



ICoCA Q4 2015 Board Meeting
Offices of U.S. Department of State, Bureau of Diplomatic Security
Rosslyn, Virginia, USA
8 & 9 December 2015

Minutes

Present (Board)

- Rémy Friedmann (Chair)
- Pamela Hosein
- Ian McKay (U.S. Department of State – second for Kate Gorove)
- Amol Mehra
- Andrew Nicholson
- Michael Posner (on phone for parts of 8th and in person on the 9th)
- Bertil Roth
- Aly Sagne
- Chris Sanderson
- Sophia Willits-King
- Margaret Roggensack
- Alan Donohue

Present (Secretariat - ICoCA)

- Andrew Orsmond (Executive Director)
- Helen von Dadelszen (Operations Manager)
- Andrés Zaragoza (Project Officer)

Present (Observing/Supporting)

- Anne-Marie Buzatu (Deputy Head, Public – Private Partnerships Division, DCAF)
- Charles Tucker (U.S. Department of State)
- Justin Keith (U.S. Department of State)
- Chris Mayer (U.S. Department of Defense)

Absent/Excused

- Katherine Gorove

AGENDA POINTS

- 1. Opening of Meeting and Discussion of Agenda**
- 2. Approval of Minutes from October Meeting**
- 3. Update from Secretariat**
 - a. AGA Lessons Learned**
 - b. Re-execution of NDA Agreements**
 - c. Website**
 - d. MoU and work with DCAF**
- 4. Updates from Committees:**
 - a. Audit/Finance**
 - b. Legal**
- 5. Membership**
 - a. Membership Subscription Level setting**
 - b. Need for clear rules around membership of PSC Groups**

- c. Membership Outreach
- 6. Certification Committee Presentation and Discussion
 - a. Presentation of ISO 28007 Draft Recognition Statement
 - b. Status of ISO 9001 analysis and response
 - c. Status of ISO 18788 analysis
 - d. Study re Barriers to Certification
 - e. PSC.1-based certification pilot project update
- 7. 2016 Board and AGA Scheduling
- 8. Maritime Working Group Proposal
- 9. Individual Pillar Meeting/Consultation
- 10. Article 12 Working Group Presentation and Discussion
 - a. Update on benchmarks
 - b. Article 12 functional architecture
- 11. Strategic Development Plan
- 12. Grievance Working Group
- 13. Executive Committee/Personnel Matters

8 DECEMBER

1. OPENING OF MEETING AND DISCUSSION OF AGENDA

The Chairman opened the meeting at 8.49am (EST) and asked the Operations Manager to draw up the minutes. The Chairman took note that each of the three stakeholder pillars was represented by at least two Board Directors and that at least 8 Directors were present. He therefore declared that a quorum was present according to [Article 7.6 of the Articles of Association](#) (AoA), that the meeting was duly constituted, and that the Board could validly adopt resolutions in compliance with the law and the Articles of Association.

The Chairman welcomed all participants, in particular noting and welcoming Pamela Hosein, the newly-elected Industry Director, and Ian McKay, who is representing the USG as second for Kate Gorove. He also thanked the US Department of State for hosting the meeting.

The Chairman then confirmed that the agenda and supporting documentation had been circulated to the Board in advance. The Board reviewed and approved the agenda.

2. APPROVAL OF MINUTES FROM OCTOBER MEETING

The Board reviewed the draft Minutes of its 3rd Quarter 2015 (7 and 9 October) meeting.

The Board approved the Minutes and authorized the Secretariat to publish them.

3. UPDATE FROM SECRETARIAT

a. Annual Meeting of the General Assembly (AGA) Lessons Learned

The Executive Director presented an informal report from the Secretariat regarding reflections on and lessons learned from the AGA. The Board then discussed the different issues raised on the report and generally agreed the following:

- Geneva provides a well-equipped venue with similar costs, but improved functionality over venues identified in London. In addition, because of the presence of various countries UN missions, Geneva allows better engagement with a broader range of government

representatives. As the Secretariat is based in Geneva, it is also logistically easier to host the event there.

