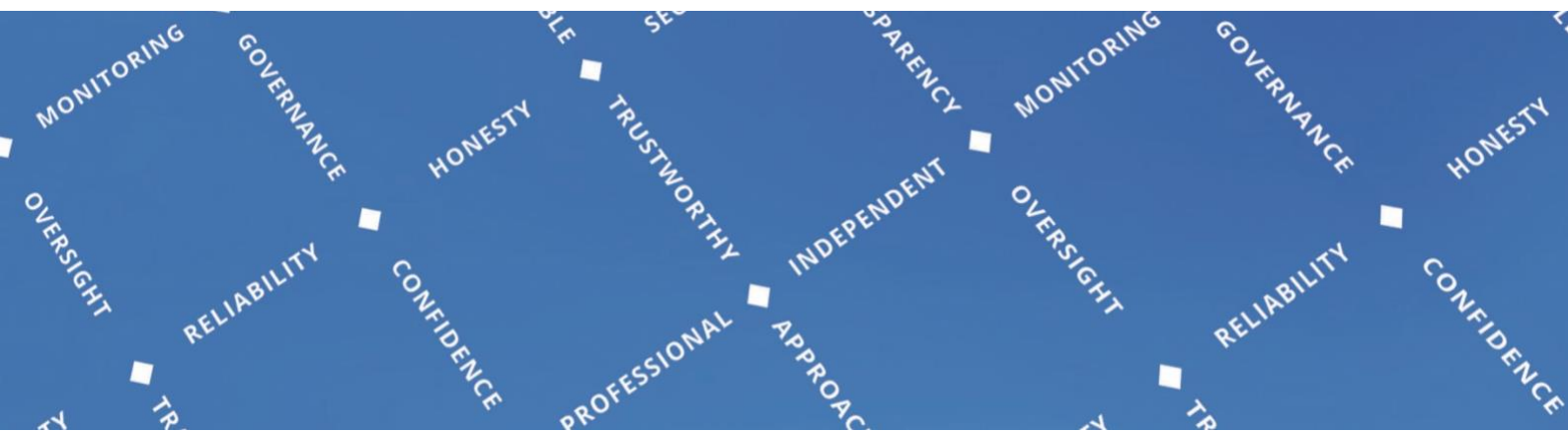




THE INTERNATIONAL CODE OF CONDUCT FOR PRIVATE SECURITY SERVICE PROVIDERS' ASSOCIATION (ICoCA)

2021-2022 ANNUAL REPORT



It gives us great pleasure to present the International Code of Conduct for Private Security Providers Association (“ICoCA” or the “Association”) Annual Report for the period 1 November 2021 to 31 October 2022.

As this report details, the past 12 months have seen very positive results for the Association across all of its functions, despite the fact that in late 2021 and early 2022 there still prevailed a level of uncertainty about the continued impact of the COVID-19 pandemic. During the current reporting period, which marks the fourth year of implementation of the 2019-2023 ICoCA Strategic Plan, attention was given to notably (i) the implementation and continued evaluation of the Goals and Objectives in the current strategic plan, and (ii) the development of the appropriate structures and activities to secure the continued growth and development of ICoCA and to define its strategic orientation and business model from 2024 onwards.

In addition, building on the outcomes of the 2021 General Assembly, the Association continued to:

- develop a long-term sustainable policy and research capacity to position ICoCA as the reference organization on private security and human rights, with a particular focus in 2022-2023 on migration & border management, new technologies and working conditions;
- implement evidence-based policy recommendations into actionable tools with demonstrable impact, in raising standards, accountability and good governance; and
- offer thought leadership on the evolution of the private security industry, and key developments, including technological, which impact the delivery and nature of security services and the potential human rights and humanitarian concerns arising therefrom.

With the lifting of many COVID-19 travel restrictions, ICoCA was able to resume its field operations, carrying out missions to a number of contexts, including the Democratic Republic of the Congo, Libya, Qatar, Somalia and South Sudan. These in-country visits bring greater visibility to ICoCA’s activities and help strengthen oversight and capacity building of the Association’s members and affiliates. This in turn has helped to drive a demonstrable up-take of code implementation in global supply chains where private security services are sourced, especially as part of broader mandatory human rights due diligence initiatives.

The war in Ukraine brought to the fore a trend witnessed in other contexts such as Libya, Mozambique, Syria and the Central African Republic, with the notable growth in the presence of private non-state actors in high-risk and armed conflict environments. These actors include mercenaries, private military contractors and private security providers. As a result, during the period covered by this report, ICoCA has continued to engage with governments, international and regional organisations and the security sector.

This engagement has been to support efforts, based on existing international law, to draw clear legal distinctions between legitimate private security providers, as defined in the Code, and those entities engaged in military-like activities and participating in hostilities. Failure to draw this distinction, in the view of the Association, increases the risks of human rights abuses and war crimes being committed.

Finally, we would wish to recognise the commitment shown by the Association's Members and Affiliates across all three pillars, and the contributions of ICoCA Observers to raise private security standard and practices that respect human rights and international humanitarian law. It is through their leadership and efforts that widespread adherence to the International Code of Conduct for Private Security Providers globally can be achieved.

Yours,

A handwritten signature in blue ink, appearing to read 'J.A. Williamson', with a long horizontal flourish extending to the right.

Jamie Williamson
Executive Director

A handwritten signature in blue ink, appearing to read 'F. Chenais', with a stylized 'F' and a horizontal line.

Frédéric Chenais
Chairman of the Board of Directors

2021-2022 Annual Report

The Board of Directors of the International Code of Conduct for Private Security Service 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, 2021 to October 31, 2022.

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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 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 and Affiliates, ICoCA can also grant non-voting Observer status to parties which have demonstrated support for the principles of the Code and the Association. The Federal Council of Switzerland approved an agreement on the privileges and immunities accorded to the Association on July 3, 2019. Pursuant to this agreement, the confidentiality of ICoCA documents and information are protected, which strengthens ICoCA’s independence.

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
Frédéric Chenaïs	Switzerland	Government	2022
Laura Gault	US	Government	2024
Annie McGee	UK	Government	2023
Vacant	Vacant	Government	
Michelle Quinn	The Americas	Industry	2023
Charlie Mayne	Rest of the World	Industry	2022
David Hornus	UK/Europe	Industry	2022
Jo Anthoine	At large	Industry	2023
Joel Bisina	Civil Society	Civil Society	2023
Carmen Rosa de Léon-Escribano	Civil Society	Civil Society	2023
Caleb Wanga	Civil Society	Civil Society	2022
Beatrice Godefroy	Civil Society	Civil Society	2024

2.3 Board Committees

During the 2021-2022 year, five committees were charged with managing and making recommendations to the Board in different areas of activity.

Committee	Members
Executive and Finance	<ul style="list-style-type: none">• Frédéric Chenais• Charlie Mayne• Beatrice Godefroy
Code Review	<ul style="list-style-type: none">• Frédéric Chenais• Annie McGee• Laura Gault• Joel Bisina• Beatrice Godefroy• Carmen Rosa• Jo Anthoine• Charlie Mayne• David Hornus
Operations	<ul style="list-style-type: none">• Frédéric Chenais• Beatrice Godefroy• David Hornus• Charlie Mayne
Compliance	<ul style="list-style-type: none">• Caleb Wanga• Joel Bisna• David Hornus• Annie McGee
Business Development & Partnerships	<ul style="list-style-type: none">• Frédéric Chenais• Jo Anthoine• Michelle Quinn• Carmen Rosa
Membership	<ul style="list-style-type: none">• Laura Gault• Annie McGee• Michelle Quinn• Caleb Wanga

2.4 The 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 the Articles of Association, namely: certification; reporting, monitoring and assessing performance; and the complaints process.

2.5 Members and Affiliates

ICoCA is a membership driven and supported organisation. During the reporting period, 23 new Members joined the Association (5 CSOs and 18 Industry Members and Affiliates). A current list of Members and Affiliates can be found on the ICoCA website.¹

¹ www.icoca.ch

3. Membership

3.1 Government Membership

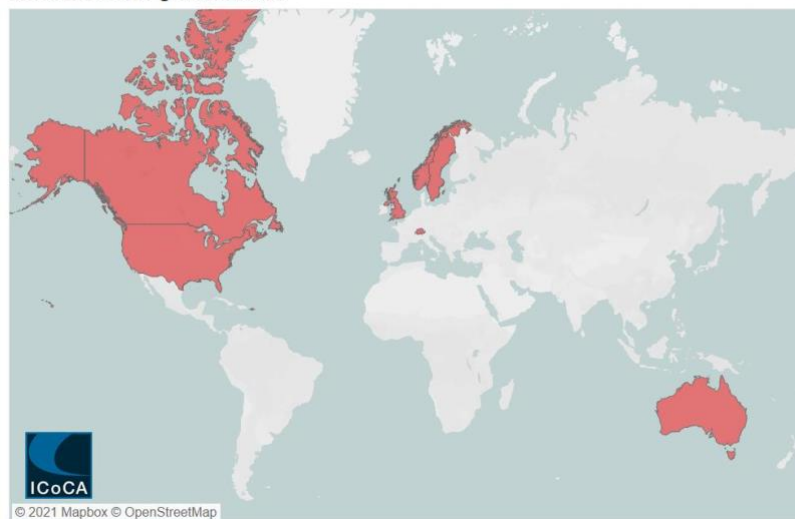
Seven governments are currently members of the Association: Australia, Canada, Norway, Sweden, Switzerland, the United Kingdom and the United States.

As members, and also as clients, regulators and donors, these governments have enabled ICoCA to increase its sphere of influence globally, and to raise security standards through the implementation of the Code in all environments where private security providers operate and where there is a risk of human rights abuses and/or violations of international humanitarian law and/or civilian harm.

ICoCA is particularly grateful to the governments of Sweden, Switzerland, the United Kingdom and the United States for their financial contributions to the Association during this reporting period.

The Association welcomes the efforts of member governments to encourage ICoCA's membership and recognition, in particular with those countries which are part of the Montreux Document Forum (MDF) and those committed to strengthening human rights due diligence in line with the 2011 United Nations Guiding Principles on Business and Human Rights (UNGPs). The Association looks forward to continuing to work with members and other governments to help support and promote the role of ICoCA worldwide.

ICoCA member governments

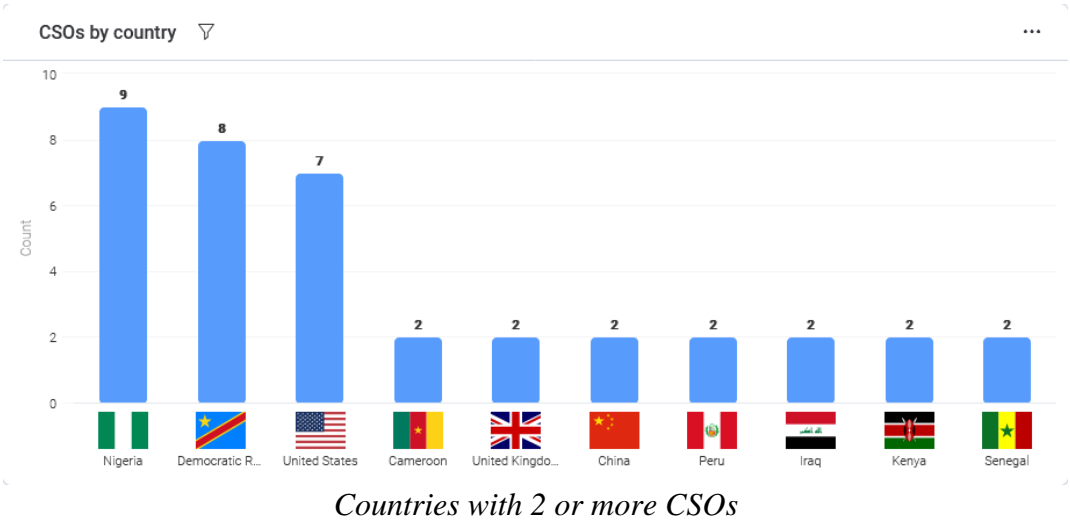
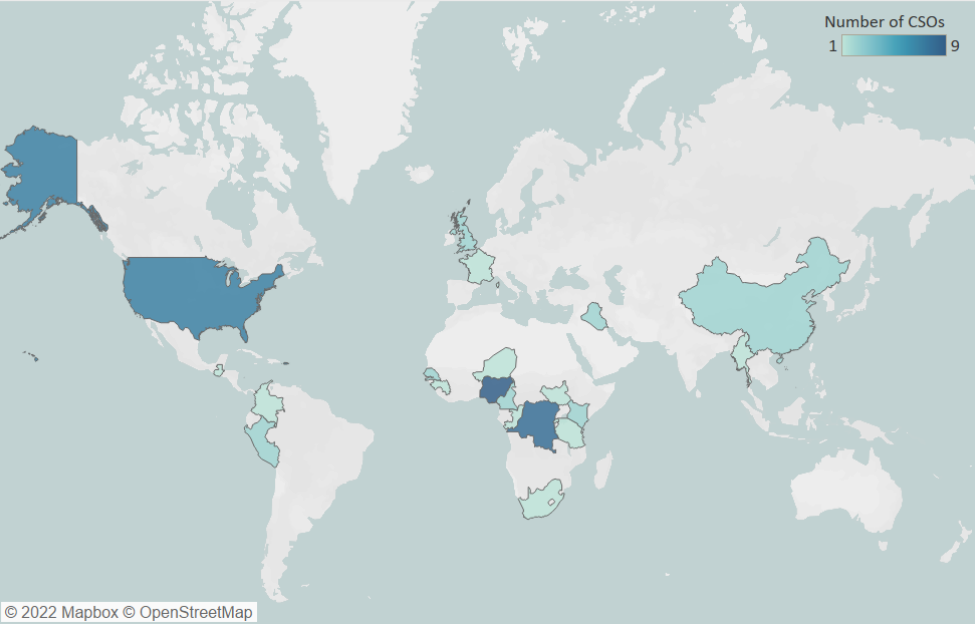


3.2 Civil Society Organisation Membership

Forty-nine civil society organisations (CSO) were members of ICoCA as at the end of the reporting period, with five CSOs from five different countries Cameroon, France, Nigeria, South Sudan and United Kingdom joining during the year. The 49 CSO Members represent 21 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).

