



The Fund for Peace

Human Rights and Business Roundtable

Annual Report 2016



The Fund for Peace is an independent, nonpartisan, 501(c)(3) non-profit research and educational organization that works to prevent violent conflict and promote sustainable security. We promote sustainable security through research, training and education, engagement of civil society, building bridges across diverse sectors, and developing innovative technologies and tools for policy makers. A leader in the conflict assessment and early warning field, The Fund for Peace focuses on the problems of weak and failing states. Our objective is to create practical tools and approaches for conflict mitigation that are useful to decision-makers.

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Human Rights and Business Roundtable

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the Fund for Peace's Human Rights and Business Roundtable reached an incredible milestone during 2016, as it celebrated its 20th anniversary. The durability of the Roundtable in reaching this milestone is testament to the continued interest in the nexus of business and human rights, and its relevance to the security and development of communities affected by commercial operations.

Of course, the Roundtable has changed significantly since it began in 1996 as the *Foreign Policy Roundtable*, but its core principle remains the same — bringing together diverse stakeholders to constructively discuss critical human rights and development issues in an atmosphere of mutual trust and respect.

When the Roundtable was created in 1996, the field of business and human rights was considerably different to what it is now. There was nowhere near the level of engagement — let alone constructive engagement — that exists between companies and civil society today. Where communication did exist, it was more frequently adversarial, rather than constructive in search of practical solutions.

We trust that the Roundtable — first as the *Foreign Policy Roundtable*, later as the *Human Rights and Business Roundtable*, and more recently as the *Security, Rights, and Development Roundtable* — has contributed to the evolving positive and constructive relationships between diverse, multisector stakeholders. It is important that a light be shone on areas of concern, or worse, wrongdoing. It is necessary that we cast a

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critical eye on business operations, particularly where they have the potential to affect communities in fragile environments.

But being critical is comparatively easy. What takes real effort and hard work is building bridges with other stakeholders, and not allowing perfect to become the enemy of the good.

Regardless of the role that the Roundtable has played in advancing discourse more widely, we can identify two key advances that the Roundtable has achieved:

- Firstly, our Roundtable hosted some of the very first discussions regarding the formation of the initiative that would later become the *Voluntary Principles on Security & Human Rights* (VPs). We are proud of the role, however small, that the Roundtable played in the creation of what has become a highly successful and meaningful international initiative that has brought real practical change to the manner in which private enterprise approaches security in fragile environments. Of course, success has many fathers, and it would be inaccurate to say that the Roundtable was completely responsible for the creation of the VPs. But the genesis of the VPs demonstrates the true utility of the Roundtable, in providing a safe space for finding practical solutions to very real problems that require the cooperation and collaboration of stakeholders of all sectors, government, corporate, and civil society.
- Secondly, internally within FFP the Roundtable has fostered our role in collaborating with companies to help them address their own complex security challenges, and as a result, hopefully create safer and more stable environments for affected communities. Though NGO collaboration with companies may be commonplace now, it was not always so. The Roundtable allowed FFP to be able to build up trust over many years to the point

where we were comfortable enough to partner and collaborate with companies. At the time, when FFP was one of the pioneering NGOs to partner with oil, gas, and mining companies, we were harshly criticized, perhaps most vociferously without our own sector. But now, the reality is very different, and NGO-company collaboration has gone from being criticized to even celebrated.

As we look forward to 2017, we will seek to continue to innovate, both in terms of the subject matter we examine and the relationships we seek to build.

The Roundtable has for much of its existence focused on the oil, gas, and mining industries, however this was more by accident than design. Though the Roundtable was multi-sectoral for its early years, the nature of the security and human rights challenges faced by the oil, gas, and mining sector led the Roundtable to channel its energy and focus in that direction. Now, over a decade hence, the oil, gas, and mining industries have collected years of lessons learned and good practice, and we see the role of the Roundtable as a forum for sharing that learning with other industries. In 2017, true to the inclusive Roundtable, we will continue to reach out to bring together diverse sectors and industries.

