

TRANSPARENCY INTERNATIONAL CANADA BOARD MEETING

Friday, February 24, 2006, 11:00 – 14:00 EST

Present:

Wes Cragg, Chair

Elizabeth Beale (by conference call) Tom Goldie

Bronwyn Best Joy Kennedy (by conference call)

Clare Bonnell Ian Marshall (by conference call)

David Brennan John Swinden

Anita Davis John Willson (by conference call)

Regrets:

Peggy Cunningham

Bob Olivero

MINUTES

1. Introductory Comments

Wes Cragg noted that he and Clare Bonnell have discussed, on a number of occasions, the transition of the Chair and President positions. While TI-Canada has no formal Executive Committee, the present officers have been meeting and working together to make the transition a smooth one. The composition of the Board is excellent and the contributions from various Board Members is significant.

2. Reports from Board Members on TI-Canada Activities

On behalf of Bob Olivero, Bronwyn Best reported on Mr. Olivero's presentation to the OAS Experts' Meeting in Washington, DC, on 26 September 2005. Ms. Bonnell reported on her participation in the IV Summit of the Americas Meeting, in Mar del Plata, Argentina, in November, just prior to her joining in the TI AMM in Berlin; Anita Davis reported on her participation in the Forum of the Future in Lebanon and Bahrain; and John Swinden reported on his participation in the Parallel Conference, also in Bahrain, in connection with Ms. Davis' meetings, and his presentation to the Representatives of the Legislative Affairs Office of the State Council of the PRC, when they visited Toronto. Reports on all these activities have been sent to the Board. Dr. Cragg thanked Ms. Bonnell, Ms. Davis, Mr. Olivero and Mr. Swinden for taking on these tasks and noted the high quality of contribution involved and the positive feedback received with regard to their contributions.

3. Committee Reports

a) Governance and Nominating

- Amendment to By-law

David Brennan reported that the GNC members had discussed the merits of either institutionalizing an amendment, which would cover an instance where an incoming Chair, who has already served six years, would not need to leave the Board for a mandatory one year, or creating a one-off ad hoc exception. He and Ian Marshall had been tasked by the GNC to draft an amendment that would institutionalize the amendment. Through discussion at the Board Meeting, it became evident that an institutionalized amendment would not work, and it was **agreed** that the task would be sent back to the GNC to draft a one-off ad hoc exception.

- Potential Board Members

Moved by Tom Goldie and **seconded** by Ms. Davis that Joy Kennedy and John Willson be recommended to the TI-Canada membership for a further three years on the Board. **Carried.**

Moved by Mr. Goldie and **seconded** by Mr. Marshall that, should the Amendment to the By-laws be approved by the TI-Canada membership, Clare Bonnell be recommended to the TI-Canada membership for a further three years on the Board. **Carried.**

As Chair of the GNC, Mr. Goldie noted that the GNC is recommending that five of the six remaining Board positions be filled. **Moved** by John Willson and **seconded** by Ms. Kennedy that the Governance and Nominating Committee interview Donna Kennedy-Glans, Jim Klotz, Morley Lemon, Don McCutchan, and David Shugarman for possible membership on the TI-Canada Board and report their final recommendations for approval by the Board. **Carried.**

- Statement of Acknowledgment and Agreement

Moved by Ms. Kennedy and **seconded** by Ms. Davis that the “Code of Ethics and Conflict of Interest Policy” be approved, with the amendment of “civil society” being added to the first paragraph under “Board Member’s Duty to TI-Canada” (page 2). **Carried.** **Bronwyn Best** is to send the Policy to each Board Members for his/her signature.

- Additional Amendment to By-law

Moved by Mr. Willson and **seconded** by Ms. Bonnell that the GNC draft an amendment to the By-laws, giving the Board power to remove a member of the Board. **Carried.** It was asked that **Board Members** provide suggestions to Ms. Best as to what reasons might be suggested for removal as well as examples of Boards where this is done.

b) Extractive Industries

- Nigeria Project

Nexen Inc. has reconfirmed their pledge of \$20,000 to this project. A workshop outline is being prepared for Phase 2B, “International Conference on the Potential of Using Integrity Pacts for NDDC Economic Development Contracts in the Niger Delta.” Ms. Best met with David Angell, Canada’s High Commissioner to Nigeria, who reiterated the Commission’s commitment to this Project moving forward.

- EITI motion for consideration

Moved by Mr. Willson and **seconded** by Mr. Marshall that TI-Canada authorizes the Extractive Industries Committee to explore encouraging the Government of Canada and the mining sector in Canada to take a leadership role in EITI with regard to the mining industry. **Carried.**

c) Municipal Governance

Dr. Cragg noted a potential international meeting in Toronto in February 2007, on the issue of governance in government, with which he may be involved. He will

encourage the organizers to have municipal governance as a focus and to approach TI-Canada as a non-financial sponsor.

d) International Conventions

The ICC will be looking at its priorities, where the Committee should be heading, where it should put its limited resources and time, and will formulate some questions to take to the next Board Meeting. It may be that TI-S has some initiatives underway in this arena, further to those the ICC is currently addressing.

e) Americas

No further discussion beyond the information in the Background Notes.

f) Membership

The Membership Committee will summarize present membership status at the next Board Meeting.

