



Working Group on the Future of the Conference

Annex E

*Proposed Plans for the Establishment of an*

*ICDPPC Stable Secretariat*

In accordance with the mandate given to the Working Group on the Future of the Conference by the *Resolution on a Roadmap on the Future of the International Conference* adopted at the 40<sup>th</sup> ICDPPC annual meeting, this paper seeks to outline a proposal for the establishment of a funded, stable Secretariat, in place for renewable terms of three years or more, for potential adoption at the 41st Conference.

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## 1. Background

Since its first meeting in 1979, the International Conference of Data Protection and Privacy Commissioners has brought together data protection and privacy regulators and enforcers from around the globe with the objective to provide an outstanding international forum for the exchange of knowledge and practical assistance, thereby enabling privacy and data protection authorities to effectively fulfil their mandates.

This objective is reflected in the Conference's past strategic plans, with capacity building being identified as a priority in the 2016 – 2018 Strategic Plan<sup>1</sup> adopted in 2015 at the 37<sup>th</sup> Annual Meeting. The need to strengthen capacity building and the desire – expressed by a significant proportion of the membership – for the Conference to evolve towards a more structured organisation was also one of the outcomes resulting from the strategic consultation launched by the ICDPPC in 2017.<sup>2</sup> A key step in this direction – already identified in 2015 by the Strategic Direction Working Group<sup>3</sup> – includes the establishment of a funded and stable Secretariat which could provide a more institutionally structured support to the work of the ICDPPC and help the Conference to move beyond being merely an annual gathering of privacy and data protection authorities.

In response to the results of the consultation, the ICDPPC adopted at its 40<sup>th</sup> Annual Meeting the *Resolution on a Roadmap on the Future of the International Conference*. The Resolution mandated the Working Group [on the FoC] to prepare a proposal mapping out plans for the establishment of a stable Secretariat, including practical means to collect membership fees and proposed changes to the Rules and Procedures.

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<sup>1</sup> <https://icdppc.org/wp-content/uploads/2015/02/Conference-strategic-plan-2015-2018.pdf>.

<sup>2</sup> *Resolution on a Roadmap on the Future of the International Conference*, 40<sup>th</sup> International Conference of Data Protection and Privacy Commissioners, p. 8, [https://icdppc.org/wp-content/uploads/2018/10/20180922\\_ICDPPC-40th\\_Resolution-on-a-roadmap-on-the-future-of-the-Conference\\_Adopted.pdf](https://icdppc.org/wp-content/uploads/2018/10/20180922_ICDPPC-40th_Resolution-on-a-roadmap-on-the-future-of-the-Conference_Adopted.pdf).

<sup>3</sup> The Strategic Direction Working Group produced several outputs in relation to the creation of a permanent and funded ICDPPC Secretariat. Relevant resources can be found at the following links: <https://icdppc.org/wp-content/uploads/2015/02/Proposal-Proposed-workable-Plan-to-Fund-the-Conference-Secretariat-August-2015.pdf>, <https://icdppc.org/wp-content/uploads/2015/02/Working-paper-Elements-of-a-workable-plan-to-fund-the-Secretariat-and-associated-core-Conference-expenses-MayJune-20151.pdf>, <https://icdppc.org/wp-content/uploads/2015/02/Strategic-Direction-Working-Group-Report.pdf>. Unfortunately, due the lack of consensus in the Executive Committee at the time, the plans proposed by the Working Group did not proceed any further.

In line with this mandate, this document seeks to identify a viable proposal for the setting up of an ICDPPC stable Secretariat and a fair and proportionate fee structure. This proposal draws significantly from two documents prepared for consideration at the 40<sup>th</sup> Annual Meeting by the Office of the Privacy Commissioner of Canada. These are: the ‘Backgrounder: the Secretariat of the International Conference and Options on its Level of Service, Funding and Placement’ and the ‘Proposals Paper: Costing and Paying for the Secretariat of the International Conference.’<sup>4</sup>

## **2. Why a Stable Secretariat**

The establishment of the first Secretariat in support of the work of the ICDPPC dates back to 2011 with the Dutch Data Protection Authority providing a secretariat function until 2014, while it held the post of Conference Chair. Under the Chairmanship of the New Zealand Privacy Commissioner (October 2014 – September 2017) the work of the secretariat expanded on the work by the Dutch DPA by increasing communication channels, such as the establishment of a permanent website for the Conference, the launch of the ICDPPC newsletter and an increased presence on media channels such as Twitter and YouTube.