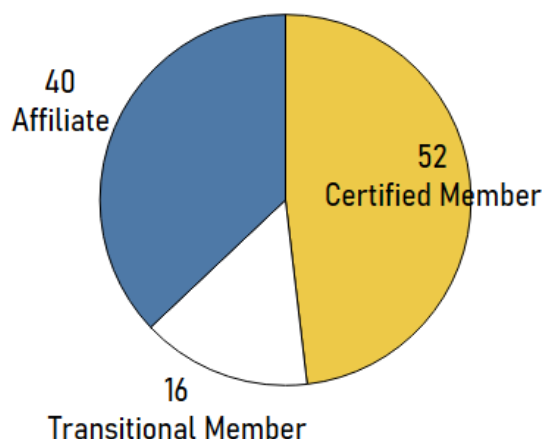
The Association continues to support the role of CSOs in the promotion of the provision of responsible private security services, and works towards expanding the involvement of both regional and international civil society organisations in the Association.

ICoCA Member Civil Society Organisations



3.3 Industry Membership

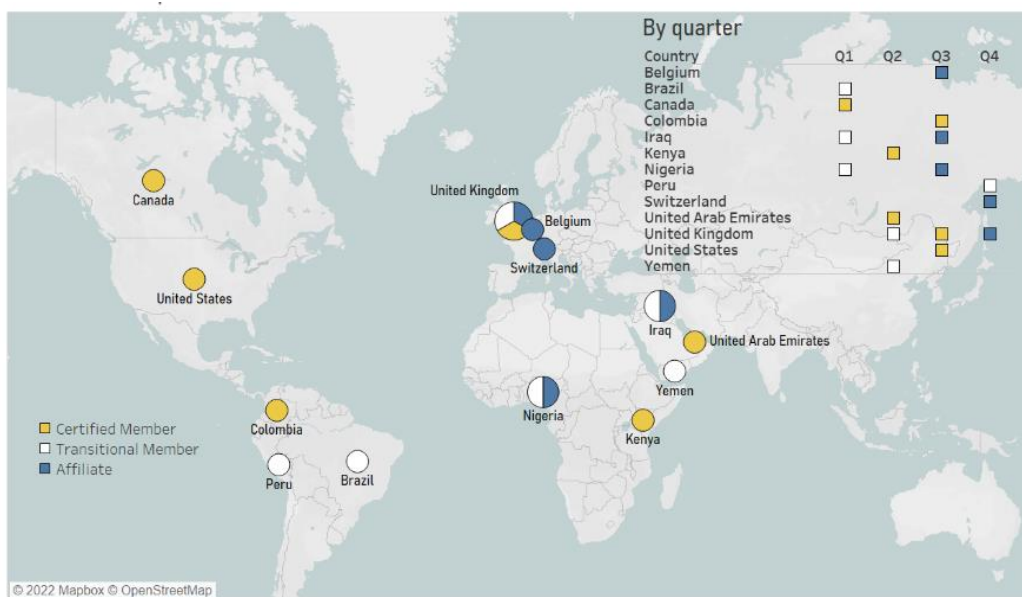
By the end of the reporting period, 108 companies made up the Industry pillar, 52 Certified Members, 16 Transitional Members and 40 Affiliates. With Certified Members now constituting the largest group, it demonstrates the commitment by companies joining ICoCA to continually improve and operate to the highest standards.



ICoCA PSCs by Company Type as at October 31, 2022

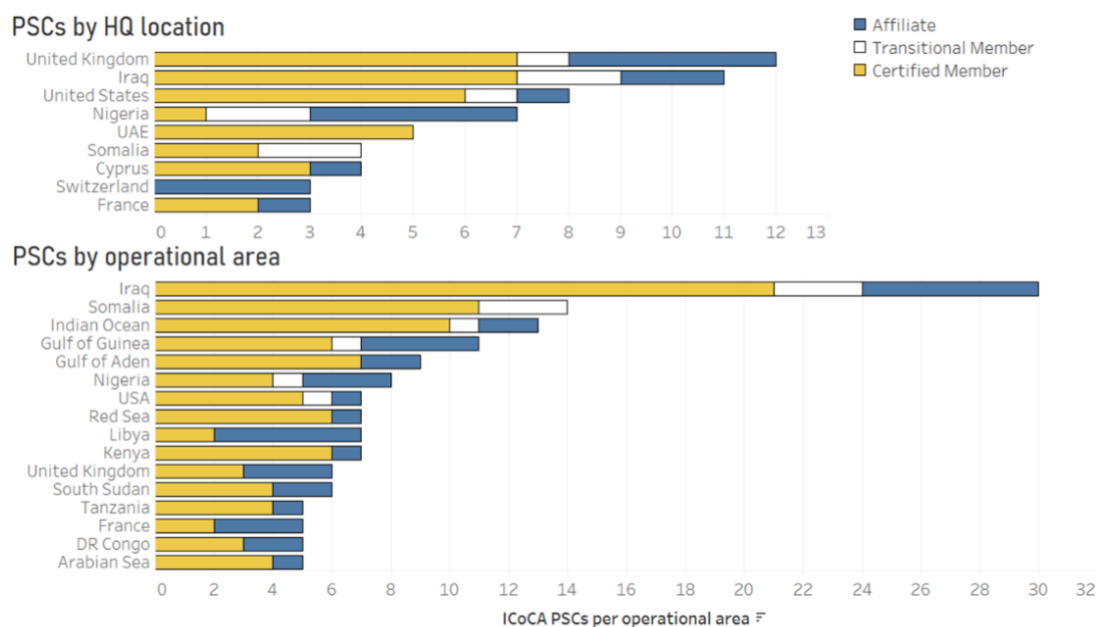
Eighteen companies joined during the year equally split between Membership types, ie 6 Certified Members, 6 Transitional Members and 6 Affiliates. The 18 companies which joined during the last year come from 13 different countries (Belgium, Brazil, Canada, Colombia, Iraq, Kenya, Nigeria, Peru, Switzerland, United Arab Emirates, United Kingdom, United States and Yemen). Diversification in corporate pillar membership continues to grow, with, for the first-time, companies joining from Brazil, Belgium and Yemen. Member and Affiliate companies range from small locally owned companies to large international companies with transnational operations, providing land as well as maritime security services and consultancy.

Further growth is expected in 2023 and beyond. The pipeline of companies that have demonstrated an interest in ICoCA remains strong, which demonstrates an upward trend of interest and relevance of the Code for private security providers.

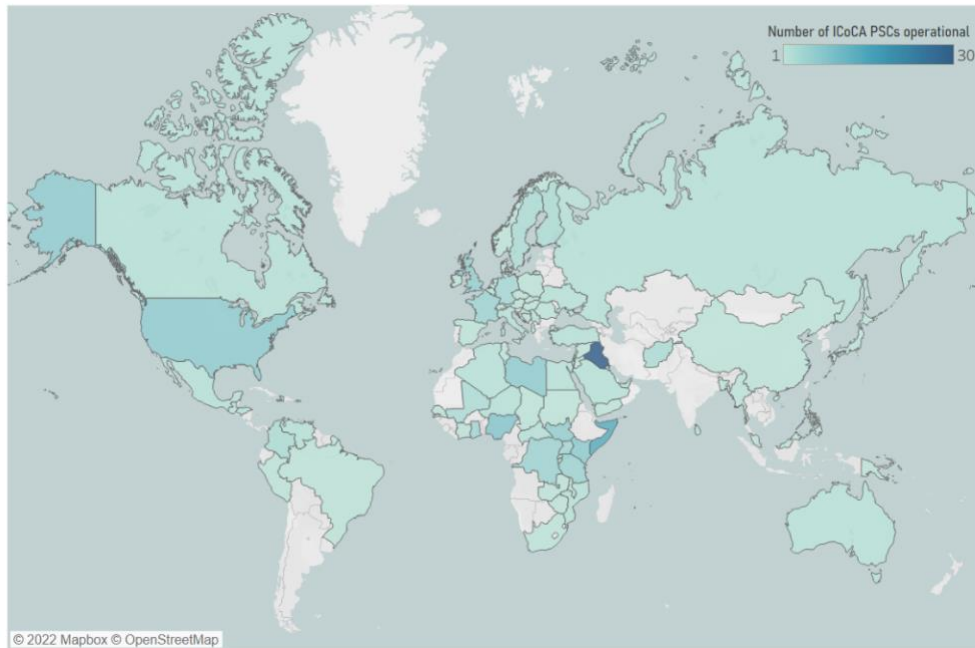


New ICoCA PSCs in 2022

Iraq has more operational Member companies than any other country. This reflects a general trend in growth in Membership from outside of Western Europe and North America. The Secretariat continues receiving applications for membership and affiliation on a regular basis, from an increasingly diverse and global reach. Industry Members and Affiliates have operations in 89 countries and 11 maritime areas.



ICoCA PSCs by HQ location and operational area

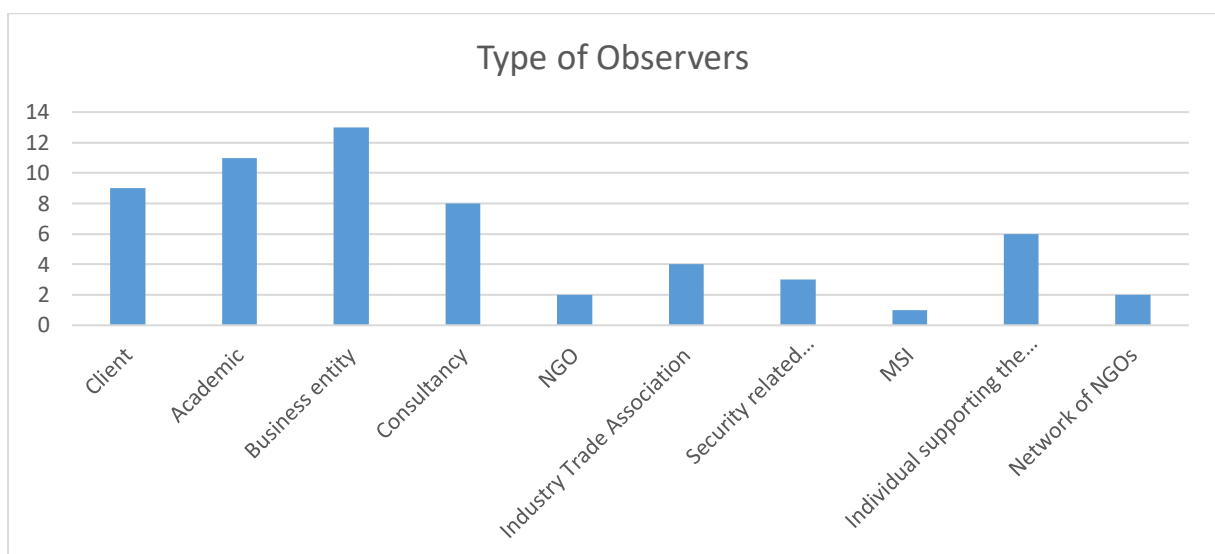


ICoCA PSCs Countries of Operation

3.4 Observers

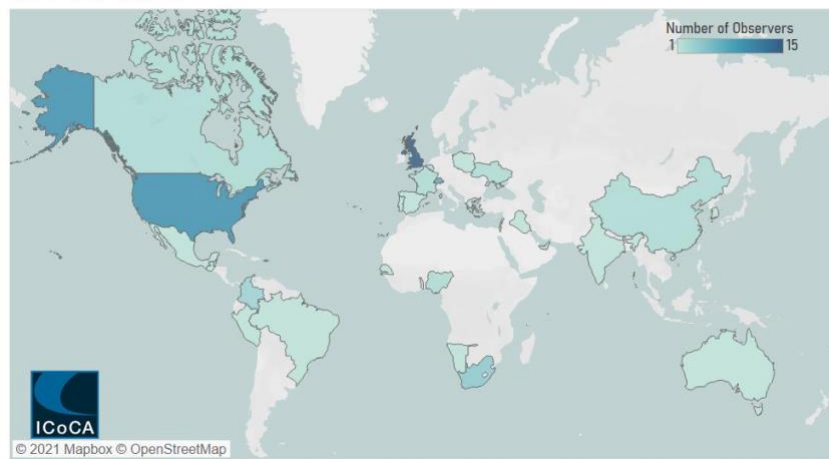
The Association also benefits from the engagement of 65 Observers, representing a diverse range of organisations and perspectives. Observers include clients of security companies, accredited certification bodies, consultancies, academic institutions, industry associations, non-governmental organisations and individual experts, which brings unique expertise and valuable insights to ICoCA's work.

