

Statutes

The Organisation for the Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism

Preamble

The Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism is a corporate social responsibility tool with worldwide recognition. It was originally elaborated in 1997 by ECPAT Sweden, in the wake of rising concern about the spread of the phenomenon commonly referred to as child-sex tourism. In order to devise the six criteria the Code of Conduct consists of, ECPAT Sweden sought the advice and comments of the Scandinavian tour operator Star Tours (today, TUI Nordic) and the World Tourism Organization (today, the UNWTO).

The Code of Conduct was adopted in 1998 by the three main tour operators in Sweden. In 1999, it took up the form of a project through the collaborative efforts of an additional six ECPAT groups based in Europe. As such, it received financial backing from the EU Commission and has enjoyed support from the UNWTO, which hosted its secretariat in Madrid since 2001 for a number of years.

Subsequently, in 2004, with UNICEF's involvement, the secretariat of the Code of Conduct moved to New York, where it has since been hosted by ECPAT USA and received a significant yearly financial contribution from UNICEF, which has supported the operational costs for the Code Secretariat.

Over the past decade, additional support to the Code of Conduct has been provided locally - primarily by ECPAT national groups - towards assisting signatories with the application procedure, the development of awareness-raising material, and the training to be undertaken in keeping with one of the Code of Conduct criteria.

Having regard for the sustained growth enjoyed by the Code of Conduct in terms of membership and visibility and the related need to maintain a high level of quality in its assistance to members, the following statutes have been voted into effect.

Article 1 - Name and Description: The Organisation for the Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism (hereafter, the "Child-Protection Code Organisation") is a non-profit-making organisation registered in Sweden with number 802418-2167/200405-05, and operating at a site determined by decision of the Annual General Meeting. The registration and operating location can be changed by decision of the Annual General Meeting of the organisation.

Article 2 - Mission: The mission of the Child-Protection Code Organisation is to provide awareness, tools and support to the tourism industry in order to prevent the sexual exploitation of children in contexts related to travel and tourism. This goal is pursued through cooperation with child-protection organisations, governmental institutions and other suitable international and local partners.

Article 3 - Objectives: The main objective of the Child-Protection Code Organisation is to promote the ECPAT-initiated Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism (hereafter, the "Child-Protection Code"). The Child-Protection Code consists of the following six criteria:

1. To establish a policy and procedures against sexual exploitation of children.
2. To train employees in children's rights, the prevention of sexual exploitation and how to report suspected cases.
3. To include a clause in contracts throughout the value chain stating a common repudiation and zero tolerance policy of sexual exploitation of children.
4. To provide information to travellers on children's rights, the prevention of sexual exploitation of children and how to report suspected cases.
5. To support, collaborate and engage stakeholders in the prevention of sexual exploitation of children
6. To report annually on their implementation of Code related activities.

Adjusted criteria of the Code have been customised for the various sub-sectors within the tourism industry, such as tour operators, hotels, travel agencies, airlines, incoming agents, etc.

Article 4 - Membership: Members of Child-Protection Code Organisation are:

a) **Category 1: INDUSTRY**

Category 1a: Companies and associations from the tourism, travel and transport industry, which have signed the Child-Protection Code according to the Membership Process, including paid membership fee and approval by the Board of Directors. Members in this category have full voting rights at the Annual General Meeting of the Child-Protection Code Organisation.

Category 1b: Local affiliates, i.e. companies with national or local operations that have signed the Child-Protection Code and pledged to its implementation and promotion. Members in this category have voting rights at the Annual General Meeting of the Child- Protection Code Organisation.

b) **Category 2: Non-industry members**, i.e. non-governmental organisations (NGOs) with specific knowledge on child protection and the prevention of sexual exploitation and governmental agencies that have signed a Statement of Commitment for the Child-Protection Code, formally stating their engagement and contribution to the fulfilment of its principles and objectives. Members in this category have full voting rights at the Annual General Meeting of the Child-Protection Code Organisation.

A register of the members in all three categories will be kept up-to-date at the Secretariat.

Article 5 - Advisory Partners: The intergovernmental organisations UNICEF and UNWTO hold an advisory function with the Child-Protection Code Organisation, and their expertise shall be sought by the Annual General Meeting and the Board of Directors for input into issues of technical nature. Other intergovernmental organisations, governmental agencies, and other interested entities may also hold the same status. Partners in an advisory role may attend the Annual General Meeting, albeit with no voting rights.