The current version of the Rules and Procedures states that ‘until such a time as a Permanent Secretariat is created the Chair will provide a Secretariat function. The Secretariat function would include the management and preservation of the documents and files of the conference’.<sup>5</sup> Although this statement does not limit the functions of the Secretariat to File Management and Preservation, this is currently the sole mandatory responsibility of the Secretariat. Additional functions such as offering support and liaison work to the Executive Committee and the Hosting Authority of the Annual Meeting as well as Communication and Promotion work are discretionary tasks, which often depend on the resources available to the authority serving as the Chair of the Executive Committee.

Whilst this model has its merits, it also comes with a number of shortcomings which can potentially hinder the Conference from reaching its objectives. Specifically, as highlighted in the backgrounder document on the Secretariat of the International Conference prepared

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<sup>4</sup> These are available on the WG’s page on the ICDPPC website at the following links: [https://icdppc.org/wp-content/uploads/2019/07/20180727\\_FOTC-Backgrounder-on-Permanent-Secretariat.pdf](https://icdppc.org/wp-content/uploads/2019/07/20180727_FOTC-Backgrounder-on-Permanent-Secretariat.pdf), [https://icdppc.org/wp-content/uploads/2019/07/20180727\\_FOTC-Proposal-on-Permanent-Secretariat.pdf](https://icdppc.org/wp-content/uploads/2019/07/20180727_FOTC-Proposal-on-Permanent-Secretariat.pdf).

<sup>5</sup> *ICDPPC Rules and Procedure*, p. 7, October 2018 (Secretariat consolidated version).

by the Office of the Privacy Commissioner of Canada,<sup>6</sup> these shortcomings include the loss of expertise, momentum and institutional memory, intrinsic in the rotating nature of – and resources available to – the Chair providing the Secretariat function. In addition to this, the implied cost burden accompanying the Chair’s role – due to the provision of the Secretariat services – may discourage smaller and less resourced authorities from serving as the ICDPPC’s Chair, thereby running counter to one of the overarching principles of the Conference – cultural, geographic and legal diversity.<sup>7</sup>

The establishment of a stable and funded Secretariat has the potential to **overcome these shortcomings on three scores.**

**First**, by providing stability of service over time, a stable Secretariat could contribute to strengthen the Conference’s information governance infrastructure by enhancing continuity and consistency in file management and preservation and, as a result, helping to minimise the hazards to ICDPPC’s generated information.

**Secondly**, and related to the above, an ICDPPC stable Secretariat can play a pivotal role in the building and retention of the Conference’s knowledge and capability, through the development of systematic organisational processes, thereby defusing the risk of loss of institutional memory.

**Finally**, separating the Secretariat function from the Chair and spreading the secretariat costs across the Conference’s membership can offer an incentive to smaller and less resourced authorities to take the role of Chair of the ICDPPC, resulting in ‘a wider and more diverse pool of authorities over time who lead the Conference and play a key role in setting its priorities and strategic directions’.<sup>8</sup>

Although having the potential of supporting the Conference in achieving its objectives, a **decentralised governance framework** based on de-linking the Chair from the Secretariat is

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<sup>6</sup> *Backgrounder: the Secretariat of the International Conference and Options on its Level of Service, Funding and Placement*, pp. 1 – 2, [https://icdppc.org/wp-content/uploads/2019/07/20180727\\_FOTC-Backgrounder-on-Permanent-Secretariat.pdf](https://icdppc.org/wp-content/uploads/2019/07/20180727_FOTC-Backgrounder-on-Permanent-Secretariat.pdf).