We are immensely proud of the achievements of the Roundtable that, though perhaps not evident at the time, are abundantly clear 20 years hence. •



J.J. Messner

Executive Director, The Fund for Peace

Chair, Human Rights & Business Roundtable

About the Human Rights and Business Roundtable

At the time of its launch in 1996, there was a growing global movement of activists that recognized problems and shortcomings in the practices and operations of corporations around the world, be it in regard to environmental concerns, labor rights, or security. Though there was a rapidly increasing level of coverage of these issues, a lack of dialogue between stakeholders existed; activists and companies viewed each other as adversaries, and rarely (if ever) engaged with one another.

The idea that activists and corporations would even be comfortable in the same room together was a somewhat alien concept, such was the culture at the time of mutual mistrust. Though there was much legitimacy behind many of the claims made by the activist community, there was minimal focus on actually affecting change that could address the problems that were being highlighted. After all, it is difficult to find solutions if the problems themselves are not even discussed in the first place.

In 1996, FFP sought to address this gap in stakeholder communication and understanding by convening the Human Rights & Business Roundtable. The Roundtable was one of the very first forums to bring together stakeholders from the business and NGO communities to discuss issues of concern in an environment of trust and mutual respect.

As the Roundtable progressed in its formative years, it was discovered that the issues faced by the oil and

mining industries, along with the high level of willingness to engage by the companies from those industries, led the Roundtable to focus specifically on that sector. Eventually, other key stakeholders were introduced into the dialogue, including government agencies (both American and foreign), military, aid and development agencies, multilateral institutions, and academia.

Twenty-one years later, the Roundtable continues to provide a forum for exchange and understanding between multiple, diverse stakeholder groups on a wide range of issues. Meeting every quarter in Washington, D.C. (with many others calling in from around the world), the Roundtables focus on issues as wide-ranging as security and human rights, indigenous rights, sustainable livelihoods, conflict-free supply chains, grievance mechanisms, and measuring impact of implementation. Though the focus of the Roundtable continues to be the oil and mining industries, it is currently expanding to include sectors that face similar challenges, such as agriculture, construction, and renewable energy, among others.

Though the impact of the Roundtable is often indirect and hard to quantify, the evolution of the discussion on security, rights, and development issues over the past two decades is unmistakable. The Roundtable also provided the seed for the Voluntary Principles on Security & Human Rights, an international initiative that now boasts nearly ten governments and 30 multinational corporations. ●

Constructive Engagement on Human Rights and Business

Plenty of attention has been placed on problems and shortcomings in the practices and operations of corporations around the world, be it in regard to community relations, environmental concerns, human rights, labor rights, or security. Many activists rightly expect and demand that corporations address these concerns and improve their practices. Frequently, however, companies lack the necessary expertise or experience in executing and implementing certain specialized programs. For example, a large oil company can be very effective at exploration, drilling, and production but lacks a staff of trained experts to advise on issues related to security and human rights.

Even beyond expertise, companies may often struggle to convene necessary stakeholders, such as local community groups, NGOs, human rights commissions, and other groups that may not necessarily be forthcoming towards corporations. Thus, there is a need for a trusted organizations with convening power to assist with establishing such dialogues.

FFP was one of the very first (and continues to be one of very few) non-profit NGOs that is willing to partner with corporations to assist them with implementation projects that can take high-level security and human rights concepts, ideals, and obligations, and apply them on-the-ground. FFP continues to be a leader in this field, known for a multi-stakeholder and inclusive approach, as well as being renowned for innovative and responsive in program design and implementation. FFP has experience implementing

these programs in Cameroon, Canada, Colombia, Ghana, Guatemala, Haiti, Honduras, Laos, Malaysia, Mexico, Morocco, Nigeria, Panama, Papua New Guinea, Philippines, Spain, Turkey, and Western Sahara.