Article 6 - Admission: Application for admission to the Child-Protection Code Organisation by the tourism, travel and transport industry under Category 1 above must be made to the Board of Directors which shall rule on the request. All applications must follow the standard procedure laid down by the Board.

Application for admission by members under Category 2 above (non-industry members) must address a Statement of Commitment to the Board of Directors stating their support and commitment to pursue the goals and principles of the Child -Protection Code, respecting the rules decided by the Annual General Meeting or the Board of Directors in respect of the Child- Protection Code's training requirement, use of the Child-Protection Code logo, the Child- Protection Code database, and similar.

The right of admission of new members and partners is reserved to the Child Protection Code Organisation.

Article 7 - Rights of Members: Members registered in Category 1 must implement the Child-Protection Code in a credible and effective way according to the Membership Process, including submitted action plan, policy and procedures endorsed by the Board of Directors.

Members registered in Category 1 must consent to be monitored regarding the implementation of the Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism by Child-Protection Code Organisation.

Members from category 2 that intend to undertake the role of Local Code Representative will need to be approved by the Board of Directors and sign a Memorandum of Understanding, which will outline the roles and responsibilities of the Local Code Representative as well as the modi operandi for compensation for services provided, taking into consideration already established cooperation procedures between the Local Code Representative and the tourism sector on national level.

Members from all categories convene at the Annual General Meeting.

Members have the right to propose strategies and projects for the Annual General Meeting. Motions must be submitted to the Board of Directors at least thirty (30) days prior to the date of the Annual

General Meeting.

Members can nominate candidates for the vacant positions on the Board of Directors to the Annual General Meeting specifying the seat type to be occupied. The Board of Directors will announce the vacant positions at least forty-five (45) days ahead of the Annual General Meeting and candidates' nominations must be submitted to the Board of Directors not later than fifteen (15) days before the date of the Annual General Meeting.

Article 8 - Termination of Membership: Membership of the Child-Protection Code Organisation shall cease by virtue of the following:

a) Letter of resignation to the Secretariat

b) Expulsion for non-payment of fees (in case of members in Category 1, or inactivity for two years, or on the basis of serious grounds of noncompliance with the commitment and the goals, or the infringement of rules of the Child-Protection Code Organisation, on the understanding that the member in question has been notified by registered mail. Any expulsion can be appealed in writing to the Board of Directors and ultimately to the Annual General Meeting.

Article 9 - Membership and Service Fees: Signatories are requested to pay an annual membership fee. The amount shall be set each year by the Annual General Meeting.

9.1 Members who have paid their annual membership fee are entitled to a range of services, exclusive to members as decided by the Board of Directors and implemented by the Secretariat. These services include information, research, technical assistance, access to the Child-Protection Code's database, monitoring, and use of the logo.

Companies whose operations are structured on a number of geographical units that have signed separately may decide to aggregate the membership fee payable on the basis of the sum of their turnover.

9.2 Service fees should include the fees due to Local Code Representatives (such as a number of ECPAT national groups or affiliates) in exchange for specific services such as training courses and continuous consulting with regard to the Child-Protection Code implementation.

9.3 Non-industry members (as per Article 4) are exempt from the payment of fees under the expectation that they will cooperate with the Child-Protection Code Organisation to pursue its goals and principles by offering their services within their possibilities (e.g. participating in the monitoring of companies along the rules decided by the Board of Directors).

9.4 Local affiliates are required to pay the lowest category of membership fees.

Article 10 - Annual General Meeting:

10.1 Organisation, Time and Place: The Annual General Meeting will be held upon call by the Chair at a time and place to be determined by the Board of Directors. For reasons of force majeure the venue and dates may be changed.

10.2 The Chair shall issue and the Secretariat shall address the formal notice of the Annual General Meeting at least forty-five (45) days before the date fixed to all the members in categories 1, 2 and 3.

10.3 Delegates. Each paid up member in Category 1 and current members in Category 2 are entitled to attend the Annual General Meeting. Members in both categories are entitled to appoint a proxy. This must be done in writing to the Secretariat not later than fifteen (15) days prior to the date fixed for the Annual General Meeting. Voting papers will be distributed to the members entitled to vote on presentation of adequate identification at the Annual General Meeting.

10.4 The rules governing the Annual General Meeting are equally applicable to Extraordinary General

Meetings (EGMs).