<sup>7</sup> Supporting evidence for this can be found in the fact that the past three Chairs and the current one have been well-established and resourced authorities from Western countries.

<sup>8</sup> *Backgrounder: the Secretariat of the International Conference and Options on its Level of Service, Funding and Placement*, p. 2, [https://icdppc.org/wp-content/uploads/2019/07/20180727\\_FOTC-Backgrounder-on-Permanent-Secretariat.pdf](https://icdppc.org/wp-content/uploads/2019/07/20180727_FOTC-Backgrounder-on-Permanent-Secretariat.pdf).

**not free from drawbacks.** Specifically, there are **two main risks** associated with this Secretariat model. The first relates to the appeal of holding the Secretariat function without the prestige of the Chair's role. This risks constraining member authorities' willingness to put forward their candidacy for the Secretariat. In addition to this, there is a not insignificant danger of miscommunication and, consequently, loss of effectiveness due to the higher level of coordination required between the Chair and the authority holding the Secretariat function which could risk jeopardising the work of the Executive Committee as well as that of the Conference as a whole .<sup>9</sup>

Based on the arguments presented above, and in light of the fact that the Conference is currently undergoing a period of evolution towards formal governance, this document proposes a **phased implementation approach** towards the establishment of a stable ICDPPC Secretariat. This approach is based on a model whereby the Secretariat will **initially** be a **funded entity separate from the Chair but serviced by a member authority** for renewable terms of four years, to be introduced **starting from 2021**. In the event no member authority puts forward their candidacy to serve as the Secretariat, we propose to **include the possibility** for the authority holding **the Chair to retain the Secretariat function** and receive funding for its provision. In the event the **trial period** of de-linking the Secretariat function from the Chair **proves successful**, this would **open the way** for the Conference to explore and examine **workable plans** to establish the ICDPPC Secretariat as a **separate legal entity**.

The benefits of adopting a phased implementation approach are twofold. First, postponing the establishment of the Secretariat to 2021 will allow the setting up of the necessary processes and procedures, seek a prospective candidate willing to provide the Secretariat function as well as for the collection of the essential financial and organisational information from members in order to determine an accurate and proportionate fee tier structure. Second, a Secretariat in place for renewable terms of four years can offer medium-term stability to the work of the Conference whilst giving members the opportunity to test whether separating the Secretariat from the Chair is a viable solution or if other options –

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<sup>9</sup> The *Proposal Paper on Costing and Paying for the Secretariat of the International Conference* (page 3) prepared by the Office of the Privacy Commissioner of Canada highlights similar dangers in its description of the decentralised Secretariat (i.e. a Secretariat function provided by more than one member authority).

including a return to the *status quo* or the establishment of a separate legal entity – should be explored.

The following sections will first outline the scope of work of the prospective ICDPPC Secretariat before giving an overview of estimated costs and options for funding.

### **3. The ICDPPC Secretariat: Scope of Work, Legal Entity and Accountability**

#### **3.1. Scope of Work**

In the previous section, we have highlighted the advantages for the ICDPPC to establish a stable and funded Secretariat in terms of strengthening the Conference’s identity and institutional structure.

In this section, we will offer an overview of the scope of work to be provided by the new Secretariat before recommending options for its legal entity and accountability framework.

The **scope of work and functions** of the ICDPPC Secretariat have been extensively examined in the *Backgrounder* paper authored by the Office of the Privacy Commissioner of Canada. This document lists the following secretariat functions: **File Management and Preservation, Support and Liaison Work, Communication and Promotion**. Of these, as previously mentioned, information management currently constitutes the only mandatory service entrusted to the Secretariat.