FFP has been engaged in a wide array of programs that have assisted companies in the oil, mining, and agribusiness sectors, including:

- Assessments (including Community, Human Rights Impacts, Risk, Security);
- Training on Human Rights and Security for companies, communities, and security forces;
- Technical support for human rights monitors;
- Expert advice on implementation;
- Community/stakeholder engagement;
- Workshops on security and human rights for a variety of stakeholders.

FFP has been a leader in the field of company-NGO cooperation on security and human rights implementation, with a number of notable achievements. One of the best known projects was where FFP assisted the Cameroonian military in improving their human rights training program, ensuring that the program was context specific and accompanied by materials that would be more likely to appeal to, and resonate with, soldiers — in this case, comic books. FFP continues to employ an innovative and inclusive approach that focuses on finding contextual, practical solutions to affect change. ●

Public Health Emergencies: The Risk to Communities

Human Rights & Business Roundtable No. 130: March 17, 2016

Pandemics such as Ebola can become serious public health crises, as was seen recently in Guinea, Liberia, and Sierra Leone. But they can also become serious security issues as well, both in terms of the authorities' ability to keep order, and for business operations. This problem can become even more acute in remote locations, where a company site may have the only functioning health clinic for miles around, and companies that may be in a state of lock-down might be confronted by local communities desperate for help. This Roundtable will examine how public health crises can represent a serious security risk for companies and communities, with an emphasis on the need for robust emergency preparedness.



For businesses operating in risky environments, the probability that they will be affected by health emergencies is high. This issue was brought to the Roundtable after companies faced a public health crisis during the Ebola outbreak. But beyond the obvious threat to the health of employees, or more broadly the threat to the health of local communities, that such outbreaks represent, they can also pose a significant security risk. For example, an industrial operation that possesses the only operational medical facilities for miles around, could easily become the focus of an ethical debate surrounding the nexus of community access of local communities to the provision of health services and the security and integrity of a business.

Preparedness in Public Health

With the Ebola outbreak of 2014 and the recent Zika virus outbreak, public health emergencies have rapidly become one of the most important current topics of interest for businesses operating in fragile environments. These threats also represent a clear need for the business community to come together around this issue more than ever. Analyzing the ways in which businesses are affected by such emergencies — and can respond positively and effectively — are integral questions not only for business continuity, but also for the safety and security of affected populations.

The Roundtable discussion stressed the importance of preparedness when dealing with public health crises. It examined the role Ebola played in terms of both the public and the wider business community. As such disease outbreaks tend to most greatly impact countries with extremely weak infrastructures, these effects are felt not only by the public but also by the businesses operating in these environments. It is not just health that is affected — such outbreaks have a grave economic impact with losses that can potentially amount to trillions of dollars.

An uncontained, widespread disease outbreak such as Ebola is fundamentally a failure of preparedness and demonstrates an inability to respond appropriately. In public health matters, preparedness is critical. However, preparations are frequently neglected, as there is often little impetus to invest in preparing for a potential outbreak during periods with no such emergencies — it can be difficult to justify resources and expenditures in preparing for a threat that has not materialized in recent times.

Particularly where local government resources are thin, the business community can play a central role in public health crises by providing elements of protection and preparedness. Though business operations can be affected negatively by such emergencies, and preparedness to meet these challenges is critical, it is just as important to ensure that such measures avoid doing more harm than good. The leadership role played by the business community can have a huge impact on preparing the public to effectively counter such outbreaks. Businesses can be mobilized to harness capacity and capability to take a leadership role in such outbreaks, both in preparations and in dealing with them when they arise — but equally business cannot be a substitute for government efforts in protecting their population, and nor should businesses take the place of the state in bearing such an obligation.

