

TRANSPARENCY INTERNATIONAL CANADA BOARD MEETING

Tuesday, September 5, 2006, 11:00 – 14:00 EDT

Davis & Company, 1 First Canadian Place, Suite 5600, 100 King St. West, Toronto, ON

Present:

Clare Bonnell, Chair

Ian Marshall (by conference call)

Bronwyn Best

Don McCutchan

David Brennan (by conference call)

Bob Olivero (by conference call)

Joy Kennedy (by conference call)

David Shugarman

Donna Kennedy-Glans (by conference call)

John Swinden (by conference call)

James Klotz

John Willson

Morley Lemon

Regrets:

Elizabeth Beale

Anita Davis

MINUTES

1. Committee Reports

▪ Governance and Nominating

○ Approval of Chairs for EIC/MGC

Moved by John Willson and **seconded** by Morley Lemon that, as per the 13 June 2006 meeting of the Extractive Industries Committee, Don McCutchan be approved as Chair and John Willson and Wes Cragg be approved as Vice Chairs of said Committee; and, as per the 29 June 2006 meeting of the Municipal Governance Committee, Clare Bonnell be approved as Chair of said Committee. **Carried.**

▪ Membership

The **Membership Committee** has not met since the last Board Meeting, but **will meet before the next Board Meeting.**

▪ International Conventions

The Chair, Joy Kennedy, has been very active, since the last Board Meeting, and expanded upon the information in the Background Notes regarding her participation in the civil society meetings, alongside the G8 meeting in St. Petersburg, as well as the conference calls with which she and Bronwyn Best were involved with the wider TI community. The Board **agreed** that another push needs to be made by TI-Canada to encourage the Canadian government to ratify the UN Convention against Corruption. **Letters**, prepared by **Ms. Kennedy, David Shugarman** and **Ms. Best**, will be sent over **Ms. Kennedy's** signature to the Prime Minister both with regard to follow-up to the G8 and UNCAC ratification. A **meeting** of the Committee is to be held by the **end of September**. **Don McCutchan**, possibly along with others from TI-Canada, might meet with DFAIT officials when he is in Ottawa, in October, concerning the ratification of the UNCAC.

▪ Extractive Industries

Mr. McCutchan, Chair, reported on the activities of the Committee, since the last Board Meeting. In light of uncertainty on the international and national scene with regard to the Extractive Industries Transparency Initiative and

mining, it was **agreed** that it would be precipitous for TI-Canada to put on a conference for the mining sector by the end of October 2006. The mining roundtables being run by DFAIT need to first be completed before such a conference is scheduled. The EIC needs to prepare an action plan to find out industry's thinking. This would require a champion in the mining industry, doing this on behalf of TI-Canada. **Mr. McCutchan** will draft a plan of action. **Mr. Willson** will talk with Teck Cominco regarding the mining industry's thinking.

- **Americas**

Chair Bob Olivero noted no response has been received to the 15 May 2006 letter sent to the Minister of Foreign Affairs, The Hon. Peter MacKay, with regard to the OAS 36th General Assembly, including TI Recommendations. Mr. Olivero reported that the TI Anti-Corruption Conventions in the Americas handbook is quite useful. A recent report out of the Latin American region of TI reviews some well-known tools but also goes into depth with regard to transparency and municipal governments. TI-Canada member Sharon O'Regan was thanked for her successful acquisition of financial support from DFAIT for the 10th Anniversary Conference on "Coalition against Corruption – Ten Years after the Ratification of the Inter-American Convention against Corruption," to be held in Caracas, Venezuela, in February 2007. It is anticipated there will be no participation by TI-Canada in this event.

- **Municipal Governance**

Chair Clare Bonnell reported that the Committee is looking at benchmarks and tools already in place in the TI network. It was noted that the various provinces and territories in Canada, as well as the Federation of Canadian Municipalities, differ according to definitions of benchmarks regarding transparency, making comparisons difficult. Fort McMurray was suggested as a municipality looking for tools to help with transparency. Another potential target are the indigenous communities, which might appreciate constructive approaches with useful tools.

2. TI-Canada Strategic Plan

- **Review of present Strategic Plan**

Various changes were made to the Strategic Plan, which will be reworked and **sent out** to the Board, **prior to the next meeting**. It was confirmed that the wording in the Strategic Plan, with regard to bribery and anti-corruption, fit in with the wording in the Canadian legislation. The following were **agreed** to as being the Goals of the Canadian Chapter of TI, under the title "Working for Transparency":

1. That all levels of Government have effective anti-bribery measures
2. That Canadian companies, their subsidiaries, supply and distribution chains do not bribe
3. That the Government complies with and advocates for global and regional conventions against corruption
4. That transparency exists in all Canadian organisations

To achieve these, TI-Canada works with the TI Secretariat and other TI National Chapters.

- **Review of present activities**

At the **next Board Meeting** we will review all present activities, as **all Committees** are asked to also do prior to the next Board Meeting, to ensure present activities fit under the four goals.

- **Suggestions presented by members and Board at Ninth AGM**

These will also be reviewed at the **next Board Meeting** in light of the four goals.