If the proposed plans for the establishment of a funded and stable ICDPPC Secretariat are approved at the 41<sup>st</sup> Annual Meeting, we suggest the following services and functions to be included in the scope of work of the Secretariat:

➤ **Information Management:**

This would entail, in addition to file management and preservation, the duty for the Secretariat to **develop and maintain an information and records management system** for the ICDPPC, including creating retention and archiving policies as well as systematic ways of organising the Conference’s information. This would facilitate the handover of the secretariat functions between organisations whilst strengthening the

Conference's information governance framework, thereby enhancing the preservation of the ICDPPC's institutional memory;

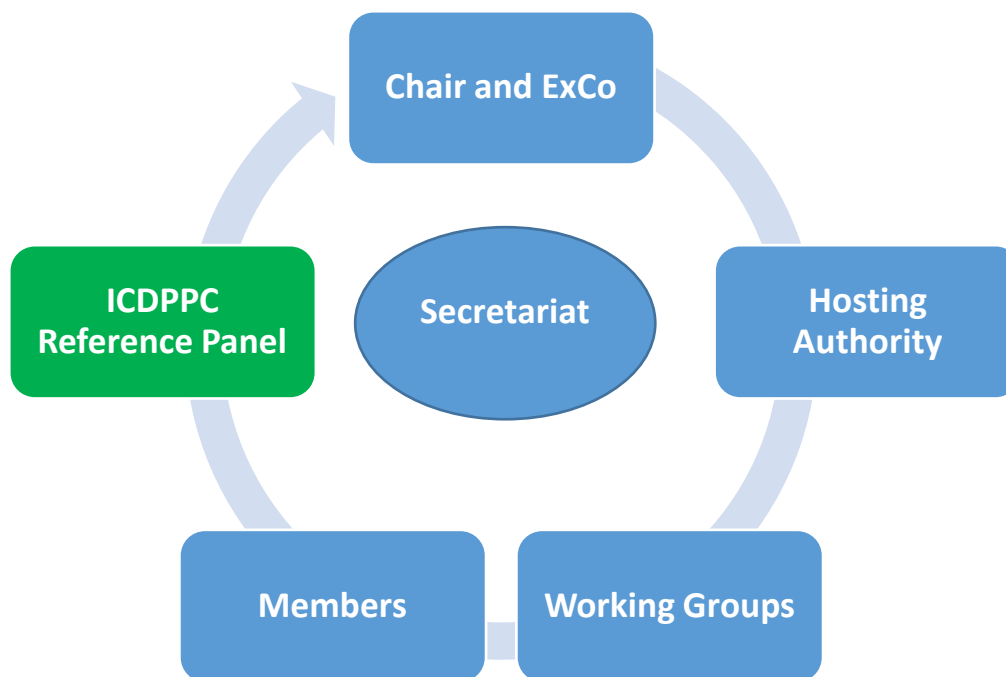
➤ **Support and Liaison Work:**

This would become a mandatory secretariat function, making the Secretariat the central and dedicated point of contact between the Conference and its membership, as well as with the ICDPPC Reference Panel (if established)<sup>10</sup> and other networks. In this capacity, the Secretariat would be responsible for: **coordinating and overseeing** the exchange of information between the Chair and the Executive Committee as well as between the ICDPPC and other privacy networks; **liaising with working groups** in order to ensure regular progress updates reach the Committee and wider membership; **overseeing the resolution drafting and implementation process**; **supervising the bid and assessment process** of applications received to host the Annual Meeting and to join the Conference as an Observer or Member authority; **supporting the Hosting Authority** by facilitating discussions with guest speakers; and, finally, ensuring that member-generated **knowledge and resources are circulated** amongst the Conference's membership and beyond (e.g. among interested networks such as GPEN, APPA and CTN). In addition to this, if the proposal for the establishment of the ICDPPC Reference Panel is adopted at the 41<sup>st</sup> Annual Meeting, an additional task would be the **coordination of the work of the Panel** (e.g. nomination process, organisation of the logistical details of the panel's meetings).

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<sup>10</sup> See *A Proposal for the Creation of the ICDPPC Reference Panel*.





➤ **Communication and Promotion Work**

This would also become a mandatory function of the Secretariat, which would therefore be entrusted with the responsibility to **develop a coherent and effective communication strategy** for the Conference as well as for **its promotion** via the ICDPPC’s established channels of communication: the ICDPPC’s website, Twitter account, YouTube channel and the ICDPPC Newsletter. If, in the future, a members-only online platform is created on the Conference’s website, the Secretariat communication function would be broadened to comprise the management of the new functionalities of the platform,<sup>11</sup> including maintenance and technical support.