- 10.5 Composition of the Annual General Meeting - Signatories: Companies and Associations from the tourism, travel and transport industry which have signed the Code of Conduct according to the Membership Process and paid the appropriate fees may attend the Annual General Meeting. Only companies that are formally approved as Members have voting rights.

Non-industry members which have signed a Memorandum of Understanding with the Child-Protection Code Organisation stating their formal commitment and contribution to its principles and goals may also attend.

Advisory Partners may attend the Annual General Meeting.

- 10.6 Tasks of the Annual General Meeting: The Annual General Meeting is the highest decision-making body of the Child-Protection Code Organisation. Its powers include:

- approval of the annual accounts, the budget and working plan;
- appointment of auditors;
- approval of the annual reports of the officers;
- to determine the main lines of activity and orientation of the organisation;
- to decide upon changes to statutes and fees put forward by members or the Board of Directors;
- to elect the Board of Directors by secret ballot;
- to delegate tasks to the Board of Directors;
- to assess and appraise annually the work carried out by the Board of Directors;
- to deliberate on the exclusion of members who do not meet the requirements of the Statutes;
- interpretation of and amendments to the Statutes;
- to deliberate on the dissolution of the Child-Protection Code Organisation.

- 10.7 Voting will be by simple majority (most votes) of the votes represented in person or by proxy at the Annual General Meeting.

- 10.8 Rules of Procedure for the Annual General Meeting - The Annual General Meeting is convened by the Board of Directors. Extraordinary General Meetings (EGMs) can be convened by the Board of Directors or on the call of one third, plus one, of the members in both categories for special reasons which must be specified at the time of the call. 45 days' notice shall be given of the date of the Annual General Meeting or an Extraordinary General Meeting. The Annual General Meeting shall be presided over by the Chair of the Child-Protection Code Organisation. The Chair shall call the AGM and the Secretariat shall send the convocation and the agenda to all members.

Article 11 - Board of Directors: The Annual General Meeting shall elect from among the members the Board of Directors which shall consist of nine (9) members in line with the stipulations outlined in the Categories 1 and 2 above. All the Directors will have been elected individually by the Annual General Meeting. The maximum term of office for a Director shall be six years (two terms of three years).

- 11.1 Nominations will be sought at least forty-five (45) days in advance of the date of the Annual General Meeting. Candidatures should reach the Board of Directors fifteen (15) days prior to the AGM date at the latest.

- 11.2 General duties and powers of the Board of Directors:

- Providing leadership to The Code by guiding the development of an appropriate culture and values for the organization.
- Overseeing the development and implementation of appropriate strategies.
- Ensuring accountability to the members and other stakeholders;
- Ensuring robust and effective risk management systems (including legal compliance) are in place and operating effectively;
- Being responsible for oversight of the General Manager, including evaluating performance and providing feedback;
- Ensuring that Board membership and structure is suitable to the current circumstances of the organization, including the implementation of effective succession planning procedures and

evaluating performance where possible;

- Delegating appropriate powers to the General Manager to ensure the effective day-to-day management of the business and monitoring the exercise of these powers; and
- Making all decisions outside the scope of delegated powers.

11.3 Individual Board Members, not representing a company or an organization, can get travel costs on economy class and other expenses related to the board work fully reimbursed. Other members can apply and get expenses reimbursed with the authorization of the Board of Directors. All costs need to be approved by the Board in advance.

11.4 Candidates: Candidates for the Board of Directors are identified and suggested on the basis of their professional background. Both the members of the Board of Directors and Annual General Meeting can put forward the names of suitable candidates, specifying the category of seat for which they are intended.

Once elected, the Directors will abstain from pursuing any practical benefit for the companies or organisations to which they belong, but will rather function with a broader perspective that is more representative of the whole branch in which their companies or organisations operate. Consequently the Directors pursue their mandate in the larger interest of the tourism industry branch or organisation entitled to hold the seat they are elected for.

Should an incumbent Director have no more links with the company or organisation entitled to hold the seat they are elected for, he/she should be replaced by another representative of the same company or organisation.

The allocation of the seats on the Board of Directors shall be as follows: Five (5) from the tourism, travel and transport industry, namely: 1 Hotel Chain seat; 1 Tour Operator seat; 1 Travel Agency/Distribution seat; 1 Airline/other seat; and 1 open seat linked to the industry (e.g. tourism association, etc.).

Four (4) non-industry members, namely: 1 ECPAT International (permanent seat); 2 Local/National NGO seats; and 1 open seat for individuals or organisations linked with the fight against child-sex tourism and with demonstrated commitment for the cause.