Once these steps have been taken, an **Annual Work Plan** can be created.

- **New suggestions from Board Members**

Jim Klotz offered the following three suggestions for new TI-Canada activities:

1. TI-Canada propose a Voluntary Disclosure Program to the Department of Justice, in advance of the various convictions, which will be coming under the *Corruption of Foreign Public Officials Act*, as a result of upcoming acquisition activity, anticipated to particularly look closely at the activity of agents. **Ms. Bonnell** and **Ms. Best** are to work on this with **Mr. Klotz**.
2. The creation of an anti-corruption hotline link on the TI-Canada website to perhaps be staffed by voluntary lawyers. TI-Canada would be the point place for people to come and be sent directly to the voluntary group. Since TI-Canada may not be an investigative authority, it will be a “First Stop Shop” but not a “One Stop Shop.” **Mr. Willson** and **Mr. Olivero** will work on this with **Mr. Klotz**. **Ms. Best** is to look into having a volunteer review of what other TI National Chapters as well as various international organizations are doing in this area.
3. The formation of unofficial discussion groups, “Working Groups on Corruption Issues,” which will be targeted towards the SMEs and be industry specific. The Board needs to establish a framework. Perhaps TI-Canada would help to establish but then might let the groups run themselves. **Mr. Lemon** will work with **Mr. Klotz** on this issue.

3. February 2007 International Conference on Ethics (ICE)

- **Invitation for TI-Canada to hold pre-conference workshop**

When the funding from CIDA has been confirmed for the ICE that would also provide some funding for a pre-conference workshop to be put on by TI-Canada, **TI-Canada** will possibly hold a workshop on the Voluntary Disclosure Program.

- **Invitation for TI-Canada to sponsor**

Since the conference theme has changed from the original theme, it was agreed that TI-Canada will not be an official sponsor of the ICE.

4. Approval of Minutes

- **21 April 2006**

Moved by Mr. Willson and **seconded** by Ms. Kennedy to adopt the Minutes of the 21 April Board Meeting. **Carried.**

- **26 May 2006**

Moved by Mr. Willson and **seconded** by Ms. Kennedy to adopt the Minutes of the 26 May Board Meeting. **Carried.**

5. Business arising from Minutes not elsewhere on Agenda

As per the Item 4 of the 21 April 2006 Minutes, Ian Marshall has drafted wording to ensure that being “found guilty” does not refer only to conflict of interest in the TI-Canada By-law. **Mr. Marshall** will take this to the next meeting of the Governance and Nominating Committee.

6. Financial Statements

- **As at 31 August 2006**

Treasurer John Swinden reported TI-Canada is on course with its budget and there are no concerns, at this time.

7. Correspondence

There was nothing further to the correspondence reported in the Background Notes.

8. National Coordinator’s Report

Further to the Background Notes, Ms. Best noted she participated by conference call with DFAIT and other NGOs in an APEC Civil Society Information Meeting, on 16 May 2006.

9. Report of Chair and President

Ms. Bonnell reported on her meeting with TI-UK, which covered, among other points, the promotion of TI’s Business Principles. Due to time constraints of this meeting, Ms. Bonnell will send around a written report of her meeting.

10. Board Member reports of TI-Canada related activities

- **Federal Accountability Act (FAA)**

Dr. Shugarman provided an overview of the present state of the FAA: it has received third reading in the House and second reading in the Senate, which has a committee reviewing C-2, before it becomes the FAA; the House made approximately 70 amendments, a few of these are significant; the FAA is an omnibus bill, which covers a whole range of other acts; passing the FAA will legalize a Code of Ethics for public office holders; it will result in a new ethics regime, in that, if passed, the position of Senate Ethics Commissioner will be rolled in to that of the Ethics Commissioner; Democracy Watch has been doing a good job of monitoring the FAA; opposition parties have been generally supportive; Dr. Shugarman and colleague Ian Greene have co-authored an article leading up to the FAA. **Dr. Shugarman** is to send this article to **Ms. Best** for distribution to the Board.

- **International AIDS Conference**

On behalf of TI, Ms. Kennedy attended a session of the International AIDS Conference, in Toronto, 16 August. This session was run by newly formed AIDS

Accountability International, which is looking at ranking of countries vis-à-vis AIDS issues. Ms. Kennedy distributed copies of TI's Global Corruption Report 2006, Corruption and Health, to key CIDA and UNAIDS individuals

11. Other Business

Mr. Willson reported he will be meeting with Goldcorp and will raise the issue of Barrick potentially becoming a Global Corporations for Transparency International (GCTI) member. **Mr. Swinden** noted that he will contact Ernst & Young, now that they are a GCTI member. In addition, **Mr. Swinden** will be meeting with Michael Wilson on September 26 and will discuss with him Canada's ratification of the UN Convention against Corruption.

12. Next Board Meeting

The **next Board Meeting** will be held **Thursday, December 14, 2006, in Toronto, 11:00 – 14:00, EST.**

Moved by Mr. Marshall and **seconded** by Dr. Shugarman to close the meeting. **Carried.**