



## ICoCA Board Meeting - Minutes 17 – 19 September 2014, Washington DC

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### **Present (Board):**

- Aly Sagne
- Amol Mehra
- Andy Nicholson
- Bertil Roth
- Chuck Tucker
- Leonardo Gonzalez
- Mark DeWitt (1<sup>st</sup> day only)
- Mark Knight
- Sophia Willitts-King
- Rémy Friedmann (Chair)
- Ryder Thomas (alternate)

### **Present (Secretariat)**

- Andrew Orsmond
- Geraldine McCluskey
- Anne-Marie Buzatu

### **Absent**

- Tricia Feeney (participated by telephone in some discussions)
- Chris Sanderson

### **AGENDA POINTS**

- 1. Opening of Meeting**
- 2. Updates on recent Activities**
- 3. Governance and Finance Issues**
- 4. Membership and Membership Application Process**
- 5. Certification**
- 6. Monitoring/reporting/complaints process**
- 7. Outreach and Communications**
- 8. Annual General Assembly Preparation**

### **1. OPENING OF THE MEETING AND APPROVAL OF PRIOR MINUTES**

The Chair opened the Meeting and outlined the agenda. The Board discussed the minutes of June Board Meeting, which were subsequently approved. The Board requested that future minutes be distributed in draft form and approved prior to the next ensuing meeting.



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## 2. UPDATES ON RECENT ACTIVITIES

### **Secretariat**

The Executive Director presented an outline of Association and Secretariat activities since the past meeting. These included: Drafting the Membership Application process and documents, Working with an outside consultant on development of an IT infrastructure and secure database; initial development of certification procedures (including a Certification concept paper), completion of the analysis conducted by Geneva Academy; administering elections for the two open Industry Board Director positions; refinement of internal procedures; and engaging with various stakeholders to discuss the activities of the Association.

### **Government Pillar**

The Government Pillar continuing to explore outreach opportunities with States.

### **Industry Pillar**

Industry presented feedback received from recent meetings and discussions within the industry. Of note, the Executive Committee of SCEG discussed at recent meeting ways to integrate SCEG and ICoCA membership. Decision was taken that SCEG would not demand ICoCA membership as a pre-requisite for SCEG Membership. SCEG is still very supportive of the Association and will continue to monitor the Association and its activities. This reflects a broader concern within industry that there is a perception that the Association is not progressing rapidly enough; hence there is not yet a buy-in on the value of ICoCA.

### ***Discussion points on Industry feedback:***

- The Industry Pillar as a whole feels that it is important to get non-state clients buy-in to the Association and that the Association needs to demonstrate its value to these companies.
- There is also a concern about ICoCA monitoring from the extractive industry. It was re-iterated that until the Association has developed its functions we cannot yet define what and how monitoring will be carried out.
- Industry Board Directors feel that developing the Association's core functions needs to be the top priority.
- There is a concern that the Association needs to be better able to react to signals and messages from PSC clients and determine how to engage those clients.



### 3. GOVERNANCE AND FINANCE

The finances of the Association were discussed. The Board noted the need to ensure payment of joining fees by Members.

It was underlined that staff capacity has been hindering some administrative tasks, including tracking the payment of joining fees, and that more staff is needed in the Secretariat in order to take the work forward.

Board Director election procedures will be re-drafted in light of the current situation (wherein two Industry Board Directors resigned nearly simultaneously, because of changes in their outside professional affiliations, necessitating a new election for 2 of the 4 Industry Director seats).

In light of the focus on prioritizing completion of the development of core functions, Working Groups were discussed and re-aligned, and tasks and focal points for the Working Groups were re-distributed. A new list of WGs was circulated to the Board **(and is attached to these minutes)**.

