

Rules of Procedure

Compliance and Dispute Resolution Committee
(CDRC)

Contents

Purpose & Background	3
Background	3
Mandate	3
Member Disputes	5
Role of the CDRC in Dispute Resolution	5
Incident Reporting	6
What Is an Incident?	6
What Should Be Reported?	6
Why Should It Be Reported?	6
Who Should Report to AECO?	7
When Should It Be Reported?	7
How to Report	7
Data Management	8
Who Has Access to Incident Reports?	8
Data Storage	8
Information Sharing	8
Secretariat Assessment	9
Create Overview and Assess Severity	9
Decide if Immediate Action Is Needed	9
Contact with Reporter	9
Contact with Involved Member	9

Prepare the Incident for the CDRC	9
Criteria for Assessing Incident Severity	10
CDRC Assessment _____	11
Assess Need for Further Documentation	11
Assess Compliance	11
Assess Alignment	11
Propose Course of Action	12
EC Assessment _____	14
Re-evaluation	14
Disciplinary Action – Review	14
Proposal to the AGM	14
Annual General Meeting _____	15
Decision-Making and Voting Protocols	15

Purpose & Background

This document aims to provide clear guidance and transparency regarding the incident management processes for the AECO membership, the Compliance and Dispute Resolution Committee (CDRC), and the Secretariat. The summary presented here is drawn from the AECO Bylaws and Terms of Reference, as well as the flow chart developed during the 2022 Annual General Meeting.

Background

The CDRC was established in 2019 and plays a crucial role in upholding the integrity and reputation of AECO and its members. The committee protects members' interests by implementing a structured, transparent, and equitable system for investigating and managing cases of non-compliance and disputes.

Additionally, the CDRC reinforces AECO's commitment to accountability and ethical conduct by demonstrating the effectiveness of its investigation and dispute resolution processes to external stakeholders, thereby upholding the reputation of AECO members.

Mandate

The Compliance and Dispute Resolution Committee:

1. Understands AECO's compliance and dispute resolution procedures and guidelines to ensure consistent application of organizational protocols.
2. Is responsible for comprehending AECO's Bylaws and guidelines to facilitate informed decision-making and adherence to organizational regulations.
3. Demonstrates a readiness to impartially investigate reported incidents following notification from the Secretariat, assessing whether AECO Bylaws or policies have been violated.
4. Serves as both an investigative entity and an advisory body to the Executive Committee (EC), offering informed recommendations and guidance based on investigative outcomes to support informed decision-making.

5. Oversee the compliance and dispute resolution process to ensure it proceeds in a timely manner, maintaining objectivity and fairness throughout all stages of investigation and resolution.
6. Provides ongoing advice to the EC and Secretariat on enhancements to the Compliance and Dispute Resolution Process, ensuring its continued relevance and effectiveness by identifying opportunities for improvement and adaptation to evolving needs.
7. Assist the Secretariat in managing member disputes or compliance reviews, by requesting relevant information and making recommendations to support the resolution process as needed.
8. Safeguards the standards and principles of AECO by fostering a culture of continuous learning and improvement among members by recommending lessons learned, best practices, and sharing insights from near-misses and incidents.

Member Disputes

Member disputes can occur when two members come into conflict over any matter. This is often due to a lack of communication, or poor communication, but may also be caused by other issues, such as different interpretations of Bylaws, guidelines etc.

Role of the CDRC in Dispute Resolution

Significant disputes may occur over interpretation of guidelines, understanding of site bookings, or other topics.

Members should always attempt a solution directly and at the time of the situation, to avoid unnecessary escalation. CDRC can be asked to assist in providing clarification and help guide the members to a dispute resolution only if a solution cannot be reached between the members involved and AECO is asked to engage in the situation by any of those members.

The CDRC should not be the first resort, but the last. Its primary role in disputes is to share lessons learned and identify patterns that may arise from a lack of clarity in the guidelines. The CDRC can then recommend an update to the appropriate guidelines or guiding documents for more clarity.

Incident Reporting

What Is an Incident?