Before, During and After the Emergency

The Roundtable also looked more holistically at understanding public health emergencies through three phases, encompassing the period before the emergency, during the outbreak and lessons learned afterwards. Before a large-scale public health emergency like Ebola, it is important to examine the ways in which both governments and the public view the crisis. In the case of Ebola, governments were initially in denial and the situation was downplayed to an alarming

degree. The governments lacked the confidence to provide concrete answers to the Ebola crisis. This was one of the reasons the crisis escalated to the magnitude that it did. The ‘eye of the storm’ phase of the outbreak is defined by the ways in which multiple actors react to the event, and it is here that companies can play an important role in providing leadership and confidence to the communities around them.

The Role of Fear

The Roundtable also looked at fear as a key factor of instability during public health outbreaks. Widespread fear during the Ebola crisis of 2014 sparked a negative response from the public, leading to hate, anger, and resentment. Such attitudes among the public can drive conflict, stir antagonism against the government, and from a business perspective, can make an area less safe in which to operate. This is because — in lieu of other outlets to project anger — companies may become the targets of the public’s frustration.

Companies can play a substantial role in mitigating fear in their communities in two main ways. First, by communicating effectively and efficiently with the public, companies are well-equipped to handle the fear that public health emergencies generate. Second, by providing communities with the opportunity to involve themselves in company response operations to public health emergencies, the communities can become empowered. One of the biggest failures during the Ebola crisis was the non-empowerment of communities and locals, and their lack of involvement in response efforts. Businesses must therefore play a vital role in including local communities in preparation activities, by communicating with them and framing any counter measures around them.

Another important aspect of community empowerment is the way in which businesses prompt certain

Mandatory vs. Voluntary: The Example of Conflict Minerals

Human Rights & Business Roundtable No. 131: June 15, 2016

At no point in history has there been greater pressure on companies to follow conflict sensitive business practices than there is today. These changes come not only from the evolution of a corporate social responsibility ethos within companies, but also from greater expectations on the part of investors, consumers, governments and civil society. These expectations have contributed to an proliferation of mandatory top-down policy approaches, including legislation, which become increasingly complex when addressing issues such as supply chain management.



This Roundtable examined a subset of the *Dodd-Frank Wall Street Reform and Consumer Protection Act*, specifically section 1502, that provided a policy and regulatory approach to address conflict minerals in the Democratic Republic of Congo (DRC), and the related challenges and barriers to effective implementation.



The *Dodd-Frank Wall Street Reform and Consumer Protection Act*, known simply as “Dodd-Frank”, was passed by the U.S. Congress in 2010 and had far-reaching — and sometimes unexpected — impacts on conflict minerals. Section 1502 of Dodd-Frank imposed a requirement on all foreign and domestic companies that file with the U.S. Securities and Exchange Commission (SEC) to disclose whether any

products manufactured (or contracted to be manufactured) by the company contain certain minerals that originated in DRC. This policy and regulatory approach to curbing the supply of minerals that are linked to conflict in DRC has received both praise and criticism by different stakeholders, and debate continues over whether this was an effective way to improve the situation on the ground.

The Roundtable focused on the effects and impact of Section 1502 as a mandatory top-down policy approach. Similar international multi-stakeholder approaches, such as the United Nations and the Organisation for Economic Cooperation and Development (OECD), were highlighted as having had some level of effectiveness in tackling these issues at a local level. It was argued that for more niche issues, bilateral or multilateral sanctions have often been utilized by governments as targeted policy tools. While such policy approaches can have unforeseen consequences, which many have argued has been the case with Dodd-Frank, more nuanced and targeted approaches have the potential for positive change.

Some key ways to improve the effectiveness of these tools include:

- Identifying specific policy goals – the clearer and more targeted the goals, the easier they are to implement and monitor;

- Effective intelligence gathering — understanding how the policy is impacting conditions on the ground, and enabling monitoring of adherence to the policy requirements;
- Prioritizing enforcement within the policy. The requirements within Section 1502, for example, mandate reporting – but who is monitoring the quality of the reports themselves within the SEC?

