

*APPENDIX 4 - FRAMEWORK FOR ADMISSION & CONTINUING MEMBERSHIP OF OBSERVERS*

**VOLUNTARY PRINCIPLES INITIATIVE  
FRAMEWORK FOR ADMISSION AND CONTINUING MEMBERSHIP OF OBSERVERS**

The criteria below outline the entry process and expectations for new Observers of the Voluntary Principles Initiative. It is not intended to apply to the International Committee of the Red Cross (ICRC), the International Council on Mining & Metals (ICMM), or the International Petroleum Industry Environmental Conservation Association (IPECA), each of which have been granted status as a permanent Observer.

**1. Admission Process**

- 1.1 At any time, an organization (hereinafter referred to as “Applicant Observer”) may formally request to attend proceedings of the Voluntary Principles Initiative as an Observer.
- 1.2 The request is made in writing to the Secretariat. The request should describe the organization and its interest in becoming an Observer. The request should include a statement describing the activities the Applicant Observer undertakes, or plans to undertake, that are supportive of the objectives of the Voluntary Principles Initiative. The request should also reflect the Applicant Observer’s relevant expertise, for example in human rights and/or with companies in the industries of extracting, harvesting, or developing natural resources or energy, and should demonstrate that the Applicant Observer is willing, and has the capacity to, contribute to the Voluntary Principles Initiative.

When making an application, Applicant Observers should clearly demonstrate that their relationship with the VPI will be mutually beneficial. The value offered by the Observer Applicant to the VPI can include, without limitation, such applicant’s substantive expertise which enriches the VPI in a domain relevant to the Voluntary Principles, (e.g. security and human rights, business and human rights, professional standards in the security sector, or in-country implementation) or the applicant’s convening or project funding power.

Applicants for Observer status should include evidence such as published standards in membership-based organizations consistent with the VPs, project reports or research reports, studies, or discussion papers in relevant topics intended to advance the policy discussion around security and human rights, lists of relevant projects they have funded, or relevant meetings they have convened. An Applicant Observer should clearly specify which of its core competencies and activities will be most relevant to the VPI. Finally, the request should identify any legal, regulatory, or administrative actions that the Applicant Observer has pursued, or intends to pursue, against any Voluntary Principles Participant.

- 1.3 An Applicant Observer’s request is to be delivered to the Steering Committee for its consideration, in consultation with the Plenary.
- 1.4 An Applicant Observer is approved to attend Voluntary Principles Initiative proceedings if its request is approved by the Plenary, as represented by the Steering Committee. As noted in Paragraph 3.2, an Observer may participate in meetings of specific Working Groups only upon invitation by the Steering Committee.

- 1.5 The approval or disapproval of an Applicant Observer's request is to be communicated to the Applicant Observer by the Secretariat.
- 1.6 Upon approval, an Observer is required to sign a statement acknowledging the confidentiality provisions which all Participants in the Voluntary Principles Initiative are expected to follow, as set forth in the Participation Criteria.
- 1.7 If approved, an Observer is able to attend proceedings of the Voluntary Principles Initiative for a one-year term, with an option to extend at the discretion of the Plenary.
  - i. An Observer's term is to officially begin on the date that its request is approved.
  - ii. Each year, in advance of the Annual Plenary Meeting, the Steering Committee should request that the Secretariat determine whether current Observers wish to seek extension of their terms for an additional year.
  - iii. The Secretariat is to provide the Steering Committee with a list of all Observers who wish to extend their terms for an additional year.
  - iv. The Steering Committee makes a recommendation to the Plenary regarding the extension of each Observer's term for an additional year. The Steering Committee shall base its recommendation regarding the renewal of an Observer's term on such Observer's compliance over time with the obligations of an Observer set out herein.
  - v. At the Annual Plenary Meeting, the Plenary reviews and votes on the proposed extensions. This review shall also be applicable to existing Observers.
- 1.8 The VPI Plenary, guided by the Steering Committee, shall determine periodically whether to make any Observer a 'Permanent Observer'. The criteria that shall guide this decision shall include, without limitation, the length of the Observer's relationship with the VPI, the contributions it has made, and the anticipated contributions it will make in the future. The Plenary shall be permitted to consider any reasonable criteria it deems appropriate to make this determination.

## **2. Entry Criteria**

- 2.1 An Applicant Observer may not, because of its functions, role, or mandate, be qualified to be a member of one of the three Voluntary Principles Pillars.
- 2.2 An Applicant Observer should be an industry association, an international institution, or a national institution.
- 2.3 Trade or industry associations seeking Observer status should, where applicable, align their standards with the Voluntary Principles and encourage their members to apply for VPI membership. Such associations shall also encourage their members to provide short annual reports on Voluntary Principles implementation.

### **3. Role of Observers**

- 3.1 An Observer is eligible to attend all Plenary meetings, other than proceedings from which it has specifically been excluded by decision of the Steering Committee, pursuant to Paragraph 3.
- 3.2 Upon invitation by the Steering Committee, an Observer may participate in meetings of specific Working Groups.
- 3.3 At any time, a member of the Steering Committee, the Plenary, or a Working Group may ask that the Steering Committee exclude an Observer from specific proceedings.
- 3.4 An Observer is not eligible to vote.
- 3.5 Observers shall be required to make an annual contribution to the work of the VPI in one of the following ways, which the Observer may select at its discretion:
  - Financial contribution
  - In-kind contribution to the work of the VPI
  - Delivering a training or webinar on a topic decided jointly by the VPI and the Observer, in which they share their expertise on matters that benefit the VPI membership.
- 3.6 Secretariat shall contact each Observer no less frequently than once a year to discuss their contributions and compliance.
- 3.7 The Secretariat shall submit a report on contributions and compliance of Observers to the VPI Annual Plenary.
- 3.8 The Annual Plenary Meeting shall consider the Secretariat's report when determining whether to renew the Observer's status as Observer. This review shall also be applicable to existing Observers, except with respect to the Permanent Observers (i.e. ICRC, ICMM, and IPIECA).