

## PWYP Board Meeting, 17-18 August, London/ MINUTES

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### *Founding Board*

Aroa de la Fuente, FUNDAR (Latin America representative and Global Council Liaison - PWYP member) (AF)

Alan Detheridge, Ex-Shell Executive (External), Treasurer (AD)

Julie McCarthy, Open Society Foundations (PWYP member) (JM)

Carlo Merla, Advisor Government of Botswana (External), Chair (CM)

Caroline Ngonze, United Nations Economic Commission for Africa – UNECA (External) (CN)

Claire Spoons, Oxfam GB (PWYP member) (CS)

### *PWYP Secretariat*

Marinke van Riet, International Director (ID)

Stephanie Rochford, Interim Programme Manager (SR)

Flavia Olum, Finance and Grants Coordinator (FO)

### *Invitees*

Jacqueline Williams, PWYP Transition Project Manager and Company Secretary (JW)

Clare Short, Chair, EITI International Board

Jonas Moberg, Head, EITI International Secretariat

Fiona Wansborough, Associate Director, Prospectus

Stella Pedersen, Researcher, Prospectus

### *Apologies*

Ali Idrissa, ROTAB-PWYP Niger (PWYP member)

## **1 Summary of Key Actions and Resolutions**

- Secretariat will assist Ali Idrissa to re-apply for UK visa with support from OSF
- Secretariat to suggest to Global Council (GC) adopting a similar conflict of interest policy
- Future Board agendas to include a governance matter and a case study for Board's on-going learning as standing agenda items
- OSF to review final PWYP contracts and manuals via internal audit department
- JW to prepare list of all insurances both actual and proposed
- Secretariat to ensure training for Regional Coordinators on putting together project proposals, reporting and internal financial controls
- Secretariat to consider need for experienced grant making staff member
- ID to submit application to Charity Commission by end August
- Secretariat to present analysis of governance survey data at next Board meeting

- JW to check that whistle blowing policy is outlined in the HR manual and covered by insurances
- JW to update office address with Companies House
- CN to share list of consultant rates with Secretariat
- JW to share Finance and Administration and HR manuals with Board by mid-September for email approval
- Secretariat to send to Board the chart of accounts and new work streams including descriptions
- JW to develop skills matrix and Board to undertake skills assessment before next meeting
- Secretariat to develop travel protocol and confirm provision for staff welfare and training
- Recruitment processes to be an agenda item for next meeting
- Secretariat to share revised risk register with GC along with minutes and ask for input
- AD to share guidance with Board and Secretariat on libel and slanderous statements
- ID to revise Business Plan and circulate new draft before next meeting to Board and GC
- Secretariat to explore implications of approaching HNWI's for funding
- JW to draft data protection strategy
- Secretariat to register the PWYP trademark in the EU and Francophone West Africa
- AF to research whether the PWYP logo should be registered in Spanish
- Secretariat to send draft Global Assembly agenda to Board and Global Council
- ID to send documents to executive search agency for the recruitment package
- SR and JM to email the search committee with update on recruitment plan

## **2 Welcome and Introductions**

The meeting opened at 9:02am.

The board was welcomed and there were no changes requested to the agenda. It was noted that, in addition to the transition, the recruitment of a new International Director (ID) is a priority for the Board at this time. It was also noted that Ali Idrissa had not been granted a UK visa. As the Board intends to hold at least one meeting a year in London a further application is a priority.

The minutes and actions from the last meeting were reviewed. All agreed that the actions had either been completed or would be addressed on the agenda for this meeting.

## **3 Board Induction**

The Board had received in advance an induction pack prepared by the PWYP transition project manager and Company Secretary JW. The pack was designed for the new Board to

get to know their role and responsibilities, to get to know each other and to establish relationships. The Chair and Treasurer encouraged the other Board members to approach them for an initial discussion (as per recommended practice), particularly on the financial and management accounts, and to raise any issues as necessary. It was noted that, as PWYP is applying for charitable status, there are financial governance issues of which the Board must be aware. Should PWYP not be given charitable status this is still the spirit in which the work would be undertaken.

The Board expressed a wish to be involved in events and/or fieldwork as relevant. This could be via presentations at Board meetings from Secretariat staff involved in thematic work. It was noted that one Board meeting per year is to be held jointly with the Global Council, the body responsible for strategy development, and this meeting should ideally take advantage of an advocacy opportunity at national, regional or global level.

The Board discussed their specific obligations, such as filing deadlines, as well as other governance responsibilities. It was agreed that there should be a standing governance item and a trustee case study on the agenda at each meeting; and that the Treasurer and Finance and Administration Manager would take responsibility for sharing with the Board information on any relevant guidelines and requirements.

All Board members completed and signed a conflict of interest declaration form.

## **4 Transition update**

The Board was given an update on progress with the transition. While registration as a not-for-profit was completed swiftly (on 9 April) the application to the Charity Commission has taken much more time than expected. PWYP aims to submit the completed application by end August.