Challenges Ahead

The Roundtable also examined the pressures faced by supply-chain actors in enforcing Section 1502 on sites of mineral production. Participants noted that Section 1502 posed various challenges not only to companies on the ground, but also to manufacturers in the supply-chain. Pressures faced by businesses and local administrators to enforce mandatory reporting brought about an adverse effect by de-incentivizing continued operations in the region. To avoid these pitfalls, some companies simply opted to avoid the DRC and its neighboring countries altogether, resulting in ‘Africa-free minerals’ rather than ‘conflict-free’. Though on face this may seem to be just a more broadly-based solution, it ignores the potential economic harm to communities that otherwise rely on mining and the related local economy.

Barriers in Implementing ‘Top-Down’ Policies

The final presentation focused on the complexities of implementing Section 1502 of Dodd-Frank. Concerns were raised over efforts taken in employing top-down policies developed in one country — in this case, the United States — and unintended consequences in another, i.e., DRC. Participants noted that the ambiguity of such policies leaves room for second-order negative effects. For instance, the costs of implementing international mandatory regulations in the mining industry further contribute to higher rates

of unemployment, particularly within the artisanal mining sector.

Additionally, participants raised the question of dealing with the rise of child labor in mining sites. The lack of transparency within the supply chain hinders company efforts to find solutions to child labor. As a result, participants called for a better standard of voluntary reporting and supply-chain monitoring. Although Section 1502 has structured the traceability of the three primary minerals connected to fueling conflict in the DRC — tin, tantalum, and tungsten — there is still the question of the exploitation of other extractives, such as gold. Even so, there are opportunities in applying mandatory regulations like Section 1502, including but not limited to increased consumer awareness and continued investment of the operating environment.

A consensus concerning the overall efficiency of mandatory policy and regulations, as opposed to voluntary regulations, has yet to be reached. There is no unilateral solution and the question of mitigating the production of illicit minerals is multifaceted. If a mandatory approach is taken, collaborative efforts between governments and companies will be essential in ensuring the enforcement of international regulations. With the active engagement of host governments, NGOs and companies on the ground, existing policies and practices to prevent the production of conflict-minerals can only be improved upon. •

Summary by

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Beyond CSR: Sustainable Models for Private Sector-Led Development

Human Rights & Business Roundtable No. 132: September 27, 2016

in recent years, the concept of Corporate Social Responsibility (CSR) has expanded to focus on the role of private sector actors not only as charitable donors but as significant contributors to the peace and security landscape.

This roundtable examined developing research on how businesses can bring more long-term, sustainable benefits into communities through meaningful social engagement, inclusive public-private partnerships, and impact assessment.



The sustainability of corporate-led development in conflict afflicted areas is an evolving topic of interest. Analyzing the ways in which businesses can move beyond the immediate needs of a community and invest in more protracted solutions to instability is critical to contemporary CSR. However, there are significant challenges in transferring from quick response to long-term sustainability. Long-term investment frequently is at odds with the expectations of governments or business leaders who tend to want immediate results and linear progress. Furthermore, in order for CSR to be effective, private sector actors must assess not only what they are doing, but how they are doing it. For this reason, it is important that businesses build shared values and strive to quantify and regularly evaluate their impact.

Community Engagement

The Roundtable discussed the broader impacts of a company's presence in a community and emphasized the importance of social interaction between the private sector and affected communities. In the past, a common approach among businesses has been to unilaterally identify problems within a community and materialize solutions. As a result, the needs of the community have often taken a backseat to the priorities of business. In some cases, this has generated backlash among communities and has further exacerbated tensions and instability in the operating environment.

In an effort to combat this disconnect, businesses should engage communities in order to understand what their grievances are and where their priorities lie. This will ensure that development efforts are not imposed, but are in accordance with the wishes of the community. A primary component of contemporary CSR should be immersing the population in the project so that they feel a certain ownership over it, rather than a sense of being “bought” by it. By experiencing a greater sense of “agency” in their own development, communities can be true partners in the process, which will better cultivate buy-in and will ultimately catalyze more lasting change.