- The Association's budget partially covered a number of CSO members and prospective members' participation and assured a reasonable CSO representation. The Board will need to consider the budget implications of further increasing CSO representation.
- Clarity is required regarding translation and interpretation requirements for the event, and decisions with regard to translation and interpretation need to be based on cost-effectiveness. The Secretariat will look into the potential use and effectiveness of interpretation software as an alternative to live in-person interpretation.
- Holding the event at the end September or early October works well, from a timing perspective, relative to other calendared dates.
- To ensure all pillars are represented and participate, specific space on the agenda and during discussions needs to be provided to encourage the sharing of CSO and government perspectives.
- The Secretariat will look into the viability of hosting hubs in various locations in the world to engage additional participants via "virtual presence."

The Board requested the Secretariat to announce that the AGA will be held on 29 September 2016 in Geneva, Switzerland and to draft an initial agenda for approval at the Q1 Board Meeting.

b. Re-execution of Conflict of Interest and Non-Disclosure of Information (NDA) Agreements

The Board Directors reviewed revised versions of the NDA and Conflict of Interest Policy prepared by the Secretariat. The Conflict of Interest Policy was approved and signed without modification. Discussion took place regarding certain language within the NDA, and the extent to which government officials could execute it. Following the discussion, an amended form of the NDA was prepared and distributed to the Board for execution.

During further discussion, the Board reaffirmed prior agreement that business conducted during the Board's meetings is confidential until, and to the extent, reflected in publication of the Minutes. Unless otherwise specifically agreed in advance, documents that are prepared and circulated for Board and/or Committee or Working Group meetings are for the use of the Board or respective Committee/Working Group only. The purpose of this policy is to ensure that the Board is able to have frank discussion within the Board and to use the Committees/Working Groups as a creative laboratory to address problems, rather than a forum within which to address the concerns and questions of external stakeholders. The Board, of course, noted that external stakeholders will always have the opportunity to review and comment on documents in advance of any vote by the General Assembly.

c. Website

The Secretariat reported that the website was being constantly updated and remained the main source of information for members and stakeholders.

Board Directors were requested to provide short biographies to the Secretariat, who in turn will edit the text to ensure a standardization of form and length. The Secretariat also requested photos from Board Directors who did not yet have one posted on the Association website.

d. MoU and work with DCAF

The Executive Director reported noted that, on behalf of the Association, he had signed a formal Memorandum of Understanding (MoU) with the Geneva Centre for the Democratic Control of Armed Forces (DCAF) which defines the ongoing support work and collaboration. In relation to this ongoing

collaboration, DCAF noted that its priorities are around specific research projects and leveraging existing relationships developed through its work to promote of the Code in various outreach activities.

4. UPDATES FROM COMMITTEES:

The Board received reports from its Committees as follows:

a. Audit/Finance

The Audit Committee reported that it had met with the Executive Director and Operations Manager, for the purpose of reviewing the financial state of the Association. The Board were presented with an updated balance sheet and profit and loss statement dated 31 October 2015. The Secretariat drew the Board's attention to positive variances from the approved 2015 budget, attributable to additional expenses being covered through a pre-existing funding contract between the Swiss Government and DCAF (the purpose of which included support to the development of the Code's governance and oversight mechanism). This unplanned benefit will not change the Association's spending forecast, but will result in a slower drawn down from the Association's reserves in 2016 and 2017.

The Audit Committee also announced the Swiss Government's grant of CHF 380,000 for the eighteen (18) month period between October 2015 and December 2016. In addition, the Board recognized the positive benefit to the Association of a funding contract between the Swiss Government and DCAF intended to promote and support the development of the Code.