➤ **Treasurer functions**

Subject to the adoption of the proposal of a self-funded Secretariat at the 41<sup>st</sup> Annual Meeting, the new Secretariat would be responsible for **overseeing the financial affairs of the Conference**, ensuring proper records are kept and that effective financial procedures are in place in order to effectively monitor the financial health of the ICDPPC. As part of its duties as Treasurer, the Secretariat would be responsible for regularly reporting to the Executive Committee and wider membership on the Secretariat’s budget and expenditures.

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<sup>11</sup> See *Creation of an ICDPPC Secure Online Platform – Options and Financial Requirements*.

In view of the fact that the ICDPPC is currently undergoing a period of evolution – from being a semi-structured annual gathering of data protection and privacy authorities which meet the membership criteria towards the creation of a more formal organisational framework – we have excluded from the initial scope of work of the stable Secretariat ad hoc special functions such as translation services and hoc policy work. This is not to suggest these services would be lost. Rather, the recommendation put forward is for their provision to be outsourced to member authorities as well as observers. For example, a functional level of provision of translation service can be expected to continue via the existing Volunteer Translation Network. Likewise, the need for any ad hoc policy work required of the Secretariat could be met through the setting up of a secondment programme or the establishment of voluntary cooperation mechanisms whereby relevant expertise could be provided at no significant costs for the authority providing the Secretariat function. In addition to the practical and financial advantages, this solution offers the added value of fostering the ICDPPC’s vision and mission of creating an outstanding international forum where knowledge is disseminated, expertise shared and supportive connections enabling authorities to effectively fulfil their mandates developed.

It goes without saying that this does not preclude the possibility of including these services among the ICDPPC Secretariat functions in due course. This would allow for the development and settling in first of the stable Secretariat infrastructure and associated institutional and financial procedures.

### **3.2 Legal Entity and Accountability Framework**

In the previous section, we have highlighted the scope of work to be provided by a prospective ICDPPC stable and funded Secretariat. In order to be able to deliver the above-mentioned secretariat functions and, therefore, effectively support the Conference’s vision, mission and objectives, it is proposed that the new Secretariat will be established for an **initial trial period of four (renewable) years** with the following structure:

- A funded entity which is separate from the Chair but still serviced by a member authority. However, in order to ensure continuity in the provision of the Secretariat services, in the event no member authority puts forward their candidacy to serve as the Secretariat, the Chair of the Executive Committee will be entrusted with providing

the Secretariat function until such a time a candidate authority to hold the Secretariat can be found;

- Terms of service of four years (renewable for additional four years) so as to align the tenure of the Secretariat with that of the Executive Committee whilst avoiding the potential risk of an overlap between a new Chair and a new Secretariat;
- [If the Secretariat function is provided by a member authority other than the Chair] an accountability framework whereby the Secretariat will report to, and be subject to the oversight of, the ICDPPC's Executive Committee as the elected organ and collective representative of the Conference;
- In order to ensure financial transparency, the authority providing the Secretariat will be required to issue quarterly reports on the Secretariat's budget and expenditures to the Executive Committee as well as providing an annual financial report to the broader membership during the closed session of the Annual Meeting.

As highlighted also by the *Proposal Paper* prepared by the Office of the Privacy Commissioner of Canada,<sup>12</sup> this model would offer a solution to the problem stemming from the two-year term limit of the Chair authority – thereby ensuring some continuity in the Secretariat function – as well as allowing the Chair of the ICDPPC to focus on the strategic policy direction of the Conference whilst giving an incentive to less resourced authorities to take the Chair role by removing the cost burden associated with providing secretariat services. At the same time, in order to address the risk of no member authority putting forward their candidacy to provide the Secretariat function, the proposal envisages that, were this circumstance to arise, the authority holding the Chair will be required to service the Secretariat until such a time a candidate to provide secretariat functions can be found.

In addition to the above, the members of the Working Group on the Future of the Conference discussed alternative options for structuring the Secretariat's governance framework by focussing in particular on **two additional options**.