In relation to finance, a bank account has been opened with Barclays due to PWYP's existing relationship with that bank and its capacity to facilitate PWYP's work globally. It was noted that PWYP's global operations constitute one of the risk factors of which the Board should be aware and is listed on the Risk Register. Internet banking is set up and credit cards are being arranged. Insurances are also taking longer than expected. The transition project manager will prepare a summary for the Board of all insurances, both agreed and proposed.

Human Resources (HR) is being outsourced and a company has been engaged to provide advice during the TUPE process and on-going advice on employment contracts and the HR manual. The contracts are being finalised as a matter of priority. OSF's internal audit department will be reviewing the final contracts and manuals. It was noted that the Interim Finance and Administration Manager, as well as the International Director, are the main contact points for the HR provider. Training sessions for the London based staff on the Finance and Administration and HR manuals are being planned for early September. It was

noted that the Regional Coordinators would also need training on relevant aspects resulting from the transition. The Secretariat will also consider the need that may arise for an experienced grant maker within the team in due course and budget permitting.

As part of the transition, funds from certain donors will be novated from OSF to PWYP. The ID is sending these agreements to the relevant donors.

## **5 PWYP Progress Report**

The ID provided an update on some aspects of PWYP's campaign progress this year, based on the report circulated previously to the Board. The EU strategy meeting was held in June and focused on proving the case for the mandatory data disclosures resulting from the EU Directives. The annual governance survey has been issued and the Secretariat will present an analysis of the data at the next Board meeting. Terms of reference for the Knowledge Exchange Coordinator are being developed and recruitment of that role will be a priority for the Secretariat in September. Following the election of PWYP (represented by the ESA Regional Coordinator) to the Steering Committee of the Alternative Mining Indaba (AMI), reflections will be shared with the Secretariat on how that space can be used more strategically. The Board agreed that the summary report from the ID was a very useful document and should be added to the agenda for each meeting. A request was made that the report also include reference to PWYP coordination in Latin America.

## **6 Finance and HR**

The transition project manager provided an overview of PWYP's finance and HR policies as per the draft manuals, including aspects such as segregation of duties, budget holding responsibilities, expenditure approvals and responsibilities in relation to the audit process. A working draft of the Finance and Administration and the HR manuals will be sent to the Board for approval by mid-September (on the understanding that these documents will need to be amended over time). The Board is to approve the manuals on email by end September. An HR review (including job titles and salary bands) will be conducted as part of the PWYP transition and is to be executed as soon as possible. The Board discussed approaching other organisations that have undergone such reviews to share the process and/or findings.

The Board agreed that there is currently no need for sub-committees at this stage but that these are something to be considered in future. Based on Board approval obtained by email, Critchley's have been engaged as PWYP's auditors. It was agreed that the auditors would be invited to the April 2016 Board meeting.

The Board discussed the need to consider how best to assess their own performance as a Board and that further reflection on this is needed to establish a good process.

## **7 Finances and Audit**

PWYP's Finance and Grants Coordinator presented an overview of the management accounts and post-transition budget. Due to the OSF system these reports currently require some manual creation and inputs and are therefore subject to potential formula errors. PWYP's new finance system should eliminate such errors. The Board discussed whether it is necessary to set a minimum realisation rate for the year and also requested a summary to indicate the build-up of unrestricted funding. The Board also discussed setting fundraising targets and assessing progress against these annually. The Secretariat highlighted some of the recruitment challenges which have impacted on the realisation rate in 2015. The Board requested some changes to the presentation and structure of the budget including on unrestricted and restricted funds and confirmed and proposed income. In November, the budget will be revised to take into account the actual costs from the new office and transition. The Board also agreed that the budget can be amended once probable income is confirmed.

## **8 Risk Register and conflicts of interest**

The Board looked in detail at the risk register that had been sent in advance and discussed key risks, including communication between the Board and Global Council which will be very important with the new dual governance structure. The Board agreed to undertake a skills assessment and the transition project manager will develop a skills matrix before the next Board meeting. A motion was proposed to adopt the conflict of interest policy and was carried. The policy extends beyond the Board to the PWYP Secretariat staff. The Global Council will be asked to consider whether they want to adopt it as well. The Board identified the need for a travel protocol to identify high risk travel areas, and asked the Secretariat to confirm provision for staff welfare and travel related training. Other risks that were discussed include recruitment and public statements on behalf of PWYP, including the associated risk of slander and libel. The revisions made to the register will be circulated in advance of the next meeting, including to the Global Council for their input.

## **9 Business Plan**

The International Director presented the Business Plan which was circulated in advance. The Business Plan was requested at the previous Board meeting and has evolved from the Road Map document which has been updated since 2012 and which is based on the Vision 20/20 framework. The draft has been shared with the Global Council, who have sent back very useful comments. The next step is to develop an operational work plan. A joint review of the next draft of the Business Plan will take place at the next Board and Global Council meeting and it will be presented for validation at the Global Assembly. The wide-ranging discussion of the draft covered thematic issues including gender, climate change, contract transparency, using the data and fair deals; as well as M&E and implementation issues such as the need for baselines, clarity on indicators that are beyond PWYP's control, clarity

between PWYP's work and the identified objectives, and some comments on specific language. The Secretariat will revise the Business Plan accordingly in advance of the next meeting.