An incident is a deviation from standard operating procedures and/or plans with a (potential or real) negative impact on the environment (including local communities), the safety of guests, crew or staff and the reputation of the industry (i.e., AECO and its members).

An incident is always related to specific events and specific parties involved. Because incidents are deviations from what was supposed to happen, most incidents offer opportunities for learning and understanding how similar situations can be averted or risks minimized.

Examples of incidents include assistance to others in need, medical evacuations, loss of equipment, vessel groundings, oil spill or pollution, harm to people, damage to vessels, conflicts with local communities, damage to cultural remains or vegetation, disturbance of wildlife, or any other non-compliance with AECO guidelines.

What Should Be Reported?

All incidents that may violate AECO's ethos, Bylaws, or guidelines; may cause or have caused public or media interest; may conflict with local regulations or guidance; may indicate the need for updated or new guidelines; or may relate to safety issues—regardless of the reporting party's perception of the seriousness—should be reported.

Why Should It Be Reported?

Incident reporting has the utmost importance in ensuring that the guidelines, member requirements and codes of conduct applicable in AECO's operating area are followed, lessons are learnt and potential or suspected breaches in conduct are investigated fairly and equitably.

Incident reporting serves to maintain transparency in the way that AECO operators conduct their cruises in the Arctic region, showing respect for the agreed guidelines and following the local regulations established by the countries in which the operators are operating.

Incident reporting helps ensure that AECO is aware of and informed about incidents involving members within AECO's operating area to allow for preparation of response, supporting involved members and to inform on potential challenges with understanding or implementation of AECO's ethos and guidelines.

Incident reporting supports AECO's compliance system and supports the association's position as a credible partner to local and national stakeholders.

Who Should Report to AECO?

Full and Provisional members must report incidents during operations in the AECO operational area using the designated incident report template.

The operating Full or Provisional member is always the responsible party for ensuring operational compliance to AECO Bylaws, standards, and guidelines.

If an alleged breach of provisions in the guidelines is reported to AECO's Secretariat by someone else, the Secretariat will inform the involved member in writing as soon as possible.

When Should It Be Reported?

Non-compliance with AECO's guidelines should be reported to the Secretariat without delay, preferably by the involved party.

Within three weeks the involved member is obligated to submit a written report to the Secretariat. The report should include a description of the reported incident from the member's point of view, as well as the actions taken to prevent a similar situation in the future. If the involved member believes that there has been a misunderstanding or the reported incident is not correct, this should be clearly stated in the report.

How to Report

- ✓ By mail to aeco@aeco.no
- ✓ Members should, if possible, submit the initial report using AECO's incident report form.
- ✓ Incident reporting, in whichever form, should be kept factual and objective.
- ✓ Reporting should include as much detail as possible, along with documentation, such as photos, map/position and relevant statements.

Data Management

Who Has Access to Incident Reports?

Incident reports are case documents and shared with the AECO Secretariat, the CDRC, and other parties relevant to case resolution.

RAYVN is the internal AECO incident management software, used to register and update incident logs. Only members of the Secretariat have access to the RAYVN account.

Data Storage

Incidents are recorded and updated in RAYVN, including key details such as when and where the incident occurred, what happened, and who was involved. The system also tracks the progress of the incident and the assignment of related tasks within the Secretariat.

Email correspondence related to an incident is saved in a designated folder, while attachments are stored in a separate folder within the file system assigned to that specific incident.

Data shared with AECO related to incidents are kept on file with no expiry date. The data are used for reference in similar incident cases, for statistical purposes and for organizational learning.

When an incident log is closed in RAYVN it is no longer active and cannot be updated, but it is still accessible and included in the annual overview of incidents.

Information Sharing

An anonymized annual incident overview is presented to the CDRC, the EC and the AGM.

With the permission of the involved member, certain information may be shared with relevant authorities. This may include, for example, coordinates of shallow areas or underwater rocks, locations of drifting obstacles, or pollution incidents. AECO does not share information with external parties without consent from the involved parties and will usually rather aid in establishing a direct contact between the involved member and external parties.