### 4. MEMBERSHIP AND MEMBERSHIP APPLICATION PROCESS

The Board discussed Association Membership and the Membership application process, highlighting the following points:

- The Association needs to provide clear information about what distinguishes those who have signed the Code and those who have become Members of the Association. Specifically, it needs to be understood to both Members and outside observers that the list of companies on the ICoCA website are the companies who, by becoming Members, have agreed to subject themselves to oversight by the ICoCA.
- The Membership application process should be as streamlined as possible while still collecting information necessary to evaluate an applicant's commitment to implementing the Code into its operations as well as its systems and processes.
- The NDA and Confidentiality Policies have been written to coincide with the Membership Application process, which is being launched in the next month.
- A confidential Membership Database has been developed, along with an Information Security Policy, to ensure that data received in the Secretariat, both in the course of the Membership application process and in subsequent processes, will be totally secure.
- The ICoCA currently has 138 Transitional Members who have paid joining fees. Only these companies will receive the Application forms and instructions by direct e-mail. Companies will need to return the Application forms in order to be able to vote at the Annual General Assembly.



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- New companies seeking Membership may apply online, but would need to pay the joining fee prior to their Application being accepted, and have the Application accepted in order to attend the Annual General Assembly.

### 5. CERTIFICATION

The Board discussed the development of Certification procedures. During the discussion, the following issues and points were highlighted.

- General procedures and processes on Certification under ICoCA will be drafted and distributed to members prior to the AGA, and further presented at the AGA for approval. Further discussion on the standards for Certification in the afternoon session will provide an opportunity for Members to engage and provide feedback on this issue.
- A timeline for the analysis with PSC.1 and possibly ISO/PAS was discussed, with a view towards having these standards reviewed and potentially recognized as soon as possible after the AGA. Consideration of certification procedures for other standards was given and how these standards could be part of compliance with ICoCA Membership.
- The Certification Working Group will develop a procedure by which standards will be presented to the Board to evaluate and the Board will consider and decide whether to accept a standard.
- Consideration was given to how a company would approach certification and how they should be considered vis-a-vis the Association Membership in the interim (between application and certification to a standard). A decision tree flow-chart was developed as a result of in-depth discussion on the standards.
- Pending companies being certified to one or other standard, which may take some time due to the lack of accreditation bodies and other barriers, the Association will need to take into consideration a phased process that moves companies towards certification as the industry matures.
- The Board discussed the use of ANSI PSC.1-2012, ISO 28000/PAS 28007, or the in-process ISO/PC 284 as standards for certification or as transitional certification standards. The board discussed the accessibility, costs, insurance mechanisms, or additional barriers associated with the acceptance of any additional standards. The Board set goals for further discussion on certification processes and standards to have completed for presentation at the Annual General Assembly in December 2014.
  - Within the next few weeks a scheduled review will set out to determine the delta between PSC.1 and the Code, concerning human rights due diligence and transparency.
  - The Board intends to have at minimum a document outlining the procedures and processes for accepting certification standards and a recognition statement from PSC.1, to be ready for the AGA.



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- The Board recognizes that there are a limited number of accredited certifying bodies at the moment, but also recognizes that the need for certification within the ICoCA may help to increase the supply of certification bodies.

### Working Group on Certification session

Further points were discussed during the meeting of the Working Group on Certification. These included the following:

- The aim of an interim process is to offer assistance with standard compliance, not to dilute standards
- Companies should state in the Membership application (Implementation Plan) at what stage of certification to a standard they are, and the Association will approve the implementation process and provide guidance towards certification
- Implementation Plan will show how a company is trying to integrate the Code; we need to define a pathway to certification
- A lot more companies have or are working towards ISO/PAS 28007 certification, but relatively few towards PSC.1
- The Articles of the Association state that certification requirements are to be based on recognized national and international standards and processes that are recognized by the Board as consistent with the Code
- The Association will not be certifying to national and/or international standards, but helping companies towards certification
- PSC.3 maturity model may be used as basis to define ICoCA procedures for the interim process
- A workplan to be developed and Concept paper to be redistributed with view to using this to develop the draft procedures.

### **6. MONITORING/REPORTING/COMPLAINTS PROCESS**

The Working Group on Monitoring met to discuss the development of procedures to meet the requirements contained in Article 12: Reporting, Monitoring and Assessing Performance of the AoA. It was noted that these need to be fulfilled in a manner that was valued by Member Companies, clients of Member Companies and wider stakeholders. It was agreed that significant stakeholder outreach would be undertaken by the WG. It was agreed that the WG would establish a timetable of activities and outputs, in order expedite the process.