Stabilization Through Partnerships and Long-term Investment

The Roundtable also focused on non-governmental organizations (NGOs) as the bridge between short-term and long-term sustainability, and also explored the complex process of how an external actor — be it a business or an NGO — should go about entering into an established ecosystem of stakeholders. Recognizing that there is no such thing as a neutral entrance into a conflict environment, NGOs should take a participatory approach and form partnerships with actors and organizations on the ground. Through partnerships, NGOs and the private sector alike can foster a sense of inclusivity between businesses, governments, communities, and the security sector. Such cooperation can better mobilize local change agents and better enable cohesive growth.

This inclusive approach is closely related to the concept of responsible project investment, an important component in the shift to long-term sustainability. Responding to immediate needs often entails a more siloed or narrow approach, where the solution to a security breach, for example, is to increase onsite security personnel at the compromised facility. The roundtable discussion reinforced the idea that hiring more security — or enhancing community dialogue, or any other singular approach — is not enough on its own: It might temporarily relieve the symptom, but it does not cure the underlying problem. Private sector actors should instead invest in projects that consider the broader peace and security system and encourage social cohesion among the various parties engaged in development efforts. Increasing onsite security in response to an identified threat, for example, may be necessary but it should only be one piece of a larger solution.

The discussion explored methods of handling the variety of stakeholders invested in any given project. Participants stressed that there is an innate project

value for every stakeholder, as well as a cost of inaction, and underscored the need for top-down transparency in private sector-led development.

Evaluating Impact

The Roundtable discussion also emphasized the importance of qualitative and quantitative indicators and the use of impact evaluation as a key tool in the support of program implementation. The evaluation process should begin early on, with private sector actors piloting their projects first and proving that developmental models work before taking them to scale in the conflict afflicted area.

Once the project has been launched, human behavior should be qualitatively analyzed to assess the ongoing effect of the project on individual attitudes, communal dialogues, and eventually greater social norms. However, while qualitative indicators are key to overall impact assessment, it is nonetheless challenging to measure the intangible. Changes must also be measured quantitatively in order to efficiently assess how well market innovations are taking hold. Changes will likely be gradual and may take several years to become systemic and mature into observable successes; it was noted during the presentation that most innovations start to “stick” after about ten years. However, if quantitative data does not progress to indicate that innovations are “sticking,” it may be a sign that something is not working on the developmental level. A key component of CSR must be to address program elements that are not working instead of continuing to implement a faulty project. •

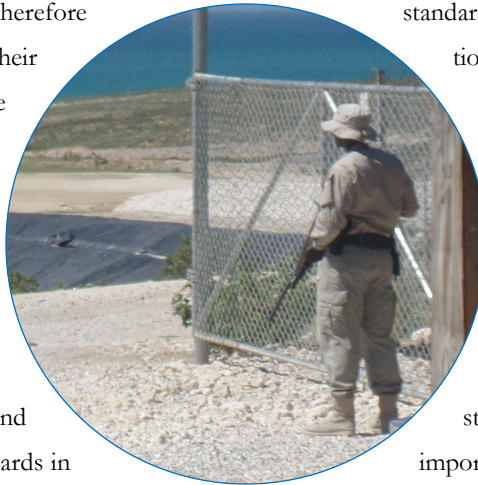
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Client-Driven Demands for Standards in the Private Security Sector

Human Rights & Business Roundtable No. 133: December 8, 2016

Commercial sites the world over rely on private security companies to protect their people, property, and assets. However, when private security actors come into contact with communities, there can be a real risk of tensions, conflict escalation and, at worst, human rights abuses. It is therefore imperative that clients ensure that their private security personnel are properly vetted, well-trained, supervised, and — most importantly — operate to international standards.