The Board also discussed how best to coordinate a PWYP presence at the Conference of the Parties (COP) in Paris in December.

The Board met for a short time with the Chair of the EITI Board and Head of the EITI Secretariat to share perspectives on the initiative, its strengths and weaknesses and the future direction that it should be taking. A large part of the discussion was devoted to civil society issues and PWYP unlocking its southern voices more. It was agreed that both will be invited at the next joint meeting with the Global Council scheduled for early December.

## **10 Fundraising**

PWYP has been developing basic principles and guidelines for fundraising, including joint fundraising, drawing from practice over the years as well as the approach of key partners. The ID presented the draft fundraising strategy which had been circulated in advance, before a wider discussion. One principle which caused prolonged debate is whether PWYP should accept funding from the extractive industry. The Board considered the associated reputational and legitimacy risks that could result and what difference it made if the funds were to come via an intermediary source. Some differences of opinion were expressed on the latter point, although all agreed that such intermediary funding could only be acceptable if no conditions were attached, and that PWYP should never be in a position where it relies too much on such funding. It was agreed that PWYP should have an internal policy about the extent to which staff could participate in events etc that are sponsored by extractive companies but that PWYP should not receive funding directly from any extractive company. The question needs to be put to the Global Council for further discussion, and will also be put to the Global Assembly in February 2016.

The Board agreed that PWYP needs to be transparent about what funds it receives and from whom, and that criteria are important in order to assist those decisions. The Board requested that the Secretariat staff maintain a gift register. The fundraising policy document will be revised and circulated to the Board, including a statement that the policy will be put forward for debate at the Global Assembly.

The Board also identified points of discussion for the near future related to fundraising, including the need for a dedicated fundraiser within PWYP and the extent to which fundraising should be a responsibility beyond the International Director. The Board also requested further information on the implications of approaching high net worth individuals (HNWIs) for funding.

## **11 Data Protection and Trademark Registration**

PWYP needs sufficient procedures in place to keep data secure and up to date. The Board proposed that either the Knowledge Exchange Coordinator (to be recruited) or the Finance and Administration Manager should take responsibility for keeping up to date on data protection procedures. The Board discussed sources of information on this topic and requested that a policy be drafted, the implementation of which should be considered at the next meeting. Data protection issues should also feed in to the Global Protection Strategy which should be discussed at the next Global Council meeting.

The Board proposed a motion to register the PWYP trademark in Europe and Francophone West Africa and the motion was carried. The Board also discussed whether the trademark should be registered in Spanish.

A motion was proposed to ratify the PWYP bank account registration and the authorised signatories on the bank mandate. The motion was carried.

## **12 Global Assembly**

RLIE is co-hosting the Global Assembly in Peru, aligned with the EITI conference. It will be a two day event focussing on strategic engagement, governance and PWYP's future direction, as well as validating the newly elected Global Council and the Business Plan. The event will also be a platform for issues that are particularly important in Latin America. The Secretariat provided an update on planning: initial modest funding has been secured and the Secretariat will also be supporting local fundraising efforts. The draft agenda will be shared in early September with RLIE, EITI civil society Board members and the Global Assembly. The Board discussed a campaign strapline for the event which is still under discussion but may be related to Using the Data. The Board also raised a question about the future role of the Africa Steering Committee (ASC) which should be discussed at the Global Assembly. The Board suggested that the ASC should consider being formed as a looser network with more of a focus on advocacy than governance. It was agreed that as many board members as possible should attend the meeting in Peru.

Dates for the next three Board meetings were agreed as follows:

1 and 2 December (joint meeting with the Global Council on 2 December, location TBC but possibly Paris or Brussels)

4 and 5 April (location TBC but most likely in London)

22 and 23 August (location TBC or possibly a remote meeting)

## **13 Recruitment of International Director**

The Board spent considerable time discussing the recruitment of the next International Director as this is now a key priority. The discussion included (confidential) reflections on

the key skills needed by the ID, the amount of travel the post requires, strategic positions that should be considered (in particular a role on the EITI Board) and from where the person should be recruited. Some time was spent discussing whether the ID should sit on the EITI Board, which has strategic advantages but is also very time consuming. The Board agree that the ID should not sit on the Board for the next EITI mandate (2016-2018). The location of the role was also discussed. In the future the ID may not need to sit in the main London office but for now it was agreed that this is where the ID should be based, in order to provide close support to the Secretariat. The Board agreed on the need to open up recruitment beyond the EU and there was also broad agreement on the profile required for the job. The Board agreed with the suggestion to employ an executive search agency, Prospectus, pending satisfactory demonstration of their experience in recruitment beyond the EU and their understanding of the requirements of the role. Following a presentation by an executive search agency the Board discussed price, timing and relevant international experience and agreed to engage their services in recruiting the next ID, in close collaboration with a search committee made up of representatives from the Board, Global Council and the Secretariat. Ideally the Board should have an opportunity to meet with the preferred candidate informally, and a Board member should be on the final interview panel. The aim is to have the new ID in place by the time of the Global Assembly in Lima.

The Board held a short executive session at which minutes were not taken.

The Chair CM closed the meeting at 16:30.