The Executive Director reported that he had met with a Grants Officer from the United States Department of State, Bureau of Democracy, Human Rights, and Labor ("DRL"), who reviewed elements that the Association needed to put into place or satisfy in order to be fully compliant with the financial management and programming policy requirements associated with the USD 200,000 grant awarded by DRL. Following that meeting, and a preliminary review of the associated regulations, the Secretariat recognized that the implementation of systems and policies to satisfy these requirements represents will a significant administrative cost to the Association. In order to accomplish this efficiently, and to put the Association in place to receive further U.S. grants, the Executive Director recommended to the Board that the Association employ an experienced grants administrator, either on a part-time or consulting basis, to provide professional guidance.

The Board approved the hiring of a Grants Officer (staff or consultant) to put policies and procedures in place to manage the current and any future US grants.

The Board requested that Amol Mehra, Alan Donohue and Charles Tucker put together recommendations for US funding sources and present this to the Board along with other funding opportunities.

b. Legal

The Executive Director reported that a revised request for Privileges and Immunities had been reviewed by the Legal Committee, and would reviewed again by the Swiss FDFA's Division of Public and International Law ("DPIL"). Following that meeting, a final version would be prepared, incorporating any additional recommendations from the DPIL, and submitted to the Legal Committee for final review and shared with the Board at the next Board Meeting. The Board noted, as in the past, that this is a priority for the Association to ensure the functions work in a transparent and meaningful way.

5. MEMBERSHIP UPDATE

An analysis of current Membership was presented to the Board.

a. Membership Subscription/Dues Levels

The original subscription levels were set based on an understanding, at the time of the Association's foundation, of the relative sizes and distribution of companies in the industry. At that time, dues were set for each subscription level for Years 1 and 2 of the Association's operations. In accordance with prior agreement on the Board, Year 1 dues amounts were invoiced in 2015, with Year 2 amounts budgeted for in 2016.

The majority of industry members have paid their dues. Those that have not have been provided with 60 days' notice, as provided for in Article 14.4 of the Articles of Association (AoA). A list of those who remain in arrears at the end of this notice period will be sent to the Board for a discussion, at the Q1 Board Meeting, regarding suspension or termination of membership.

The Board requested the Secretariat, working with Industry Directors, to put together a proposal for Year 3 (2017) dues and beyond. The Board would then review this proposal at the Q1 2016 Board Meeting, and thereafter prepare a recommendation to the General Assembly for vote in 2016.

The Board further directed the Secretariat to invoice any new members on a pro rata basis, as applicable, for 2015 and 2016.

b. Need for clear rules around membership of PSC Groups

The Board discussed providing direction to Industry Members and potential Members regarding the how membership requirements would apply to companies that were part of a larger corporate group, or who were involved in mergers that resulted in larger combined corporate structure. The intent is to ensure equity in the way the membership and dues requirements were applied to Member companies.

The Board requested the Secretariat to develop a proposal, with input from the Industry Directors, to then be presented to the Board by the Q1 2016 meeting.

c. Membership Application Review

It was resolved that the Membership Committee (Amol Mehra, Chris Sanderson, and Rémy Friedmann) would meet during the afternoon of the first day, in order to review pending applications that had been screened by the Secretariat, and that the Committee were authorized to approve them, as appropriate, on behalf of the Board.

Acting through the Membership Committee, by delegation, the Board subsequently resolved that membership is granted to 14 companies on a transitional basis (as provided in Article 3.3.1 of the Articles of Association), and authorized the Secretariat to list those newly-added members on the ICoCA website. All companies approved will be provided with an explanation regarding the certification procedure, and will be informed that the transitional nature of membership requires that companies will need to be certified in accordance with the ICoCA Certification Procedure before the end of the grace period provided in Article 3.3.1 expires or their membership will expire.