Secretariat Assessment

Create Overview and Assess Severity

The Secretariat registers the incident in as much detail as possible, providing an overview of what happened, when it occurred, and where it took place. This process may involve identifying involved parties, collecting statements and reports from members, monitoring the fleet map, media monitoring and contact with authorities.

The Secretariat makes an initial assessment of the risk to industry and organization.

Decide if Immediate Action Is Needed

Following the assessment of severity and the nature of the incident, the Secretariat will determine if immediate action is needed, including:

- If the Executive Committee should be informed.
- If the membership should be informed.
- If the involved member(s) needs support.
- If media statements should be prepared.

Contact with Reporter

The Secretariat will acknowledge receipt of the initial report and may ask for supplementing information if necessary.

The reporter will be informed that AECO will share the incident with the involved member(s). If the reporter is affiliated with a member company, they may be advised to report the incident through the member's internal reporting system. The identity of the reporter will not be disclosed without their explicit permission.

Contact with Involved Member

The Secretariat will present the initial report to the involved member company and ask the AECO primary contact to submit an incident report and to keep AECO updated of any progress in ongoing incidents.

Prepare the Incident for the CDRC

The Secretariat will collect and register available information on an incident and provide the CDRC with regular incident overviews.

The Secretariat will share incidents with the CDRC if:

1. The Secretariat assesses that guidance is needed from the CDRC.
2. The Executive Committee refers an incident to the CDRC for investigation.
3. The CDRC wishes to look further at a specific incident.

Criteria for Assessing Incident Severity

Near miss/minor incident	No negative impact on the environment, no guests, crew, or staff harmed. Government and media interest is considered unlikely.
Medium incident	Negligible or minor impact on the environment, no guests, crew or staff harmed significantly, with some likelihood of government or media interest.
Serious incident	Non-compliance with AECO guidelines, negative impact on the environment, harm to guests, crew, or staff, with a high likelihood of government and media interest.
Severe incident	Illegal operations, vessel sinking, pollution, oil spill, severe or permanent damage to the environment, severe or fatal injuries to guests, crew, or staff, wildlife mortality, with high government and media interest.

CDRC Assessment

The CDRC will review incidents forwarded by the Secretariat concerning non-compliance to ensure a thorough understanding of the case and to recommend further actions to the EC if necessary.

Assess Need for Further Documentation

The CDRC will review the documentation of the incident and assess if there is enough information provided to complete an assessment of compliance. If more information is needed, the CDRC will identify what specific information that is, and the Secretariat will contact the involved parties to source the requested information. These may include statements of fact from witnesses and evidence of the facts.

Assess Compliance

Once all necessary documentation is supplied, the CDRC will once again review and assess the compliance. If further questions arise that need resolution prior to a determination, additional documentation can again be requested from the involved parties. It is key to CRDC's function that appropriate time is taken to retrieve, review and discuss all information for determination.

Once the assessment is complete, the CDRC will make a recommendation to the EC. If the EC rejects the recommendation, the CDRC can be asked to re-evaluate.

Assess Alignment

The CDRC can also be asked to provide moral guidance on the intent behind guidelines. This guidance should be included in any recommendation given to the EC. During the assessment of evidence, the CRDC will evaluate the incident in relation to AECO's values, positions and intent of guidelines. It is worth noting that what may be clear cut from one witness' perspective, may be much less clear from another point of view. As such, achieving a fully objective understanding of an incident can be challenging.

The CDRC may determine that, even if a member has not violated the exact wording of a guideline, they may still be in breach of its underlying intent—or vice versa.

Once an assessment has been completed, the outcome will be one of the following:

- The member is not found to be in breach:
 - No further action is taken.
 - However, if there is concern that the member did not fully consider the intent of the guidelines, this will be noted.

- The member is found to be in breach of:
 - AECO's bylaws or guidelines, and/or
 - AECO's values, positions and the intent of guidelines.

Propose Course of Action

The CDRC takes no action itself but can recommend a course of action to the EC.