The **first** is the possibility of having **more than one authority serving as the Secretariat**, each authority providing a specific secretariat function. This model, the main advantage of

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<sup>12</sup> *Proposal Paper: Costing and Paying for the Secretariat of the International Conference*, [https://icdppc.org/wp-content/uploads/2019/07/20180727\\_FOTC-Proposal-on-Permanent-Secretariat.pdf](https://icdppc.org/wp-content/uploads/2019/07/20180727_FOTC-Proposal-on-Permanent-Secretariat.pdf), p. 2.

which lies in allowing more members to play an active role in the running of the Conference, was first proposed as an option by the *Proposal Paper* authored by OPC<sup>13</sup>. However, there was **no consensus** in the working group **in furthering this model** as the majority of the members participating to the discussion was wary of the risks this could entail in terms of loss of efficiency due to the higher level of coordination required, were multiple member authorities to provide the secretariat function.

The **second** governance framework **option** that was discussed by members of the working group was the possibility to **set up the ICDPPC Secretariat as a separate legal entity**. Indeed, some members of the working group noted that, **were the Secretariat to be funded** through the collection of fees, some member authorities would encounter legal obstacles in doing so due to the nature of their legal statute, thereby **placing some authorities at risk of exclusion** from running for the Secretariat role. This is considered a very serious risk and members of the working group agreed it was paramount to ensure no member authority would be left behind in the plans for the establishment of an ICDPPC Secretariat. However, at the same time, **establishing the Secretariat as a separate legal entity may not be a realistic option** at this time for a number of reasons. The **first** is the **legal complexity** associated with the task, including a consensual decision being reached within the membership on the location where the new entity would be based. The **second** reason relates to the necessity of **testing whether de-linking the Chair from the Secretariat is a workable solution** for the Conference. And finally, a drastic change such as the creation of a separate legal entity to service the Secretariat may **not be feasible at the present** moment given the fact that the **Conference** is still **in the process of scoping options** on its future identity and strategic direction. Nonetheless, the Working Group on the Future of the Conference considers that there is value for the ICDPPC to evaluate the possibility of **creating a separate legal entity in the long-term**, if the pilot of separating the Chair from the Secretariat proves successful. For similar reasons to the above, and in order to ensure the smooth transition from the current model to the new proposed Secretariat structure, we would recommend introducing this proposed model in 2021 to provide a transition period to the new arrangements. This would enable members to plan for any budgetary implications, give time for an orderly process of selecting the first Secretariat host member authority and allow the establishment of a sufficiently robust

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<sup>13</sup> *Ibid.*, p. 3.

governance infrastructure and associated procedures, thereby facilitating the future implementation of the proposed Secretariat model.

#### 4. Estimated Costs

In order to effectively perform the functions set out in section 3.1, it is foreseen that the Secretariat – as a funded entity serviced by an existing member authority – would require a **roughly estimated** budget<sup>14</sup> of **£ 183,400** (equivalent to roughly **€ 205,122**<sup>15</sup>).

The budget breakdown<sup>16</sup> is shown in the table below:

<b>Human Resources</b>	<ul style="list-style-type: none"> <li>• Manager: £ 50,000</li> <li>• 3 FTEs<sup>17</sup> : £ 90,000</li> <li>• 1 PTE: £15,000</li> </ul>
<b>Administrative costs</b>	<ul style="list-style-type: none"> <li>• Records Management System: £ 1200</li> <li>• Phone account: £ 600</li> <li>• Bank Charges: £ 600</li> <li>• Office Supplies: £ 1,000</li> </ul>
<b>Travel and Accommodation</b>	<ul style="list-style-type: none"> <li>• £ 20,000<sup>18</sup></li> </ul>
<b>Website Maintenance</b> <sup>19</sup>	<ul style="list-style-type: none"> <li>• £ 5,000<sup>20</sup></li> </ul>

It is important to bear in mind that this is an estimated figure, tied to the employment conditions and options available in a specific national context (UK). These figures will likely

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<sup>15</sup>Exchange rate at the time of writing (24 June 2019).