d. Membership Outreach

Aly Sagne reported on the workshop held in Dakar, Senegal on 11 November 2015, organized by Lumière Synergie et Développement (LSD) and the Geneva Centre for the Democratic Control of Armed Forces (DCAF), in collaboration with the Association. The event brought together about thirty participants from Civil Society Organisations (CSOs) from Francophone West Africa. During the workshop, participants discussed the opportunities and challenges related to the regulation of the private security industry in Africa, and how to enhance civil society engagement and its monitoring role. The workshop offered a platform for sharing experiences and networking at the regional level and contributed to promoting awareness around private security sector regulation as well as the importance of the monitoring role played by CSOs in Africa. Participants also had the opportunity to advance ideas on how to overcome obstacles faced by CSOs regarding access to institutions such as the ICoCA. Furthermore, while participating CSOs recognized that private security regulation is an issue of international concern, these participants look forward to engaging with the ICoCA in order to foster African-led approaches to addressing and promoting oversight and accountability in the private security sector in Africa.

The Executive Director also reported that he had presented to the Security Committee of the International Oil & Gas Producers (IOGP), and that certain members of IOGP Security Committee had raised the possibility of the IOGP becoming an observer to the Association.

The Board further discussed the ongoing need to identify opportunities to expand CSO, government and industry memberships, and to strengthen ties with clients and other related industry organizations.

The Board requested that Amol Mehra and Sophia Willits-King develop a list of outreach opportunities in 2016, including events which could be organized in collaboration with Board Meetings.

6. CERTIFICATION COMMITTEE PRESENTATION AND DISCUSSION

a. Presentation of ISO 28007 Draft Recognition Statement

The Certification Committee reported that it had completed its review of ISO 28007, had developed a preliminary gap analysis against the Code, and was very close to agreeing on a draft recognition statement. Once approved by the Committee, the draft recognition statement would be sent out for public comment. It is expected that this will happen in January 2016. The working group would review the comments and present a revised draft for the Board's approval.

b. Status of ISO 9001 analysis and response

The Committee reported that an initial analysis had been undertaken on the use of ISO 9001 (2015) as a potential basis for ICoC certification, following a formal request by an Association member. The analysis showed that although the new version of ISO 9001 represents a significant advance over prior versions, in that it incorporates specific risk-management processes, a significant gap remains between the coverage of the standard and the Code, particularly with respect to the human rights and humanitarian law-specific provisions of the Code. The Board discussed what would be involved in trying to create "additional information" requirements to cover the extent of the gap.

Following discussion, the Board decided that further assessment and potential administration of the additional information that would be required for ISO 9001 to be recognized would be impractical at this time. Accordingly, the Board requested the Secretariat to formally respond to the Member's request and publish the analysis on the Association's website.

c. Status of ISO 18788 analysis

The Committee reported that ISO 18788 would be analyzed in early 2016, with the hope of having the recognition statement out before the Q1 Board meeting.

d. Study re: Barriers to Certification

The Secretariat presented its preliminary analysis, supported by a paper distributed to Board members, regarding barriers to certification by Members under the present certification system (and recognized standards). In general, the paper identified the overall cost of certification to the PSC.1 standard using the existing certification bodies (CBs), the language capabilities, travel requirements, and associated logistical costs of the existing CBs, and a general lack of understanding by members of the existing standards (coupled with a perception that they were geared towards large American and Western European companies) as barriers to existing Members obtaining certification.

The Board discussed the paper, the extent to which the barriers identified by the study can be addressed or mitigated, and related considerations under ISO 18788. In addition, some Board Members questioned whether the ICoCA would be in a position to address the barriers identified in the Secretariat's preliminary study, given that the ICoCA has neither oversight over the existing CBs nor any means of influencing the costs of or market for certification under the existing system.

Following discussion, The Board requested the Certification Committee to take the concerns and considerations that had been raised by the Barriers to Certification Study and in Board discussion, and work to identify potential courses of action for further consideration by the Board at Q1 2016 Board Meeting that might address the issues raised.