Eight observers joined ICoCA during the reporting period, and the Secretariat continues receiving applications on a regular basis.



ICoCA Observers By Organisation/Affiliation Type

ICoCA Observers



ICoCA Observers Location

4. The Global Backdrop – From COVID-19 to the War in Ukraine

The last twelve months has been a tumultuous period in global history. COVID-19 has precipitated major supply-chain disruptions and inflationary pressure, which continue to negatively impact economies around the world. This is having a direct impact on the poor, including many who are employed with the private security sector. This was brought to sharp relief during a recent mission to Nigeria. With the cost of food and energy skyrocketing, many security personnel can no longer afford the commute to work, instead choosing to work 24/48 hour shifts and longer, to receive a salary which barely covers the cost of rice for the month. ICoCA's thematic focus on the working conditions of security personnel is therefore a timely and urgent imperative.

While the effects of the COVID-19 pandemic are still being felt globally, many countries have lifted travel restrictions prompting a sense of normalisation of business operations. This easing of restrictions has allowed the Association to resume in-person monitoring and outreach missions during the period. Monitoring missions have taken place to Libya, Somalia and South Sudan during the period, with outreach missions taking place to Ghana, the Democratic Republic of the Congo, Germany, Ghana, Poland, Qatar, United Kingdom, United States of America, and Singapore. At the time of writing, further missions had been completed in November 2022 to Mozambique, Nigeria and Belgium with a final outreach mission to Kenya planned immediately following the Annual General Assembly in December. Virtual engagement during the height of the pandemic prompted ICoCA to increase its online presence, with conferences and events now taking place in-person, this last year has seen Secretariat staff back on the road.

As individuals and organisations looked to recover from the impact of COVID-19, the war in Ukraine since March 2022 sent shockwaves globally. The proliferation on non-state actors active in Ukraine and bordering countries gave rise to particular issues and concerns for ICoCA. To address potential risks associated with the use of private security providers and entities providing military related activities, ICoCA engaged with relevant stakeholders including humanitarian agencies and business entities in the region. In particular, the Association recalled that humanitarian organisations looking to contract security providers should ensure that:

- (i) any decision they take to contract private security providers is compatible with humanitarian principles and acceptance;
- (ii) Human Rights due diligence is systematically included in new and existing procurement processes for selecting private security providers, including in request for proposals and tender documents;
- (iii) the private security providers have a proven track record of respect for internationally recognised standards, such as the International Code of Conduct, and have integrated these into their policies, procedures and operations; and
- (iv) their contracting policies and guidance and Human Rights Due Diligence requirements are established, disseminated and applied systematically across the organisation.

In addition to the major humanitarian and economic consequences of the war in Ukraine, the conflict led to renewed scrutiny and attention from western media on the use of non-state actors, including PSCs (PSCs), private military contractors and mercenaries in such settings. Much of the international focus was naturally on the operations of the so-called ‘Wagner Group’, in Ukraine, yet the second half of the 20th Century is replete with examples of private contractors and mercenaries operating in a variety of contexts, hired by a range of entities, including State actors. In recent times, in addition to Ukraine, there has been a growth in the reliance on private non-state actors to carry out a range of security and military related activities in such contexts as Mozambique, Libya, Central African Republic, and Syria.

Given the mandate of the Association, and in light of this additional scrutiny of private non-state actors in armed conflict and otherwise high-risk environments, the Association, as a reference organisation on private security, humanitarian law and human rights, has offered its expertise in many fora, including United Nations multilateral processes, expert meetings and parliamentary enquiries.

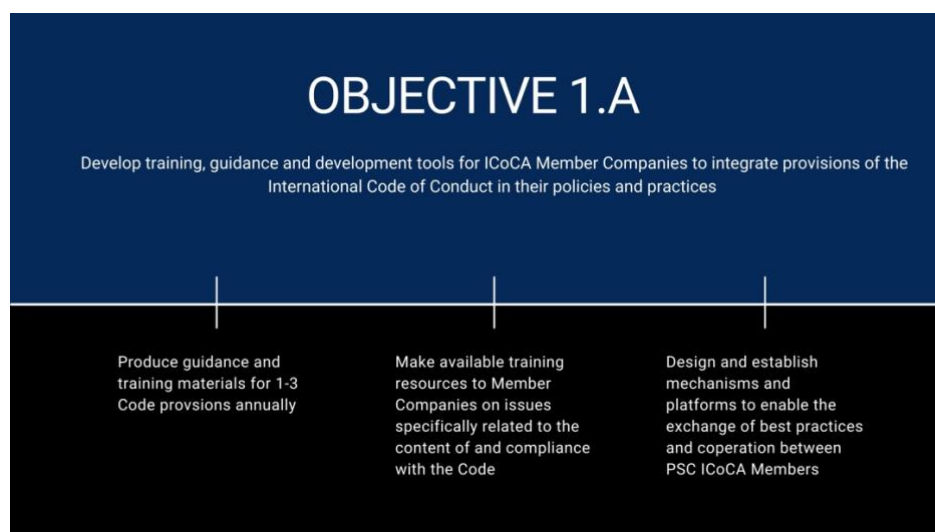
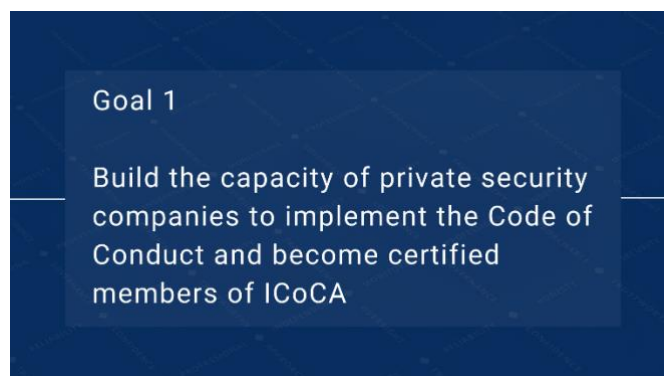
The Association has recommended to Governments *inter alia* that:

- (i) a clear understanding of and delineation between the various non-state private actors operating in high risk, complex and conflict environments, must be established;
- (ii) governments support national and international efforts to improve accountability and the provision of remedies to address violations of international humanitarian law and abuses of human rights by private military companies; and
- (iii) due consideration should be given to providing increased support to civil society organisation to build their capacity to collect, document, and report on the activities of private military entities operating in high risk and conflict environments.

The combined fall outs of the COVID-19 pandemic and the war in Ukraine will carry over into 2023 and beyond. The Association, by providing governance and accountability mechanisms that ensure respect for human rights and international humanitarian law in the provision of private security services, will accordingly continue to engage with all key stakeholders to address any risks associated with private security providers.

5. 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 annually. This Annual Report therefore includes the fourth and penultimate report back on the Strategic Plan 2019-2023.



5.1 Online Training Courses

ICoCA extended and deepened its online training offerings for Member and Affiliate companies during the reporting period.

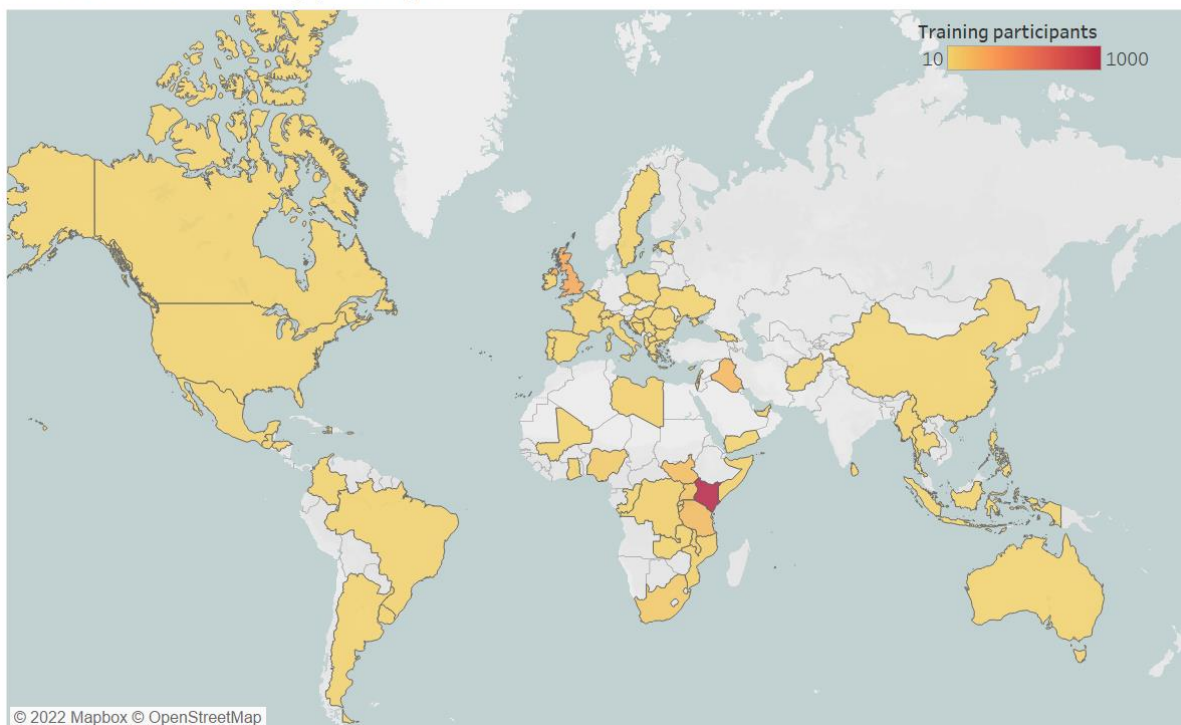
The first online course on the Prevention of Sexual Exploitation and Abuse (PSEA), which was developed in 2021 and made available in five languages, has now been translated into a further four languages (Portuguese, Russian, Somali & Swahili). ICoCA has produced two more online training modules, based on Section F of the Code, with a focus on behaviour of personnel. The two new modules respectively consider why security personnel must follow the Code, with security guards themselves as the target audience; and why PSCs must comply with the Code, aimed primarily at company management, but also relevant to guards.

These modules were developed to be used as both a train the trainer programme as well as to be taken directly by security personnel with access to the internet. The new modules are freely available to all Member and Affiliate companies and their personnel.

Feedback to-date from Member and Affiliate companies on all the modules offered to date has been very positive and uptake impressive. Over 1,500 participants have now taken the PSEA course and each of the modules on Sections F of the Code and the legal framework have had almost 500 participants each, representing a similar uptake to the PSEA, given that the modules have only been live only about one third the time as the PSEA course.

In total, the courses have been taken by participants based in 68 countries and from 57 Member and Affiliate companies. Course enrolment numbers, of course, understate actual numbers of personnel who have received course trainings, as the courses and materials contained within them are used by trainers in the classroom for guards who may be unable to directly access the courses online. Access issues can be related to limited internet access due to bandwidth or data issues or can also be related to literacy and language abilities. Offline course materials for the courses are being developed, based on feedback from Member and Affiliate companies. These will be fully rolled out to Member and Affiliate companies in early 2023.