<sup>16</sup> All estimates are gross, yearly figures (i.e. before tax). Figures are given in local currency.

<sup>17</sup> Full-time employee. The three full-time employees would cover respectively: Information management and support and liaison work, the treasurer functions and IT support whilst the part-time employee (PTE) would look after Communication and Promotion (including website management and the publishing of the newsletter).

<sup>18</sup> This would cover, in addition to attendance of the Annual Meeting, travel and accommodation for occasional meetings in person of the Executive Committee and attendance to relevant regional meetings.

<sup>19</sup> This cost is a variable dependant on the adoption and implementation of the proposal on the creation of an ICDPPC Secure Online Platform.

<sup>20</sup> This figure includes monthly hosting costs, monthly costs for automated vulnerability scanning and yearly costs for a manual health check of the website by a security expert.

change depending on the country and cost of living/level of service of the country where the authority providing the Secretariat function is based. For this reason, it is recommended that the Conference seeks to identify a candidate at its 2020 meeting before formal appointment in 2021, thereby allowing to draw a more accurate estimate.

## 5. Funding

### 5.1 Fee Structure and Modalities for the Collection of Payment

As mentioned in the *Proposal Paper* authored by the Office of the Privacy Commissioner of Canada, the proposed funding approach to the establishment of a stable Secretariat is for the secretariat costs to be met through the collection of fees from the Conference's membership. However, as shown by the ICDPPC Census,<sup>21</sup> member authorities differ significantly in terms of size and budget. In view of this fact, and in order to minimise the potential risk that financing the Secretariat through the collection of fees will have a negative impact on the Conference's membership, it becomes key to ensure the proposed fee tier structure is fair and proportionate and takes into account members' organisational (e.g. members of staff) and financial diversity.

Against this backdrop, we propose the adoption of a **three-tier fee structure** based on a **proportionality principle** whereby the fee amount would be determined by the member authority's annual budget and size. The proposed fee structure is as follows:

- **Tier one** – Small Authorities. **Fee exempt**;
- **Tier Two** – Medium-sized Authorities;
- **Tier Three** – Large Authorities.

In addition to this funding model, the members of the working group discussed the possibility of introducing a flat membership fee, albeit with the caveat that authorities from less resourced countries would be exempt from the payment of the fee. The main advantage of this system is that it would be easier to administer, with members from less resourced countries being identified by referring to the UN List of Least Resourced countries<sup>22</sup>. However, there was no strong consensus amongst the members of the working group on the flat

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<sup>21</sup> <https://icdppc.org/wp-content/uploads/2017/09/ICDPPC-Census-Report-1.pdf>.

<sup>22</sup> <https://unctad.org/en/Pages/ALDC/Least%20Developed%20Countries/UN-list-of-Least-Developed-Countries.aspx>.

membership fee model, with some members showing a clear preference for the proportional model as it better reflects the membership diversity in terms of budget and size.

A compromise solution between the two would be a funding model based on charging a fixed percentage of the authority's annual budget. This would simplify the fee structure whilst respecting the proportionality principle in relation to the authority's budget.

Be that as it may, in order to establish the actual fee amount for each tier as well as to have a clear understanding of which tier an authority would belong to, it will be necessary to conduct a survey amongst member authorities to collect the necessary information for determining which authorities would be fee exempt and the fee amount associated with tier two and three.<sup>23</sup>

For what concerns the practical modalities for the collection of fees, we recommend the use of a payment service provider and payment methods such as BACS, SEPA or credit card payment. This model would bypass the necessity to create an ad hoc bank account<sup>24</sup> whilst allowing the authority holding the Secretariat function to collect payments in different currencies.

Fees would represent the main source of income to cover the costs incurred by the authority providing the secretariat functions. Nonetheless, as the Conference moves towards a formal governance infrastructure, there is value in considering complementary sources of funding which could contribute to reduce the level of funding required through the collection of fees as well as to the creation of a Support Fund aimed at supporting less well-resourced authorities (e.g. a subsidy to meet the registration or travel expenses to attend the Annual Meeting).