Courses of action can include, but are not limited to:

Recommended Courses of Action	Description
No Further Action	The CDRC cannot determine non-compliance or conflicts with values or intents of AECO and recommends closing the case.
Recommendation	The CDRC cannot determine non-compliance but identifies behavior that may have undesirable effects. The CDRC recommend actions to minimize the identified undesirable effects.
Letter of Reprimand	The CDRC has identified non-compliance and/or undesired behavior in conflict with the intent behind guidelines and recommends that the member be reprimanded.
Requirement to Submit Correctional Measures	The CDRC has identified non-compliance and/or gross neglect of the intent behind guidelines, which may affect the credibility of AECO and the industry and recommends that the member is requested to ensure that the incident is not repeated. The CDRC may suggest concrete correctional measures. The member will be required to submit a written statement to AECO including plans/status for the implementation of correctional measures.
Change of Member Status	The CDRC has identified gross non-compliance and/or disregard for AECO's Bylaws, guidelines and objectives with negative impact on AECO and the industry and recommends that the member is moved on probation, i.e. Member Not in Good Standing.

Termination of Membership	The CDRC has identified repeated and severe damage to the industry and/or AECO's reputation caused by deliberate or grossly negligent actions by the member. The CDRC assesses that the member's operations jeopardize the reputation and credibility of both the industry and AECO, and that the member is unresponsive or unwilling to make corrections. The CDRC recommends terminating the membership.
Recommendations for Learnings from Incident	Description
Amendment or Update of Guideline and/or Bylaws	The CDRC identifies a need to clarify or update guidelines or Bylaws as a direct result of assessing an incident and may either point to an identified challenge within the guiding documents and/or recommend concrete changes.
Share Lessons Learned	The CDRC may find that lessons learned from a particular incident would be valuable to the membership. The Secretariat can reach out to the member and request a presentation at the Annual General Meeting.

EC Assessment

The EC reviews the incident and the disciplinary action recommended by the CDRC, then decides on one of the following courses of action:

- The recommended disciplinary action is rejected and sent back to the CDRC for re-evaluation.
- The recommended disciplinary action is accepted and presented to the involved member.
- The recommended disciplinary action is presented to the membership for a vote.

Re-evaluation

If the disciplinary action is rejected by the EC, the CDRC will review the reasons for rejection, re-evaluate, and decide how to proceed. The CDRC decides whether to change, modify, or maintain their recommendation and send this new decision to the EC.

If the second review is also rejected by the EC, the EC will decide how to proceed.

Disciplinary Action – Review

The involved member may review the proposed disciplinary action and choose to either accept or reject it. If the disciplinary action is rejected, this is considered a one-time appeal, and the member must provide formal documentation outlining the reasons for the rejection and any supporting evidence.

Proposal to the AGM

If the incident and disciplinary action is presented to the AGM, potential consequences and sanctions are also presented.

Annual General Meeting

Incident issues are a standing item on the AGM agenda. The presentation at the AGM includes, at a minimum, the following:

- A status report on the season, including incident statistics.
- An anonymized overview of incidents registered by the Secretariat for the season.

Following recommendations from the Secretariat, the EC, or the CDRC, individual members may be asked to present specific incidents for the purpose of sharing experiences and learnings. While voluntary, members are encouraged to share learnings to help prevent similar incidents, reduce risks to other members, and minimize negative impacts on the industry.

A member responsible for non-compliance with guidelines or Bylaws may be referred by the EC to the AGM for decision on sanctions relating to member status. The AGM decides if a member is put on probation or reinstated as a Member in Good Standing.

The AGM may also decide to task a committee or the Secretariat to amend guidelines or Bylaws if unclarity or changed circumstances may be considered the reason for incidents affecting the image of the industry or repeated undesirable behavior.

Decision-Making and Voting Protocols

The decision to task a committee or the Secretariat to propose amendments to guidelines or Bylaws are taken by simple majority of the voting members present.

The decision to change member status is taken by two-thirds majority of eligible Full Members present at the AGM.

If a vote is required outside of the AGM and conducted by email, the decision must receive a two-thirds majority from all eligible voting members.

Decisions to amend the Bylaws require approval by two-thirds of eligible voting members under the differentiated voting system (Art. V, Section C).