ICoCA online training participants



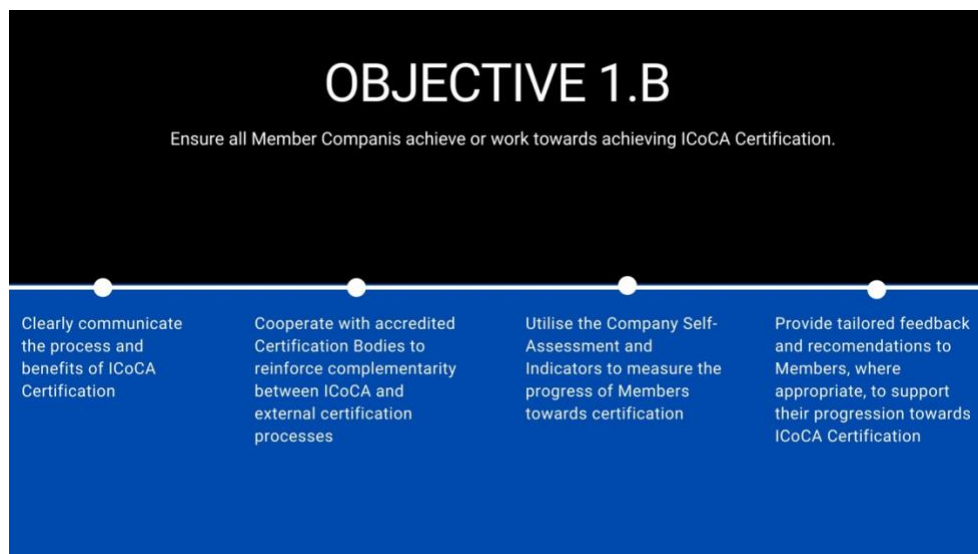
About 2,500 online course enrolments to date in 68 countries

5.2 Weapons and Ammunition Management

Paragraphs 56 to 58 of the International Code of Conduct lay out commitments concerning management of weapons while paragraphs 60 to 62 concern the management of ammunition. With the support of the Swiss Government, the Small Arms Survey, in partnership with ICoCA, undertook research to investigate these questions and develop indicators to assess ICoCA Member and Affiliate companies progress towards responsible weapons and ammunition management. The findings of the research were presented during a webinar convened on in January, to which over 200 people registered. The indicators themselves have been incorporated into ICoCA's Company Self-Assessment to further assess company practice. While this work represents an important first step in fulfilling paragraphs 56, 58, 60 & 62, ICoCA invites further attention be given to and training on these issues to deepen understanding of the risks and challenges for responsible weapons and ammunition management.

5.3 East-Asia Working Group

Recognising the increasingly important role private security providers from East Asia are playing in the global marketplace and the challenges in providing responsible private security in various East Asian markets, an East-Asia working group was formed during the reporting period, to provide a venue to encourage the sharing of issues, ideas and best practice. The group evolved out of the previous SME working group, which had mostly been made up of companies operating in East Asia. The East Asia group not only includes Member and Affiliate companies, but also civil society organisations and Observers. A number of meetings have taken place during the reporting period. It is important to note that the East Asia working group's remit is broader than the Chinese market. The group is also considering broadening its scope to include Africa, with a particular view towards East Asian companies operating in the African continent.



5.4 ICoCA Certification

The overall objective of the ICoCA Certification procedure is to ensure that PSCs meet their obligations under the Code and engage with the Association in a constructive and transparent manner. To address the increasing number of applications from PSCs seeking to obtain ICoCA certification, and the constraints resulting from the very limited number of Certification Bodies accredited to the PSC.1, ISO 18788 and ISO 28007 standards so recognized by ICoCA, in countries where specific accreditation to these standards is not available from IAF/MLA members, ICoCA now accepts evidence of certification to these standards from ISO 17021 accredited Certification Bodies that meet ICoCA competency requirements. ICoCA continues to accept accreditation to the recognised standards by a further four Certification Bodies. As per the ICoCA Board approved Certification procedures, PSCs certified to standards not currently recognized are invited to approach the Association for consideration of these standards for recognition by the Board.²

²Article 11 Procedures: <https://icoca.ch/wp-content/uploads/2022/11/Art-11-Procedures.pdf>



Accepted Certification Bodies

During the last year, 11 companies achieved ICoCA Certification for the first time, including one company that attained Certification from Affiliate status. A total of 7 companies also obtained ICoCA recertification. At the end of the reporting period, there were a total of 52 ICoCA Certified companies, representing the largest grouping of corporate Member or Affiliate companies.



ICoCA Certified Member Companies

ICoCA formally participated in the Technical Committee for the 10-year review of ANSI/ASIS PSC.1-2012. Meetings commenced in September 2021 and have been ongoing throughout the reporting period.

OBJECTIVE 1.C

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

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

5.5 Affiliate Status

Forty-three companies finished the reporting period as Affiliates, an increase of 32 from the year before. The Affiliate category remains an important first step for companies to join ICoCA, and it is also a key entry way for companies which wish to demonstrate a commitment to human rights but may lack the resources to pursue the external certifications required for ICoCA membership. As with Member companies, Affiliate companies are monitored by ICoCA with continual improvement being expected and encouraged.

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

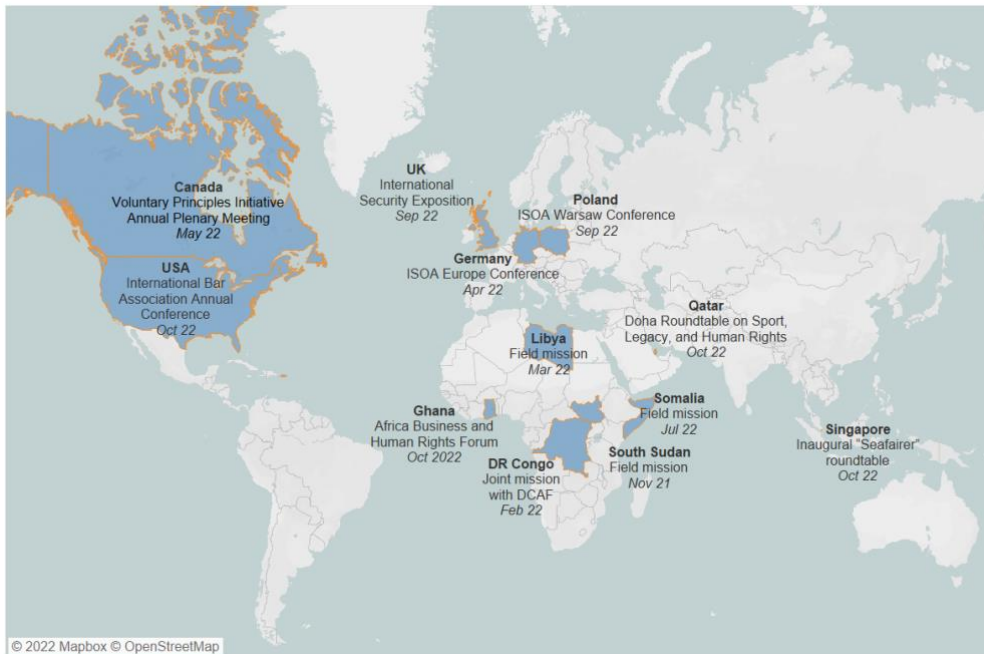
Build an evidence-based system that supports routine monitoring and evaluation of Code compliance for all ICoCA Member Companies and a system to identify and address non-compliance question

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.

5.6 Field Missions

With the lifting of many COVID-19 travel restrictions in late 2021 and early 2022, ICoCA was able to resume its field operations, carrying out missions to a number of contexts, including Libya, Somalia and South Sudan. Field missions had the following objectives:

1. To meet with ICoCA Member and Affiliate companies to discuss their efforts to implement the Code and the associated challenges, the impact of Covid-19 on company operations, and the evolution of the private security market;
2. To meet with prospective ICoCA Member and Affiliate companies to discuss their interest in the Association and its added value for PSCs;
3. To meet with clients of PSCs and raise awareness on their due diligence responsibilities to ensure that contracted providers meet relevant standards, potentially by referencing ICoCA Membership or Affiliation in tenders and procurement policies.



ICoCA In Person Missions & Outreach 2021-2022

South Sudan – November 2021

The mission to South Sudan was the first monitoring mission to be carried out since the COVID-19 pandemic. During the mission, ICoCA met with PSCs, including one ICoCA certified member and two affiliates, and strengthened its understanding of how the Code is being implemented in the South Sudan context, including during the COVID-19 pandemic. The team met with prospective ICoCA members/affiliates, clients of PSCs—including those in the humanitarian sector—and raised awareness about ICoCA and the importance of the Code in ensuring human rights in the private security sector.

There is reportedly approximately 80 registered PSCs in the capital, Juba, of which perhaps 15 appear to have a physical presence and provide physical security services. Of the 15, at the time of visiting, three are linked to ICoCA with one certified member and two affiliates. Following the mission, and the work of the team in raising awareness about the Association, there are now 5 ICoCA Companies operating in the country. Communication channels are open with a number of other PSCs operating in South Sudan that have shown an interest in ICoCA.

Given the shape of the national economy, the private security industry focuses on the UN/NGO sector with physical-guarding being the main security service provided. As aid is provided to local communities across the country, security companies will often have to deploy guards to numerous remote field sites, presenting a significant logistical challenge, particularly for training and supervision, which is further hindered by poor communications. Other noteworthy consumers of private security services are the extractive industry, both in Juba and in the main oil producing regions, such as Upper Nile and Unity states, private businesses, such as hotels in Juba, and diplomatic missions.

The private security sector is a major employer across the country with guards generally viewed as unskilled. Except in Juba, guards are typically recruited from the local community—if they are not then they will likely face hostility. Salaries for guards vary hugely. Those security companies which compete purely on price will often have guards with a take-home pay of less

than USD 2/day. As can be expected, such low rates will see guards taking on additional jobs and will subsequently be less effective. Clients from the NGOs sector were often cited as contracting based on price alone, and accordingly will assume a higher level of operational and reputational risk.

Information gathered during the mission to South Sudan confirmed findings of research previously conducted by ICoCA in collaboration with the Global Interagency Security Forum on private security contracting in the humanitarian sector³. Further engagement with the sector in the East Africa region is therefore planned by ICoCA.



Meeting with ICoCA Affiliate, Archer, Juba, South Sudan

Libya, March 2022

In March 2022, ICoCA visited Tripoli, Libya. This was the first ICoCA mission to Libya, and was therefore particularly important to enable ICoCA to strengthen its in-country understanding of the Libyan operating environment, and to assess how to streamline Code implementation in-country, given the local dynamics and associated challenges. ICoCA met with PSCs, including one ICoCA Certified Member and four Affiliates, as well as with prospective ICoCA member companies, clients of PSCs—particularly in the oil and gas sector—and representatives of foreign governments. All meetings allowed for ICoCA to raise awareness about the Association and its relevance to Libya and to recall the importance of the Code in ensuring respect for human rights and humanitarian law in private security operations.

It has been widely reported that the risk to civilians in many parts of Libya is high due to the widespread availability of weapons and the divided loyalties of armed groups and armed tribes. These risks are exacerbated by the lack of effective accountability mechanisms and rule of law, as the fractured government struggles to provide stable institutions. In this dynamic and complex context, private security providers are therefore seen as critical actors in supporting

³ Private Security Contracting in the humanitarian sector: Time to take responsibility – Policy Brief
<https://icoca.ch/wp-content/uploads/2021/10/ICoCA-GISF-Policy-Brief-Time-To-Take-Responsibility.pdf>

the development of a secure and stable operating environment and their services are in increasing demand.

By strengthening their human rights due diligence and procurement processes and requiring ICoCA membership, international clients—including multinational corporations across different sectors, international organisations such as the EU, and the diplomatic community—have driven a number of private security providers in Libya to seek to operate to international standards and the International Code of Conduct.

Although clear licensing processes are yet to be defined, Libya reportedly has around 40 registered PSCs, but perhaps less than 10 are able to effectively bid on large international contracts. The majority of these are ICoCA certified members or affiliates. International PSCs operate with local partners, given prohibitions on international PSCs operating directly in the country. ICoCA will continue to engage key stakeholders in the country and will consider further missions in this regard.

Somalia, July 2022

An ICoCA team visited Mogadishu, Somalia in July 2022. The team met with nine Member companies and four prospective members, with organisations contracting private security services and representatives of the United Nations Assistance Mission in Somalia (UNSOM). In addition to providing insights on the Somali operating environment and the challenges that PSCs face in implementing the requirements of the International Code of Conduct, the mission provided an opportunity to gather feedback from companies on the new ICoCA online training and to seek their input on the development of additional capacity-building material. During meetings with clients, ICoCA discussed procurement practices, clients' due diligence responsibilities over contracted providers, and the benefits of contracting ICoCA Member and Affiliate companies. All the PSCs engaged during the mission demonstrated a clear commitment to human rights and the International Code of Conduct.