For example, in light of the vision, mission and strategic policy direction of the Conference, there would be scope to engage organisations such as OECD and the UN to explore funding options the ICDPPC Secretariat might be able to apply for to complement the income sourced through the collection of fees. In addition to this, the Support Fund would

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<sup>23</sup> Some of this information is available through the 2017 ICDPPC Census. However, it is important to recognise the fact that not all member authorities participated to the Census whilst, for those authorities which participated, data may now be outdated.

<sup>24</sup> As mentioned, the proposed Secretariat model does not envisage the creation of a separate legal entity for the ICDPPC Secretariat.

also envisage an option whereby better resourced authorities could donate, on a voluntary basis, additional funds to subsidize smaller and less resourced member authorities, for example to cover registration costs to the Annual Meeting.

## **5.2 Penalties for non-payment**

As shown in section 4, the bulk of the Secretariat expenditure is represented by the cost of the human resources necessary to staff the Secretariat. In recognition of this fact, it is of paramount importance that the income collected through fees is stable and adequate. Although the model rests on the assumption that all member authorities will pay their dues (unless exempt), foreseeing sanctions for non-payment of the secretariat fee is a necessary precaution. Penalties for non-payment might range from the exclusion from the Annual Meeting and freeze of the authority's account on the ICDPPC Secure Online Platform (if created) to the withdrawal of the ICDPPC membership in the most serious cases of repeated failures to pay the Annual Fee.

When discussing penalties for non-payment, some members stressed that – whilst it is important that there should be consequences for the authorities behind with the payment of the membership fee – it is equally important to assess instances of non-payment on a case-by-case basis by giving the non-paying member the opportunity to make their case in advance to the Executive Committee and, whenever possible, mitigating circumstances should be taken into account. A similar approach should be taken when considering any arrears, for example by giving the non-paying member the opportunity to pay outstanding amounts in instalments.

## **6. Amendments to the Rules and Procedures**

As mentioned in section 2, the proposed approach in this paper is for the new Secretariat to be introduced starting from 2021 with a view to be fully operational by January 2022. If this model is approved at the 41<sup>st</sup> Annual Meeting, changes to the Rules and Procedures will be submitted for consideration at the 2020 Conference. The changes – which have been drafted by the Working Group – would entail the insertion of a new rule regulating the functioning of the Secretariat and its funding.



## 7. Next Steps

If the current proposal is approved by the Conference, the following steps are recommended:

1. Retain the current governance infrastructure for the next two years;
2. The first year will be focussed on setting up the necessary processes and procedures to ensure the establishment of a robust governance infrastructure. Further to this, a one-year transition period will allow the Conference to agree the process for the election of the Secretariat as well as to: gather the necessary census data from all member authorities in order to establish the relevant fee tier; conduct a survey amongst member authorities to identify legal obstacles for some authorities to accept funds for running the Secretariat; reach out to those authorities which provided a Secretariat function in the past to collect information over costs incurred and tasks undertaken; explore options for alternative sources of funding which could complement the income sourced through the collection of the Secretariat fees (e.g. identify funding programmes available through organisation such OECD or the UN that could be applied for on behalf of the Conference's membership);
3. Two months before the 42<sup>nd</sup> Annual Meeting, launch a call for expression of interest amongst member authorities to identify a prospective candidate willing to serve as the future Secretariat starting from 2021. On the basis of expression of interest received, the Conference will be asked to make a decision during the Closed Session of the meeting;
4. During the second year, and after the 42<sup>nd</sup> Annual Meeting, the Conference will focus on establishing robust financial procedures for collecting fees and the associated control mechanisms guaranteeing proper accounts and records are kept. Following the formal announcement of the new Secretariat at the 43<sup>rd</sup> Annual Meeting, the authority serving as the new Secretariat will start the collection of fees from member authorities with the expectation to be fully operational by January 2022. This would also allow time for a handover between the former and the new Secretariat. Until January 2022, it can be considered for the former Secretariat to provide some operational support, if required.