The following were specific discussion points during the meeting of the Working Group on Monitoring

- Triggers and resources for field-based monitoring
- Distribution of tasks amongst the WG and Board - including engagement of other stakeholders
- Development of monitoring objectives
- Discussion on how certification and monitoring interact
- Development of procedures and documents
- Collection of information on stakeholders - and how to transfer information to the Secretariat
- Possibility of assigning desk-based monitoring as a first task for a new position in the Secretariat (to be hired soon, position financed as part of Swiss contribution to the ICoCA)
- Schedule for the review of documents - virtual meetings, physical
- Reporting framework -
  - Collect key documents
  - Start collecting and identifying other stakeholders
  - Develop a framework/timetable/process/outcomes
  - Possible HRIA tool development/adaptation and how this fits into the monitoring plan
  - Set a two week timeline to distribute an outline of a three-month workplan

## 7. OUTREACH AND COMMUNICATIONS

The Board formed a Working Group to work with the Secretariat on the Communication and Outreach activities of the Association. Outreach was decided to include the engagement of possible Observers, a mission statement to reach across and include all pillars, and the development of outreach material pertaining to the goals and achievements of the Association.

### Upcoming outreach activities:

- Montreux Document States outreach – letter to be sent to States inviting them to become Members and inviting them to the AGA
- Other opportunities for Outreach:
  - Observers—Board Members to review list that Secretariat has circulated
  - Need to articulate the roles of different Observers
  - Main advantage of Observers is to have valuable input from actors who do not meet the Membership Requirements
  - Main messages/mission statement needs to be articulated for the Association
  - Consistent Message and Mission statement is needed
  - Outreach Working Group to be formed with view to developing a long-term communication strategy for the ICoCA to:
    - Increase awareness and understanding of the work of the Association



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- Increase CSO representation and engagement
- Increase geographic region of the Pillars
- Ensure Observer participation (non-state clients)
- The ICoCA will participate in the UN Annual Forum on Business and Human Rights
  - Members from the Board on the panel – discussion points to be developed

### **Montreux Document Advisory Forum**

- Will be created officially on 16 December as an Advisory Forum, providing advice to the Association, under Article 10 of the ICoCA Articles of Association
- In anticipation of the Montreux 16 December launch, the Board discussed questions to present to the Montreux Document Advisory Forum, particularly pertaining to the involvement and engagement. The Board put forward questions for further Membership of States, and the States' involvement with ICoC compliance standards.
  - The Forum will seek to provide advice to the Association and help to:
    - Foster the development of national or international standards that will can used for certification under the ICoC
    - Develop the infrastructure for certifying to national or international standards
    - Encourage companies to join the Association by making membership of the ICoCA a prerequisite for contracting
    - The Association needs to work to encourage other states to join

## **8. ANNUAL GENERAL ASSEMBLY PREPARATION**

The Board discussed the preparations for the General Assembly in December (in London) and decided that a one day meeting, on 4 December, would enough for this year's Annual Conference. The Board discussed an agenda for the AGA which would include material for potential voting, including certification procedures and the 2015 budget. Workshops or informational sessions would be held in the afternoon. Possibility of breakout panel discussions with the option of keynote speakers would be explored. Monitoring and the procedures for Certification were decided as the main features of the afternoon sessions.

An outline of the agenda was discussed and will include:

- One day full AGA meeting, and one day for Board Meeting.
- Possible vote on the certification policy
- Review on what the Board has accomplished (Annual Report)
  - Approval of budget for the next year
  - Annual Dues
- Approval of other decisions of the Board
- Afternoon workshops/sessions on Certification and Monitoring in form of open discussions
- Keynote Speakers to be identified and invited



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- Need to include Observers and encourage their attendance
- Registration page to be set up and Members invited to ask questions in advance of the Meeting
- Quorum is important and each Board Pillar needs to engage with their constituency to ensure a quorum is achieved.
- Need to ensure that the AGA is not Industry-focused but rather includes all pillars

**End of the Meeting at 11am on 19 September.**