Somalia continues to suffer from high levels of insecurity. Protracted political instability, coupled with an increase in piracy activities along the coasts of Somalia during the first decade of the 2000s, generated a significant demand for private security services. PSCs, both local and international, are therefore seen as critical actors in supporting the development and stability of the country. Private security is also deemed to be an essential asset for foreign organisations trying to operate in the country, particularly for business entities, NGOs and members of the international community.

Both local and international PSCs operate in Somalia. Precise figures on the number of companies are not available, but discussions held by ICoCA with various stakeholders suggest that there were at some point over one thousand formal and informal private security entities operating across the country. Of these, only a small fraction appears to be able to bid on large international contracts – with the majority being ICoCA Member companies.

The ongoing UN arms embargo on Somalia makes the procurement of weapons and other equipment particularly burdensome for PSCs. This pushes some companies to source weapons from the black market. Regional-specific constraints also apply to the operations of security companies, such as those related to recruitment and the lack of infrastructure.

Local constraints and industry practices can make Code implementation challenging. With regard to personnel recruitment, the workforce of PSCs operating in Somaliland and Puntland is predominantly composed of local nationals. Recruitment processes are often influenced by

clan dynamics and the need to maintain peaceful relationships among the different groups. This, however, can have an impact on the fitness of recruited personnel, with companies often forced to compensate for deficiencies with additional training. Companies operating in South-Central Somalia, and particularly those operating within the Aden Adde International Airport zone (AAIA), heavily rely on the recruitment of third-country nationals (TCNs), particularly Ugandans and Kenyans – this mostly because of the law prohibiting local nationals to carry firearms within AAIA, unless members of the regular armed forces. Recruitment of TCNs is carried out by recruitment agencies in their countries of origin. Without adequate supervision on the part of companies, the risk of recruitment fees and potential debt bondage is high. Low labour standards also raise concerns. There is no minimum wage law in Somalia and no common agreement between PSCs on the matter. Few clients require in their contracts the payment of a determined minimum wage. PSC personnel, including at the management level, are mostly recruited as contractors and paid only for the amount of time worked.

Common training standards are also lacking. Companies develop their own training programmes based on organisational needs and client demand. All PSCs that engage with ICoCA or provide services to international organisations provide personnel with human rights training. The increased roll out of ICoCA guidance and training, as well as continued engagement with clients, were seen as being of high value. ICoCA will continue to provide such guidance and training, as well as to engage with clients at the national, regional and international levels to demonstrate how the use of ICoCA Member and Affiliate companies can help reduce human rights risks.



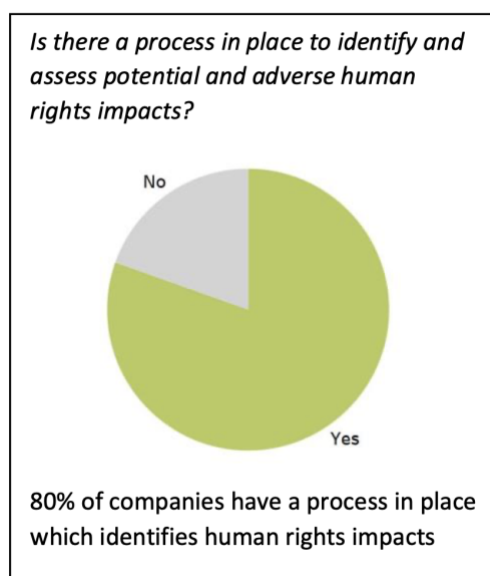
Meeting with ICoCA Member Company, Mogadishu, Somalia

5.7 Company Self-Assessment

The 2022 CSA was launched in September. The CSA is a mandatory annual requirement for ICoCA Member and Affiliate companies, which is central to monitoring. It allows ICoCA to understand the gaps that a company faces in their compliance with the Code, and the improvements which have been made over the last year. As part of the CSA process, the company will receive detailed feedback on how to close these gaps. In the aggregate, ICoCA can see the strengths and weaknesses across all Member and Affiliate companies, helping to focus efforts related to guidance and training for the year ahead. Further analysis of the 2021 survey has been conducted and key findings were shared during the period. A few notable points include the following.

Weak or Absent Human Rights Impact Assessments (HRIAs) to be followed.

Eighty per cent of companies have a process in place to identify potential and adverse human rights impacts. Some weakness or absence of HRIAs were found mainly in ICoCA Affiliates and a small number of Member companies. All companies with HRIA deficiencies had this raised during the CSA feedback. This will be carefully tracked in the upcoming 2022 CSA as 2021 also saw the release of the Guidance for Private Security Companies on Conducting Human Rights Impact Assessments.

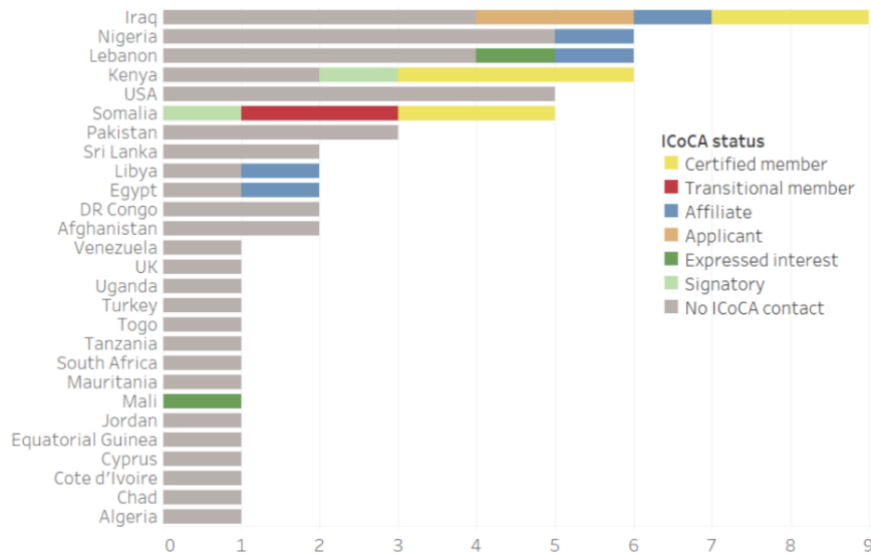


Number of ICoCA Companies with HRIAs

Use of subcontractors

The use of subcontractors for the provision of security services is uncommon with the majority of ICoCA member and affiliate companies. Overall, 82% of companies reported not using subcontractors. For those that do, 12% use one to three; 6% use four or more. By territory, Iraq has the highest number of subcontractors followed by Nigeria, Lebanon and Kenya. the majority of subcontractors have no links—past or present—to ICoCA. Subcontracting practices, therefore, need careful monitoring, as Para 50 of the Code states “Member and Affiliate Companies will exercise due diligence in the selection, vetting and ongoing performance review of all subcontractors performing Security Services.” Similarly, paragraph 51 states “In accordance with principle 13 of this Code, Member and Affiliate Companies will require that their Personnel and all subcontractors and other parties carrying out Security

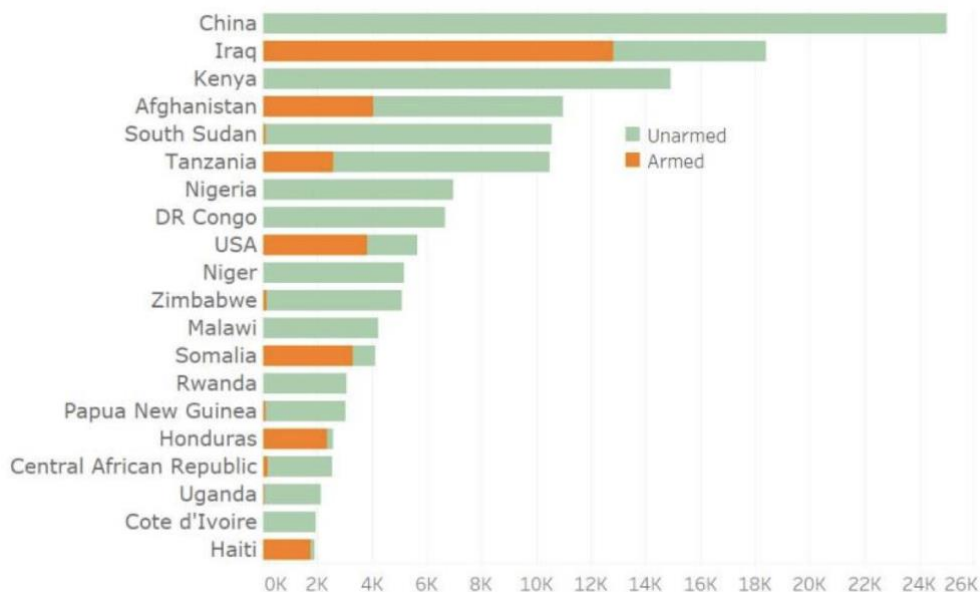
Services under the contract, operate in accordance with the principles contained in this Code and the standards derived from the Code.”



Subcontractors of ICoCA PSCs

Personnel at ICoCA Member and Affiliate Companies

Globally, 82% of guards working for ICoCA member and affiliate companies are unarmed. 18% are armed.⁶ Iraq has the highest number of armed personnel working in the country, followed by the United States of America and Somalia. China has the largest number of staff working for ICoCA member and affiliate companies. To note, several CSA responses were received prior to the change of government in Afghanistan. Although a limited number of ICoCA member and affiliate companies continue to operate in Afghanistan, the current number of staff—both armed and unarmed—is currently lower than reported in the CSA, which is not reflected in the chart below.



Number of ICoCA company personnel

<p>OBJECTIVE</p> <p>2.B</p> <p>Identify and build the capacity of civil society organisations that can highlight human rights issues resulting from the operations of private security companies</p>	
<p>1. Strengthen cooperation with other organisations linked to the private security industry and involving a civil society organisation component, such as the Voluntary Principles Initiative and the Private Security Governance Observatory.</p>	<p>2. Explore, through CSO Members and their respective networks, the opportunity of conducting capacity-building exercises at the national and regional levels</p> <p>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</p>

5.8 CSO Support

During the past year, ICoCA has provided support to a number of CSO Members in a variety of countries to conduct research on trends related to private security, identifying significant human rights issues and mapping key stakeholders in respective regions. Countries covered are the following:

- Cameroon;
- East Africa (Kenya, Rwanda, South Sudan, Tanzania, and Uganda);
- Iraq;
- Myanmar;
- Nigeria;
- Senegal; and
- South Africa.

Each country surveyed has unique characteristics relating to private security provision. While it is difficult to generalise, a number of common themes emerge. Working conditions of private security personnel in many countries are poor. Salaries are low, hours are long and training limited. The majority of the guard force in all countries surveyed is made up of men, typically 75% or more. Clients cover all sectors, corporate, humanitarian and government. It was reported that a majority of owners of PSCs tend to be former military or police. This perceived “militarisation” of the industry in a number of contexts, often with strong political connections, can be problematic especially as regards undue influence in procurement processes, allegations of corruption and limited accountability. While most countries, other than Myanmar, have a licensing process, regulatory authorities are often resource-constrained leading to a lack of industry oversight. In countries where private security personnel are permitted to carry firearms, ICoCA’s work with Small Arms Survey on weapons and ammunition management is both relevant and needed. In countries where firearms are not permitted by private security personnel, there can often be close cooperation between public security forces and private security providers, raising questions around command, control and accountability.

ICoCA has continued to work in close cooperation with DCAF to engage civil society organisations and regulators in a number of countries, activities in DRC, Kenya and Nigeria are highlighted below.

The Democratic Republic of the Congo (DRC) – With the support of the DCAF-ICoCA-OEARSE project, the DRC Ministry of Interior worked with representatives of the Protection civile (private security regulator) in Kinshasa and seven provinces, civil society experts and other key stakeholders to develop a national roadmap to strengthen private security regulation in the Democratic Republic of the Congo. During the first day, substantive discussions saw the completion of the roadmap structured around four themes: governance and authority, monitoring, accountability and human rights, training and working conditions and use of force and public/private cooperation. On the second day, the roadmap was officially validated and launched in a ceremony opened by a representative of the Vice Prime Minister and Minister of Interior. A successful joint DCAF-ICoCA mission to Kinshasa contributed greatly to achieving this positive outcome.

Following on from the work conducted in 2020-2021 engaging civil society organisations in the DRC and the adoption of the private security regulatory roadmap, in June and July 2022 CSOs from seven provinces (Haut Katanga, Kasai Oriental, Maniema, Sud Kivu, Nord Kivu, Kinshasa and Tshopo) formed committees to ensure its implementation. One committee focuses on developing recommendations for the mandate of the private security oversight body in the country, the other committee seeks to develop an alert system for victims of PSCs.