The Certification Committee reported that it would meet to discuss both potential courses of action and the role of CBs in the Association's Certification Procedure, and report back to the Board at the next meeting.

e. PSC.1-based certification pilot project update

The Secretariat reported that it was moving forward with a pilot project on ICoC Certification for companies that had achieved certification to PSC.1. The pilot project involved three PSC.1-certified members. The lessons learned in the pilot test would help the Secretariat to improve internal processes in order to be able to provide guidance for all PSC.1-certified Members regarding the submission of the associated additional information, and to efficiently review requests for ICoC Certification.

The Board requested that the Secretariat share the questionnaire sent to the companies for the pilot with the entire Board.

7. 2016 BOARD & AGA SCHEDULING

First Quarter Meeting:	March 8 and 9 (Bern or Geneva)
Second Quarter Meeting:	June 14 and 15 (London)
Third Quarter Meeting:	September 28 and 30 (Geneva)
Fourth Quarter Meeting:	December 6 and 7 (Washington, DC)
Annual General Assembly:	September 29 (Geneva)

8. MARITIME WORKING GROUP PROPOSAL

The Board reviewed the proposal submitted by Ocean's Beyond Piracy (OBP), to create a working group to specifically deal with maritime issues.

The Board requested the Secretariat ask OBP to rework the proposal, focusing on the role it would see the Maritime Working Group playing, and limiting the resource requirements on an already-constrained Secretariat staff and Association budget.

9. INDIVIDUAL PILLAR MEETING/CONSULTATION

The Board Directors thereafter convened in Pillar-specific executive sessions for further consultation on matters raised during Board discussions.

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10. ARTICLE 12 WORKING GROUP PRESENTATION AND DISCUSSION

The Article 12 Working Group provided an update to the Board Directors on the development process.

The Working Group noted that they had met on 7 December, and had also held a discussion session with representatives from the U.S. State and Defence Departments, for the purposes of further developing the use of compliance and performance “benchmarks” for the Code. The Working Group reported that agreement had been reached to rename these benchmarks as “Indicators,” thereby eliminating confusion regarding whether the intent was to implement best practices rather than to focus on compliance with the requirements of the Code. Further discussion focused on the distinct roles of Certification, Reporting, Monitoring and Performance Assessment within the ICoCA’s overall governance and oversight framework.

The Working Group further noted that the Secretariat had distributed a draft paper to the Working Group, which had been shared on request with and helped to guide the discussion with U.S. Government representatives. The WG had agreed that the second part of that paper, focusing on procedure, was a good starting point for the development of a preliminary draft of Article 12 Procedures, and that the WG would continue to develop and refine those procedures in the coming months with an eye towards having a preliminary draft of Article 12 Procedures by the Q1 2016 Board Meeting.

Finally, the Working Group confirming that they planned to continue working on the five sets of draft Indicators for each of five functional areas of the Code. This development exercise was meant to demonstrate the utility of these benchmarks and how they might be applied (as described in the Procedure/Architecture paper under development). Once consensus was reached by the Working Group on these five Indicator sets, these would be shared with the Board for discussion at the Q1 Board meeting.

11. STRATEGIC DEVELOPMENT PLAN

The Board discussed the ongoing need for draft plan to articulate a development strategy for the Association. This plan will be especially important for purposes of increasing awareness of the ICoCA and its role, increasing funding opportunities, and further developing the Association’s relationship with key stakeholders once the ongoing focus on completing the functional architecture of the ICoCA’s oversight roles had been completed.

The Secretariat was requested to endeavour to draft a development strategy document for further discussion with the Board at the Q1 2016 Meeting.

12. GRIEVANCE WORKING GROUP

The Grievance Working Group intends to work towards development of draft a procedure, with the aim of having a final procedure for consideration by the Board at the Q2 2016 Board Meeting and voting by the General Assembly at its 2016 Annual Meeting.

It was further noted that Article 13 is already quite specific, and that group will endeavour to use existing literature on Grievance management best practices developed in other contexts as a guide toward the development of procedures.

13. EXECUTIVE/PERSONNEL COMMITTEE

Following a presentation by the Executive Committee, the Board of Directors met in an executive session to discuss personnel matters.