4. Report on the Transition of Chair

Ms. Bonnell thanked the Board for its confidence in her and expressed the need to think about our priorities, so that TI-Canada is not spread so thin. For the future, it is Ms. Bonnell's view that the Board does not need to play a leadership role in international governance matters but that TI-Canada should continue to respond to opportunities given to it for input to this important aspect of the continued formation of the movement.

Board Members are asked to think about networks, in light of the dearth that will be created by the departure of Dr. Cragg, and of a future Chair and President who will have more of an business ethics background to bring to the role. Dr. Cragg noted that he is prepared to support Ms. Bonnell, wherever possible, and participate in TI-Canada activities where required. He encouraged the Board to consider sending Ms. Bonnell to visit the U.K. and German National Chapters to see how they function. These two National Chapters have operations that are most closely similar to TI-Canada. He also suggested that the Board bear in mind that the Chair and President of TI-Canada do not need to be the same person. While he noted that he was not making a recommendation, he did suggest that there might be merit over the next year in considering hiring someone to fulfil the responsibilities of President, given that future Chairs may not be as free as he has been to integrate and combine work for TI-Canada with their professional responsibilities. He noted that he has been able to devote considerable time to TI-Canada because his Dean agreed that his work in that regard was very closely aligned with his responsibilities as the program director of the business ethics program at York University.

Comment [CB1]: they can access

5. 2006 Symposium and Ninth Annual General Meeting

- Theme/Date/Time/Location

It was **agreed** that Dr. Cragg, on behalf of the Board, would extend an invitation to Huguette Labelle, Chair of TI, and/or David Nussbaum, Chief Executive of TI, to be the key note speaker(s) at TI-Canada's 10th Anniversary Symposium, on a May date amenable to them. They would be asked to address the prospects and priorities for TI-S and the international movement.

It was **agreed** that the 2006 Symposium and AGM would take the format of a luncheon and extended discussion which would include a retrospective by Dr. Cragg of what TI-Canada had accomplished in its first 10 years, followed by

an invitation to members to engage the Board regarding where the organization goes from here. The discussion would then be followed by the AGM. It was **agreed** that Dr. Cragg and Ms. Best would proceed on details regarding the Symposium and AGM. **Ms. Best** is to canvas the Board regarding availability in May.

6. Approval of Minutes of 16 December 2005 Board Meeting

Moved by Mr. Swinden and **seconded** by Mr. Goldie to adopt the Minutes of the 16 December 2005 Board Meeting. **Carried.**

7. Business Arising from Minutes

The issue of Dr. Cragg sending a letter without prior consultation and input from the Board to TI's Membership Accreditation Committee regarding Michael Davies' TI Individual Membership was raised, in the context of conflict of interest given the historical issues between Dr. Cragg and Michael Davies. In response, the Chair noted that he considered that the historical issues in question were not a matter of personal conflict and further that the Board had taken action on disruption arising from them and that the timing of the request from TI precluded a Board response. It was **agreed** that **Dr. Cragg** would send to the Board the email transmitting the letter that indicated that the letter of review was his own response as Chair of TI-Canada and not a response from the Board. (Note: the letter of review was copied to the Secretary and circulated to the Board following its transmittal to the Secretariat in Berlin.)

8. Correspondence

There was no further correspondence to that noted in the Background Notes. The letter of thanks to Sharon O'Regan for all her hard work on behalf of TI-Canada, with regard to the CIDA funding for the OAS activities, was emphasized.

9. Treasurer's Report

- Financials as at 31 December 2005

Since, in due course, the Board will be reviewing the 2005 Draft Financial Statements being prepared by the auditors, it was not felt necessary to present the figures to the Board, at this time.

- Financials as at 31 January 2006

There is nothing significant in the financials, as at the end of January. Very little has occurred in expenses and revenues, since the matters reported to the December Board Meeting. The Costs of preparing up-to-date financial statements was not thought to be worth the result.

10. Discussion on National Coordinator's Report

Ms. Best added to the report in the Background Notes that renewal of membership letters were sent to all Individual Members.

- Acceptance of New Members

Moved by Mr. Willson and **seconded** by Mr. Marshall to accept, as Individual Members, Donna Kennedy-Glans, Yele Odofofin-Belo, Mike O'Gorman, Rick

Stapenhurst and David Wright. **Carried.**

11. Report of Chair and President

There was no information to add further to remarks made elsewhere in the meeting.

12. Other Business

- Next Board Meeting – 21 April 2006

This date will depend on the date of the TI-Canada AGM.

- Ms. Best reminded the Board of the need to carry out a survey of the Canadian government integrity systems, which was agreed to at the 30 September 2005 Board Meeting. This will possibly be done in conjunction with further work on the Municipal Governance project.