Development and consolidation of the private security roadmap in Kinshasa, February, 2022

Kenya – In the context of elections in Kenya, ICoCA Board member Usalama and DCAF developed a Montreux Document/ICoCA outreach strategy. ICoCA and DCAF participated online in an event convened in Nairobi in August focused on highlighting international good practices to prevent human rights violations by private security during elections. The resolutions were endorsed by six major political parties, ten civil society organisations, two media associations, the Kenya Correspondents Association (KCA) and the Crime Journalist Association of Kenya (CJAK). The resolution was also disseminated to PSCs through the Protective and Safety Association of Kenya (PROSAK), Protective Security Industry Association (PSIA) and Kenya Security Industry Association (KSIA) with a membership of over 2000 companies spread across the industry in Kenya.

Nigeria – ICoCA continues to focus attention on the private security sector in Nigeria through close collaboration and support of CSOs on the ground. During the period, ICoCA developed a proposal for CSO support which the UK FCDO has generously agreed to support. In Nigeria, ICoCA will be working with AfriLaw Foundation to host a series of training workshops on responsible private security. The first meeting took place in October in Abuja, and a series of further workshops will take place around the country in the following months. These workshops are a collaboration between a number of partners, including DCAF, and ICoCA Observer MSS Global.



Kick-off event for training workshops in Nigeria

5.9 Complaints

During the past year, no Member Companies reported registering complaints or incidents. Four companies reported that they had compliance concerns regarding misconduct of personnel. Three companies had membership terminated due to non-submission of the annual Company Self-Assessment.

Active Compliance Concerns at the end of October 2022			Status
Personnel Misconduct	Management and Governance	Other	Active
1	3	1	

Compliance concerns since ICoCA is operational (closed and active)			Status
Personnel Misconduct	Management and Governance	Other	11 closed; 5 active (above)
3	10	3	

Complaints Received in 2021-2022			Status
Total	Alleging a Violation of the Code	Against Member Companies	3 Active, 2 closed
5	4	3	

Complaints Received since ICoCA is operational (closed and active)			Status
Total	Alleging a Violation of the Code	Against Member Companies	41 closed, 3 Active
43	4	12	

Terminations of Company Membership or Affiliate status in 2022		
Total	Non-Submission of Annual Company Self-Assessment	Cooperation in Bad Faith
5	0	1

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 intergovernmental organisations

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.

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.

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.

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

5.10 Engagement with governments and intergovernmental organisations

ICoCA continues to participate to high level regional and multilateral meetings to engage on the critical role played by private security globally, and on the importance for all stakeholders, to commit to the respect of human rights and humanitarian law whenever private security providers are relied upon and wherever they are operating. ICoCA regularly engaged with the Montreux Document Forum (MDF), the UN Working Group on Mercenaries, the UN Open-ended intergovernmental working group to consider the possibility of elaborating an international regulatory framework on the regulation, monitoring and oversight of the activities of private military and security companies, the UN Working Group on Business and Human Rights and the Voluntary Principles on Security and Human Rights Initiative (VPIs).

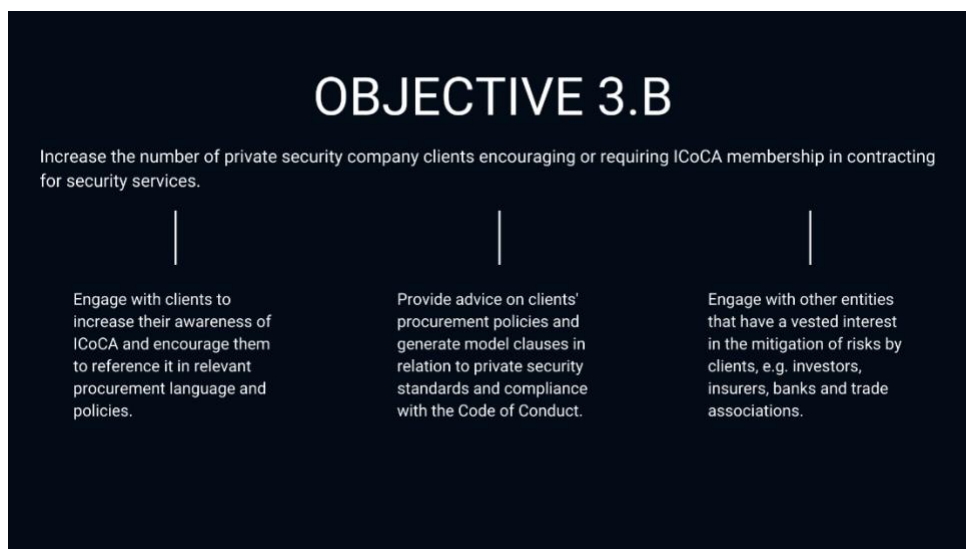
More specifically, an online meeting took place with a Beijing based official from the Chinese Ministry of Foreign Affairs in February. In April, ICoCA made a formal submission responding to a call from the UK Parliament Foreign Affairs Committee on the use of proxy Private Military Companies (PMCs) including the Wagner group. Meetings with DRC and Mozambique delegations took place on the side-lines of the VPIs Annual Plenary in May 2022. ICoCA was invited to make a keynote presentation at an Extraordinary Session of the Meeting of the Parties to the Aarhus Convention at the UN in Geneva in June.

ICoCA has also been actively engaging with the European Union (EU) during the period. ICoCA has had a number of meetings with various EU officials, including several teams at the European External Action Service (EEAS). ICoCA was one of several organisations that signed a statement calling for the European Commission's Proposal for a Directive on Corporate Sustainability Due Diligence to refer to the fact that international humanitarian law must be respected in situations of armed conflict and that companies are obliged to conduct heightened, conflict-sensitive due diligence in all cases where they operate in conflict-affected or high-risk areas.

ICoCA was invited to moderate a panel discussion on responsible security, ICoCA, the VPIs and multi-stakeholder engagement at the inaugural African Business and Human Rights Forum, held in Ghana in October. The forum was convened by the African Union (AU) and co-organised by AU, the United Nations Development Programme (UNDP), the Office of the UN High Commissioner for Human Rights (OHCHR), the UN Working Group on Business and Human Rights, and the Deutsche Gesellschaft für Internationale Zusammenarbeiten (GIZ) and brought together stakeholders from across Africa to take stock of progress and discuss challenges and opportunities for promoting responsible business conduct and corporate accountability in the region.



ICoCA/VPI panel at the inaugural Africa Business and Human Rights Forum



5.11 Client Engagement

ICoCA released a Private Security Provider Procurement Guide for clients of private security providers in the last quarter of 2021, and followed the release with a four-month social media marketing campaign in the first quarter of 2022. The campaign leveraged LinkedIn to target relevant profiles of personnel working for global clients of private security providers. The campaign generated over 3,000 visits to the guide download page and over 500+ downloads of the procurement guide. Two webinars were also organised with the Chartered Institute of Procurement & Supply (CIPS), with the invitation to these events being received by over 1,000 CIPS Fellows, Chief Procurement Officers within their organisations.



Procurement guide marketing campaign

ICoCA began engagement with the investor community, presenting at a webinar in March, organised in collaboration with Dutch NGO, Pax, targeting the Dutch investor/ESG

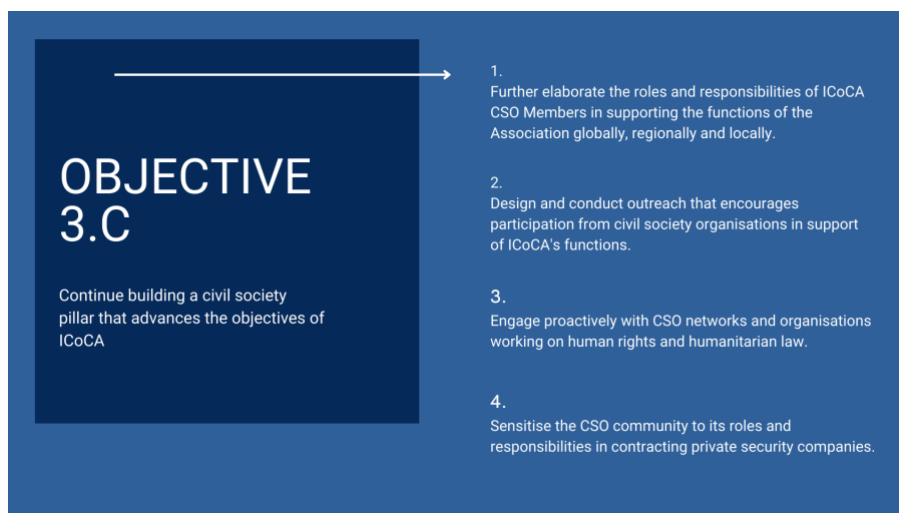
community. During the reporting period, ICoCA developed a proposal for the development of an ESG guide, which will be promoted to the investor and ESG community through a marketing campaign. The objective will be to raise awareness amongst investors about the human rights risks associated with private security contracting within their investment portfolio and to encourage them to ensure human rights due diligence is conducted when private security providers are contracted. The UK FCDO has generously agreed to support the project. This year's AGA includes an expert panel discussion on the topic and we anticipate ideas raised during the discussion will feed into the guide and the campaign.

ICoCA has also brought attention to the human rights associated with private security contracting at mega large sporting events. A webinar in May with the Centre for Sports and Human Rights focused on the FIFA 2022 World Cup and the 2022 Commonwealth Games. Over 250 people registered for the event. Following on from the event, the Executive Director attended a Doha Dialogue on Sports and Human Rights in Qatar in October. ICoCA is continuing to bring attention to this issue by convening an expert discussion on the topic with a view to other large-sporting events, such as the Olympic Games, at the 2022 AGA. The roles and responsibilities, not only of clients, but also corporate sponsors, will be highlighted as a leverage point to bring more attention to the issues, including the plight of private security personnel and infringements on their own human rights.

The extractive sector continues to be a focus of engagement of the Association, particularly through continued engagement with the Voluntary Principles Initiative. As mentioned, ICoCA attended the VPI annual plenary in Toronto in May. Bilateral meetings were held with a number of extractive and diplomatic clients throughout the year, both remotely and in-person, including during visits to Juba, Kinshasa, Mogadishu and Tripoli. ICoCA was also invited to participate in a clinic involving Holcim, an ICoCA Observer, and students at the University of Geneva. ICoCA provided input on training resources and is in discussions with Holcim to assist them with responsible private security provision. ICoCA is also pleased to report that Pan-American Silver joined ICoCA as an Observer this year and have introduced mandatory ICoCA Membership requirements for their private security providers. This has resulted in a number of applications from Latin America, including ICoCA's first corporate pillar applicant from Bolivia. The growing sub-group of engaged clients within ICoCA's Observer pillar, the Association is now considering the creation of a client working group.

5.12 Humanitarian Sector

Building on its collaboration with the Global Interagency Security Forum (GISF) in 2021 and the research conducted on humanitarian agencies contracting of PSCs, ICoCA has been developing an online procurement training course designed specifically for humanitarian organisations. The training is being released in November 2022 and will be officially launched at the East Africa Humanitarian and Partnership Summit (EAHS) being held in Nairobi, Kenya the first week of December, 2022. As one of the lead sponsors of this event, ICoCA will be convening a panel discussion to highlight the need for humanitarian organisations to conduct human rights due diligence on their private security providers.

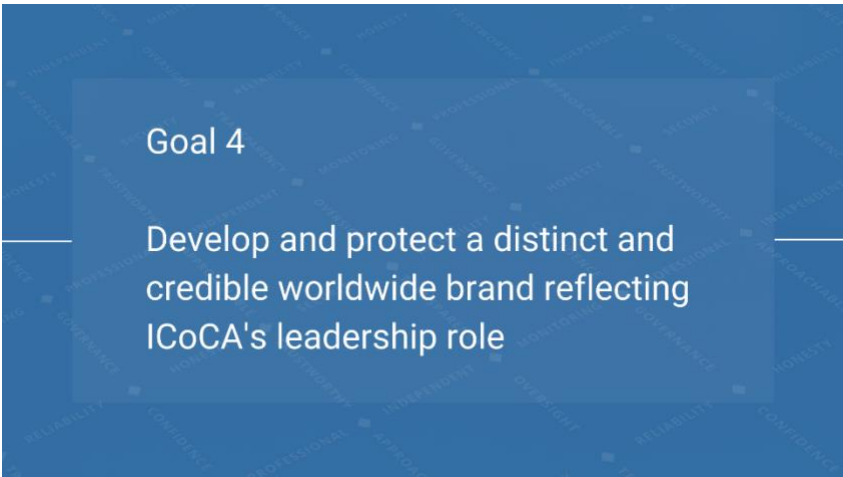


5.13 Building the civil society pillar

As outlined in 5.6, the Association has continued to build the CSO pillar to advance the objectives of ICoCA. ICoCA reached its objective of growing the CSO pillar by adding five additional organisations during the year and welcomes new CSO Members, namely:

- Children and Young People Living for Peace (CYPLP), Nigeria;
- Narrative Hub, South Sudan;
- Omega Research Foundation, UK;
- Organisation de la Mission de Sécurité Diplomatique et des Relations Internationales (E.A.F.), France, and
- Save Africa, Cameroon.