When the need arises to replace one or more Directors, care shall be taken to identify possible candidates from the same sectors as those of the outgoing Directors, in order to reflect the approved balance of representation within the Board of Directors itself.

Until a suitable candidate can be elected, the respective seat can be left vacant. The Board of Directors, however, should be composed at least by seven (7) members. If the number of Directors is below seven (7), a consultation will be carried out by electronic communication to identify replacement candidates and proceed to a new election.

Members of the Board of Directors that have not been/cannot be actively involved in the board's work for a longer period will be asked by the Board of Directors to give up their seat.

The Board of Directors can choose to co-opt non-voting members to secure needed skills within the Board. No more than two non-voting members can be co-opted at the same time.

The Board of Directors strives to reach consensus in its decisions. In all other cases, the majority needed for the Board of Directors decisions will be five votes.

Article 12 - Specific Functions within the Board of Directors: The Board of Directors shall elect, among its members, a Chair, a Vice-Chair, a Secretary, and a Treasurer. These special functions, along with the Board of Directors as a whole, shall be assisted by a paid Secretariat.

12.1 Chair

- 1 The Chair is entrusted with the duties of executing the decisions of the Annual General Meeting and the Board of Directors.

- 2 The Chair will preside over the Annual General Meeting and the meetings of the Board of Directors. The Chair shall direct the discussions and deliberations, conduct the proceedings and ensure that the Child-Protection Code Organisation functions effectively and efficiently.
- 3 The Chair is the official and legal representative of the Board of Directors; however, all documents legally binding on the Child-Protection Code Organisation must bear the signature of the Chair jointly with the Vice-Chair.
- 4 Whenever the necessity arises, the Vice-Chair shall deputise for the Chair, and the Secretary for the Vice-Chair.
- 5 The Chair shall make a general report to the Board meetings and Annual General meeting concerning the activities of The Code.

12.2 Vice-Chair and Secretary

Whenever the necessity arises, the Vice-Chair shall appoint deputies for the Chair, and the Secretary for the Vice-Chair.

12.3 Treasurer

Every board member is responsible for understanding and monitoring the financial status of the organization. Duties of the Treasurer include, but are not limited to, the following:

1. Work with the General Manager to ensure that appropriate financial reports are prepared and made available to the Board.
2. Review the annual budget that is presented to the Board for approval.
3. Provide financial and operational advice and guidance to the Board as required.
4. Review financial reports that are submitted to the AGM and donors for approval
5. Work with the General Manager to ensure appropriate financial controls and processes.
6. The financial year will run from January 1 to December 31.

12.4 Secretariat

The Secretariat is located at a site to be determined by the Annual General Meeting and is responsible to the Board of Directors for the day-to-day running of the Child-Protection Code Organisation, and employing salaried personnel. The duties of the Secretariat shall be allocated on a regular basis by the Board of Directors of the Child-Protection Code Organisation.

Article 13 - Finances: The finances of the Child-Protection Code Organisation shall include:

- 1 membership fees to be billed by the end of each year for the next calendar year;
- 2 fees for specialised services to be agreed upon by the Annual General Meeting or the Board of Directors;
- 3 any donation, legacy or other form of legitimate income to the Child-Protection Code Organisation.

Article 14 - Signature and Representation: All acts binding the Child-Protection Code Organisation shall be signed by two members of the Board of Directors after approval by at least five members of the Board of Directors. The association can also be represented by any other person, acting within the limits of a proxy issued by the Board of Directors.

Article 15 - Auditing: The annual accounts of the Child-Protection Code Organisation shall be audited and certified at the end of each fiscal year by a certified accountant and be presented to the Annual General Meeting for approval.

Article 16 - Amendments to the Statutes: Modifications to these statutes can only be decided at an Annual General Meeting providing that two-thirds of delegates present approve the proposed modifications. Proposals for modifications must be made in writing to the Board of Directors at least thirty (30) days prior to an Annual or Extraordinary General Meeting.

Article 17 - Dissolution: In case of dissolution pronounced by at least two thirds of the votes present at an Annual General Meeting or Extraordinary General Meeting called for that purpose, one or more liquidators shall be designated by the Annual General Meeting or Extraordinary General Meeting and the

remaining assets, if any, shall be allocated according to the decisions determined by the Annual General Meeting or Extraordinary General Meeting.