ICoCA has prioritized the increased support for CSO members to be able effectively engage on private security and human rights and advocate to home governments for better regulation and oversight of the industry. With this in mind, ICoCA has created a new position within the Secretariat dedicated to fostering and supporting an engaged CSO pillar. This new in-house capacity will allow for deeper engagement with CSO Members and CSO networks and opportunities to solicit donor support for CSO projects that will enable long-term sustainable engagement.



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.

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 Organisation for Security and Co-operation in Europe (OSCE) and the Organisation of American States (OAS).
4. Use state and non-state clients as "ambassadors" of the Association.

5.14 Advisory Group

As mentioned under 3.A, ICoCA has actively engaged through remote meetings and international forums with a number of international and multilateral organisations.

In order to elevate ICoCA’s positioning as the pre-eminent international organisation focused on raising standards across the private security industry, this year ICoCA formed and convened an Advisory Group composed of field experts, academics, and attorneys from around the world who will play a consultative role to the Association to explore current and future trends. The group held its first meetings in February and March.

With the support of the Advisory Group, ICoCA will continue developing and sharing its knowledge of the private security industry. ICoCA has embarked on a number of multidisciplinary research projects with academic and professional partners with a view to develop policy recommendations, guidelines or training tools for the sector. The Advisory Group will play a key role in the development of ICoCA’s new research capacity and outreach and act as a sounding board to review research topics, methodologies, and findings. Their

involvement will ensure the academic rigour of ICoCA's work and the soundness of its policy recommendations. Three topics on which research was begun during the year, and which were endorsed at the 2021 AGA, are as follows:

- Working conditions in private security;
- The use of advanced technologies by private security actors;
- Private security and the treatment of people in vulnerable situations.

Working conditions in private security

The private security industry, a now perennial feature of the global security regime, has experienced exponential growth. Globally, private suppliers have already surpassed government police services in terms of both numbers and expenditures. Despite the growth and evolution of the private security sector, comprehensive research on the working conditions of private security personnel, the challenges personnel may face, and the subsequent consequences working conditions may have on the performance, effectiveness, and respect for human rights of PSPs, has never been carried out. Working conditions though, may have a profound impact on PSPs themselves, their personnel, their clients, and the civilians they interact with.

For this first global research on working conditions in the private security industry, ICoCA established a partnership with Denver University and with UNI Global Union, a global trade union federation based in Switzerland that represents 20 million skills and services workers in 150 countries around the world. Together with its partners, ICoCA conducted around 50 interviews with experts and ran a global survey among security guards with 400 answers from every region of the world. The final report of the research will unpack these conditions and their consequences for the private security sector. It will underscore ICoCA's mission and heightens ICoCA's ability to raise standards in the private security sector by providing PSPs, governments, and clients with relevant information on existing conditions, challenges as well as positive developments and recommendations to increase the quality, effectiveness, and human rights standards in a competitive marketplace. The key findings of the research will serve as a basis for the production of guidance documents and training materials.

The use of advanced technologies by private security actors

The use of Information and Communications Technologies (ICTs) in the provision of security services provided by commercial actors is changing the private security service landscape. It raises new questions about transparency, accountability and the distinction between the civil and military, and the public and private sector. Furthermore, it brings new actors into the security market. Tech companies have been fast to develop new services and offer them to States for security and defence. Adopted in 2010, the International Code of Conduct for security providers (the Code) did not include specific provisions on the risks associated with the use of the advanced technologies.

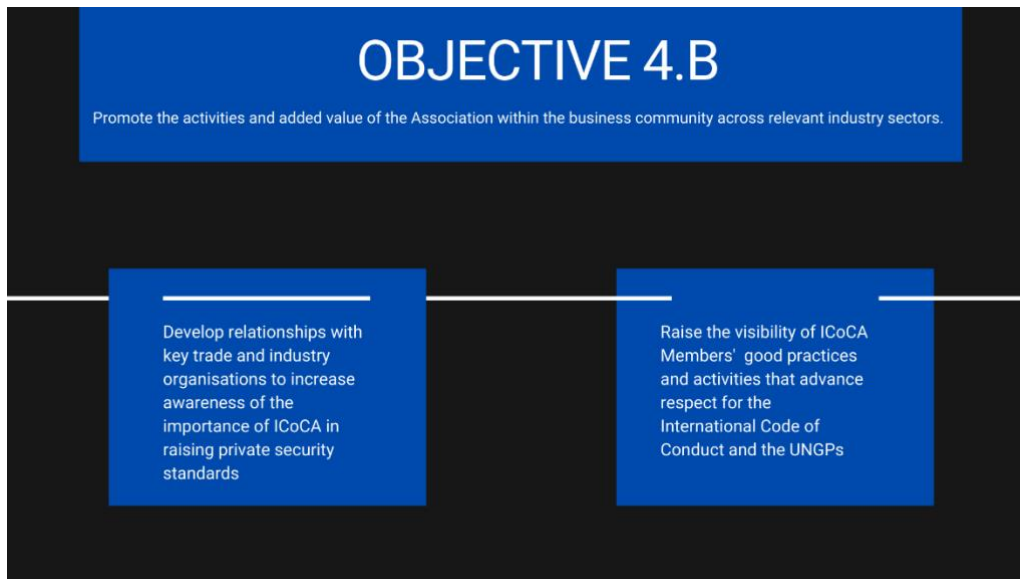
Making the responsible use of technologies in the provision of security services is a priority theme for ICoCA policy research. The aim of this workstream is to contribute to a review of the current governance mechanisms and norms regulating private security in light of the transformation of the industry and the technological, legal and political environment in which

it operates. In 2022 ICoCA supported a mapping study by ICT4Peace, a Geneva-based think tank which champions the use of ICTs and new media for peaceful purposes. The mapping research was carried out under a Swiss government mandate. Based on the mapping study and its own preliminary research, ICoCA will issue its own report to highlights some of the main current and future trends and organise a working session at the 2022 Annual General Assembly. ICoCA and ICT4Peace are planning to further study the implications of their findings and start implementing the recommendations of the mapping report. In particular they will analyse the gaps in the Code and the ICoCA oversight and accountability framework due to the increasing use of ICTs in the provision of private security services and analyse existing normative frameworks that could be drawn from to update the Code and improve the effectiveness of the ICoCA (e.g., business and human rights initiatives, private sector initiatives, national legislation).

Private security and the treatment of people in vulnerable situations

Recent migration flows and increasingly securitized immigration policies have led States to contract PSCs to manage migration processing and detention centers as well as refugee camps and border crossings. In doing so they find themselves handling people in vulnerable situations which poses challenges as to the safeguarding of their rights. Proper living conditions and the respect of Human Rights and International Humanitarian Law in these detention facilities may not be adequately enforced due to lack of capacity, training or regulation or oversight. Furthermore, PSCs may be involved in surveillance activities and in the collection and storage of data and personal information on detainees, migrants or asylum seekers which also raises issues in terms of Human Rights. In recent years several incidents and Human Rights abuses involving PSCs have been reported in migration detention facilities, however, a comprehensive mapping of the implication of PSCs in migration management is lacking.

As a priority theme, it was selected for an applied research project by the Graduate Institute of International and Development Studies, Geneva. In 2022, in close coordination with ICoCA, a team of 4 students conducted a research entitled “How to foster responsible security in migration management provided by private security actors?”. The research based on literature review and 16 interviews with experts makes recommendations on the treatment of persons in migration detention. It will be presented at the 2022 Annual General Assembly and will serve as a basis for a new ICoCA policy paper, training and guidance document on this issue. It should also lead to further research on the broader issue of detention by PSCs.



5.15 Conferences & Exhibitions

ICoCA exhibited at the International Security Exposition, held in London, United Kingdom in September. With the restarting of in person conferences and exhibitions, ICoCA is exploring the value in being present at more of these types of events. Please reach out to the secretariat with recommendations for other events you believe ICoCA would find value in attending.



ICoCA exhibited for the first time at the International Security Expo, Sept, 2022

ICoCA continues to share recordings of all its public online meetings, making them available and promoting them through ICoCA's website and social media channels. ICoCA's YouTube channel now has 170 subscribers, and the videos have received over 11,000 views. ICoCA's LinkedIn audience grew by over 60% during the period, and now has over 3,500 followers.

<h2>OBJECTIVE 4.C</h2> <p>Strengthen the role of Observers in contributing to the realisation of ICoCA's mission.</p>	<ol style="list-style-type: none">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.
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5.16 Observers

ICoCA focused on developing stronger relationships particularly with those Observer members who are clients of PSCs. This group is considered to be particularly important. Ultimately, it is through client contracting that private security industry standards and practices are driven up in pursuit of responsible security provision that respects human rights and international humanitarian law, or down, with all the human rights risks this entails. See 5.11 for more details on client engagement throughout the year.

ICoCA is grateful for the support of ICoCA Observer and Advisory Group Member, Dr Deborah Avant, Director, Sié Chéou-Kang Center for International Security and Diplomacy, Distinguished University Professor and Sié Chéou-Kang Chair, Josef Korbel School of International Studies, University of Denver for providing research support to ICoCA's new research priorities outlined in 5.14.

6. Financials

6.1 Income by source

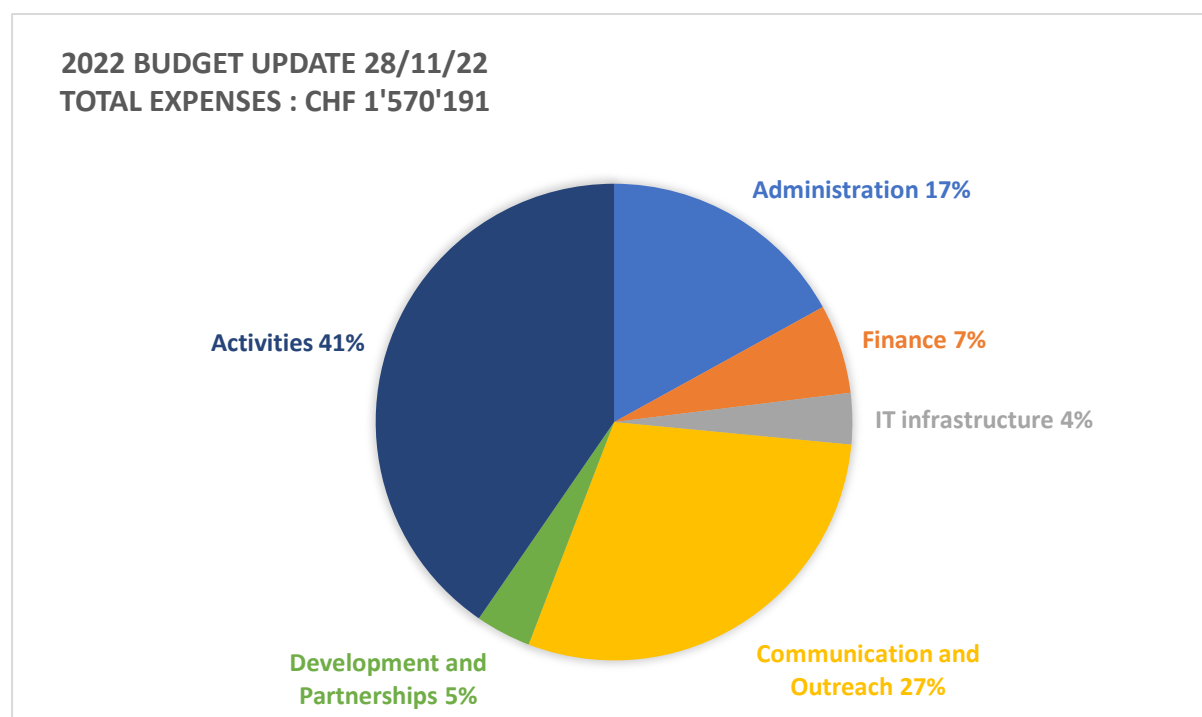
The Association received financial support from three principal sources: contributions from Member Governments, annual Membership Dues from Industry Members and Affiliates, and one-time joining fees from companies applying for Industry membership and affiliation (largely covering the cost of administering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

In more details, ICoCA has received support from the Swiss government, the UK government, the US government and the Swedish government. Membership contributions came at 62% from small companies, 20% from medium companies and 18% from large companies. As a reminder, the fee structure has not change since last year and is set out in the table below :

Level	Revenue	Dues (USD)
Small 1	\$ 0-3M	USD 3.500
Small 2	\$ 3-10M	USD 6.000
Small 3	\$ 10-20M	USD 7.000
Medium 1	\$ 20-50M	USD 11.000
Medium 2	\$ 50-100M	USD 12.000
Large 1	\$ 100-300M	USD 14.000
Large 2	\$ 300-500M	USD 16.000
Large 3	\$ 500M+	USD 18.000

In 2022, several meetings have been organised with different stakeholders in order to diversify the Association funding structure.

6.2 Expenditures by category



6.3 2021 Audited and 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 2021 were audited in March 2022. 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 2021 was CHF 1'299'439 and the approved budget for 2022 was CHF 1'503'777.

6.4 2022 Budget

The ICoCA Board of Directors approved the core budget for 2022 at its Q2 Virtual Meeting in June 2022. The Board of Directors then reviewed the Association's performance against the approved budget on a quarterly basis, and adjusted it based on the Association's priorities and activities. 2022 updated budget amounts to CHF 1'569'745.

7. Closing Remarks

This report was submitted for approval to Members of the Association at the Eighth Annual General Assembly, on December 5, 2022.

Report of the statutory auditor on the limited statutory examination to the general meeting of International Code of Conduct for Private Security Service Providers' Association, Geneva

As statutory auditor, we have examined the financial statements (balance sheet, profit and loss statement and notes) of International Code of Conduct for Private Security Service Providers' Association for the financial year ended December 31, 2021.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of association personnel and analytical procedures as well as detailed tests of association documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements, disclosing total Funds of the association of CHF 706'043 do not comply with Swiss law and the association's articles of incorporation.

Berney Associés Audit SA

BA Qualified electronic signature

BA Qualified electronic signature

Sandra AMARI
Licensed Audit Expert
Auditor in charge

Marina CHRISTE
Licensed Audit Expert

Enclosure : financial statements (balance sheet, profit and loss statement and notes)

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**INTERNATIONAL CODE OF CONDUCT FOR PRIVATE SECURITY SERVICE PROVIDER'S ASSOCIATION (ICoCA),
GENEVA**

BALANCE SHEET AS AT 31 DECEMBER 2021

	Notes	31.12.2021 CHF	31.12.2020 CHF
ASSETS			
Current assets			
Cash	6.1	738'536	383'111
Membership to be received		10'462	1'969
Provision for membership to be received		(4'700)	-
Restricted funds to be received	7	22'224	78'000
Unrestricted funds to be received	8.1	78'000	28'471
Other current assets		9'188	19'252
Accrued income and prepaid expenses		35'831	11'453
Total current assets		889'541	522'256
Non current Assets			
Financial asset (rent guarantee)	4	17'278	13'404
Total non current assets		17'278	13'404
TOTAL ASSETS		906'819	535'660
LIABILITIES AND EQUITY			
Current liabilities			
Deferred income	6.2	84'281	103'640
Creditors		79'516	43'153
Accrued expenses		36'979	13'000
Total current liabilities		200'776	159'793
Funds of the association	6.3		
Operating reserve		375'867	349'391
Result brought forward		-	60'500
Profit/(Loss) for the year		330'176	(34'024)
Total funds of the association		706'043	375'867
TOTAL LIABILITIES AND EQUITY		906'819	535'660

**INTERNATIONAL CODE OF CONDUCT FOR PRIVATE SECURITY SERVICE PROVIDER'S ASSOCIATION (ICoCA),
GENEVA**

**PROFIT AND LOSS STATEMENT
FROM 01.01.2021 TO 31.12.2021**

	Notes	2021 CHF	2020 CHF
REVENUES			
Restricted funds	7	306'404	476'145
<i>Government Contributions</i>		299'963	476'145
- Switzerland		-	378'000
- UK		271'963	34'776
- DCAF		28'000	63'369
<i>Other contributions</i>		6'441	-
- GISF		6'441	-
Unrestricted funds	8	1'323'211	732'676
<i>Government Contributions</i>	8.1	767'485	135'497
- Switzerland		378'000	-
- Sweden		103'360	105'697
- USA		286'125	29'800
<i>Other contributions</i>		-	614
- Other contributions		-	614
<i>Membership Dues</i>	8.2	554'307	596'565
-Joining Fees		24'023	25'633
-Annual Fees small		332'326	342'005
-Annual Fees medium		99'149	103'041
-Annual Fees large		89'269	117'476
-Observer Fees		9'540	8'410
<i>Non operating revenues</i>		1'419	-
Total revenues		1'629'615	1'208'821
EXPENSES			
Staff Costs		(788'933)	(883'207)
Administration Costs		(127'320)	(122'035)
Rental and office costs		(94'520)	(93'003)
Information management		(45'000)	(14'306)
Communication and Marketing Costs		(186'459)	(70'010)
Operating expenses	9	(39'750)	(11'572)
Travel expenses		(8'888)	(6'517)
Financial expenses		(2'397)	(2'433)
Loss (-gain) on foreign exchange		(6'172)	(39'762)
Total Expenses		(1'299'439)	(1'242'845)
Profit/(Loss) for the year before allocation to the operating reserve	6.3	330'176	(34'024)
Allocation to the operating reserve		-	-
Profit/(Loss) for the year	6.3	330'176	(34'024)

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

NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

1. INTRODUCTION

The International Code of Conduct for Private Security Service Providers Association (ICoCA) is the multi-stakeholder oversight and governance mechanism for the International Code of Conduct for Private Security Providers ("the Code" ¹). The ICoCA was established in 2013 as an Association under Swiss Association Law. Its members fall into three pillars: the private security industry, civil society organizations, and governments. Each pillar is represented equally in the ICoCA's twelve-member Board of Directors. The operational oversight and administrative functions of the ICoCA are housed in its Secretariat, located in Geneva and led by the Association's Executive Director.

The purpose of the Association is to promote, govern and oversee implementation of the Code by its member and affiliate private security companies, and to ensure that they are accountable for their performance to the Code when working in complex environments. Oversight is enabled through three principal functions: (1) certification of member companies' management systems and policies, (2) monitoring and assessment of company operations, (3) handling of complaints alleging violations of the Code.

2. ACCOUNTING PRINCIPLES

2.1 Basis of preparation

These financial statements are prepared in accordance with the provisions of commercial accounting as set out in the Swiss Code of Obligations (Art. 957 to 963b CO, effective since 1 January 2013). The reporting period corresponds to the calendar year.

2.2 Revenue recognition

Core fund contributions, which are not project specific, are considered as unrestricted funds and are recognized on an accrual basis: the part of the grant related to the year is recognized as revenue; those committed to subsequent years are not presented in the balance sheet.

Earmarked fund donations, which are project specific or include a specific restriction, are considered as restricted funds. Restricted funds are recognized on an accrual basis based on the utilization of these funds during the year.

¹ The Code was developed through a multi-stakeholder process and executed by numerous members of the private security service industry between 2010 and 2013. Reflecting its focus on implementation of the Code, the ICoCA is also frequently referred to by its shortened name, the "International Code of Conduct Association".

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

NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

2.3 Conversion in foreign currency

Assets and liabilities in foreign currencies are converted into Swiss Francs at the exchange rate prevailing on the balance sheet date.

Revenues and expenses in foreign currencies are converted to the current rate when they are received or expensed.

2.4 Taxes

The Association was granted a cantonal and communal tax (ICC) exemption on 22 November 2013. This exemption is valid for 10 years.

The Association was granted a direct federal tax (IFD) exemption on 22 November 2013. This exemption is valid for an indefinite period.

The Association was granted a VAT exemption on 18 November 2019 for amounts exceeding CHF 100. This exemption is valid for an indefinite period.

3. LIABILITY TOWARD PENSION INSTITUTIONS

As at 31st December 2021, the liability to the pension fund amounts to CHF 8'611 (31st December 2020: CHF 9'683).

4. TOTAL ASSETS UNDER RESERVATION OF OWNERSHIP /DEBTS ARISING FROM RENTAL COMMITMENTS

On November 22nd, 2019, the Association signed a rental contract with Regus lasting from March 1st, 2020 to February 28th, 2022 for 3 offices. A guarantee of CHF 13'404 has been paid, corresponding to 2 months' rent. This rent has been renewed from March 1st, 2022 to February 28th, 2023. An additional office has been rented for the same period of time, and a guarantee of CHF 3'874 has been paid for this additional office, corresponding to 2 months' rent. Both guarantees are refundable and held as security for performance of all ICoCAs' obligations under the agreement signed.

In CHF

	31.12.2021	31.12.2020
Rental commitment	124'433	95'436
TOTAL	124'433	95'436

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

NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

5. NUMBER OF FULL-TIME POSITIONS ON ANNUAL AVERAGE

The number of full-time employees did not exceed 10 people during the year (same as 2020).

6. DETAIL OF CERTAIN BALANCE SHEET POSITIONS

6.1 Cash

As at 31st December, ICoCA's cash position is as follows:

In CHF

	31.12.2021	31.12.2020
UBS SA CHF	146,087	95,106
UBS SA CHF	(21)	-
UBS SA USD	442,759	132,725
UBS SA GBP	149,711	155,280
TOTAL	738,536	383,111

In original currency

	31.12.2021	31.12.2020
UBS SA CHF	146,087	95,106
UBS SA CHF	(21)	-
UBS SA USD	485,939	149,240
UBS SA GBP	121,312	128,511

6.2 Deferred income

As at 31st December 2021, the accounts of ICoCA show an income received in advance amounting to CHF 84'281 (2020: CHF 103'640). This deferred income corresponds to 2022 membership dues received in December 2021.

In CHF

	31.12.2021	31.12.2020
Income received in advance-Membership dues	84,281	103,640
TOTAL	84,281	103,640

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

NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

6. DETAIL OF CERTAIN BALANCE SHEET POSITIONS (CONTINUED)

6.3 Funds of the association

in CHF	Profit (-loss) of the year	Result brought forward	Operating reserve
As at 31.12.2020	(34,024)	60,500	349,391
Allocation of Y-1 result	34,024	-	(34,024)
Allocation of result brought forward	-	(60,500)	60,500
Result of the year	330,176	-	-
As at 31.12.2021	330,176	-	375,867

7. RESTRICTED FUNDS

In 2021, the Association received restricted funding from governments and two non-profit organizations:

	Balance as at 01.01.2021 CHF	Contributions paid during 2021 CHF	Use of funds CHF	Balance as at 31.12.2021 CHF
Swiss Federal Department of Foreign Affairs 01.01 to 31.12 2020	(78.000)	78.000	-	-
UK Foreign & Commonwealth Office 01.01.2021 to 31.03.2021	-	203.099	(203.099)	-
UK Foreign & Commonwealth Office 01.08.2021 to 31.03.2022	-	46.640	(68.864)	(22.224)
DCAF* 01.01.2019 to 31.01.2021	-	28.000	(28.000)	-
GISF** 01.05.2021 to 31.12.2021	-	6.441	(6.441)	-
NET TOTAL	(78.000)	362.180	(306.404)	(22.224)

* The Geneva Centre for the Democratic Control of Armed Forces

** The Global Interagency Security Forum

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

NOTE TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

7. RESTRICTED FUNDS (CONTINUED)

Restricted funds to be received: CHF 22'224 correspond to the amount of the 2021 UK contribution to be received in March/April 2022, when the final invoice will be sent, as mentioned in the contribution's contract.

8. UNRESTRICTED FUNDS

8.1 Government and other contributions

In 2021, ICoCA received unrestricted government contributions from the Swiss government, the Swedish government and the US department of State for a total amount of CHF 767'485 (2020: CHF 135'497).

Unrestricted funds to be received: CHF 78'000 correspond to the amount of the 2021 Swiss contribution to be received in April 2022, as mentioned in the contribution's contract.

8.2 Joining fees, Observer fees and Membership dues

Joining fees correspond to a one-time fee paid by private security companies who express an interest in becoming an ICoCA member at the same time they send their membership application.

On becoming members of the ICoCA, private security companies are expected to pay an **annual Membership due** which is determined according to the company's revenue, based on a fee structure approved by the Board of Directors and the General Assembly. Membership dues are invoiced in advance once a year, in October, and if received between October and the end of the year are recognized as deferred income.

ICoCA may grant non-voting observer status to persons or entities that are interested in participating in the work of the Association. An **annual Observer fee** is charged according to a fee structure approved by the Board of Directors.

A total revenue of CHF 554'307 was accounted for 2021 membership dues (2020: CHF 596'565).

9. BOARD OF DIRECTORS MEETINGS EXPENSES AND ANNUAL GENERAL ASSEMBLY COSTS

In 2021, Board of Directors meeting expenses amounted to CHF 21 (2020: CHF 24) and Annual General Assembly costs amounted to CHF 3'551 (2020: CHF 12'955). Due to the COVID-19 pandemic, all Board meetings and the Annual General Assembly have been held virtually. This explains the low level of expenses (mainly online translation) compared to previous years.

10. SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There has not been any significant subsequent event that has had an impact on 2021 financial statements.