This Roundtable brought together perspectives from both the client and provider on how, collectively, standards in the private security sector can be raised and examined ongoing challenges to implementation.



standards and certifications for private security companies. The Voluntary Principles on Security and Human Rights (VPs) made progress in setting forth requirements for oil, gas, and mining companies to ensure that their private security providers meet these standards. Building upon this, the International Code of Conduct for Private Security Providers (ICoC) embodies a widely-accepted set of principles for responsible private security provision, which have been operationalized in national and international management system standards. As these systems and standards continue to develop, it is important to reflect on the progress that has been made and the gaps that persist in order to continue moving the industry forward.

The client base of private security companies today also goes beyond just commercial enterprises. Governments and their diplomatic staff, and Non-Government Organizations (NGOs) operating in high risk environments — typically the sectors who are the strongest promoters of human rights — are also part of the clientele, and need to be cognizant of the standards and systems that are in place.

Promoting International Standards

The Roundtable focused on the structures and processes of the International Code of Conduct

Human rights abuses perpetrated by private security contractors have been well documented within the international sphere within the last two decades — notably incidents by private security personnel in Iraq in the early 2000s. These incidents caused a shake up within the industry and prompted key industry clients such as the U.S. Government to seek to overhaul management systems and training to improve standards, including respect for human rights.

Over the past decade, multi-stakeholder initiatives have resulted in the development of a number of

Association (ICoCA). The presentation assessed the progress that has been made since ICoCA's founding in 2013, including the recent introduction of the ICoCA Certification process and newly expanded monitoring and complaint mechanisms. Looking to the future of the organization, the presentation and ensuing discussion emphasized the need for further outreach to clients, both to educate clients on the value of standards and to ensure that client needs and concerns are reflected in the development of international standards.

The question of how to ensure that international standards, certifications and codes of conduct are appealing to both clients and private security providers recurred several times throughout the discussion. At their core, these international standards (such as the PSC.1 and ICoC) are risk management systems that — in part — address key human rights concerns. This integration of human rights and management systems has led to divergent opinions on the best way to develop and broaden the implementation of these systems — should international bodies be using human rights language, or is it more attractive to clients and companies to use risk management language; or is there a way to effectively balance both approaches? The discussion revealed that it is increasingly incumbent on providers to advocate for the benefits of certification to potential clients, making these questions more pertinent than ever.

The topic of client education was also a key discussion point. A participant in the discussion highlighted the need to better educate clients before and during the bidding process, in order to raise operating standards from the outset. For example, educating clients on standards for recruitment practices can help combat issues of human trafficking in the supply chain for procuring workers. In addition, educating clients on the details of the various certifications offered in the private security field can help avoid situations in which clients fail to understand whether certification covers a

company's field operations, rather than just their headquarters. Much of the discussion on standards and certification to date has centered on operational practices and training in the field, and it is clear that future education efforts should also focus on the bidding process.

The Provider Perspective

The Roundtable also explored the benefits and drawbacks of international standards from the perspective of a private security provider. Multiple participants agreed on the benefits of compliance with international standards, beyond just a moral imperative to respect human rights. By maintaining safe working environments and good relationships with workers and local communities, companies can prolong the life of their project, increase productivity and maintain a social license to operate. Certification also has a positive multiplying effect when companies hire local workers, who are then trained to comply with these international standards.

There are certain costs to compliance, however. For example, the costs of certification — in terms of staffing, monitoring and auditing — inevitably adds to the provider's overhead and may then be reflected in increased prices for clients. This could potentially decrease the company's ability to compete when clients are seeking lowest price technically acceptable contracts. Despite these potential drawbacks however, one private security provider noted that the company continues to view certification and compliance to international standards of conduct as a fundamental part of their business and values the benefits they provide, irrespective of the degree to which it is, or could be, mandated.

The Client Perspective

The Roundtable also explored these issues from the

perspective of a client in the extractive sector. The presentation explained the priorities of clients when assessing private security companies — namely, quality in training, technical support and recruitment practices. The discussion highlighted several potential challenges for clients and providers as well. For example, in certain complex environments it may be difficult to find any private security companies who comply with international standards or maintain international certification. Corruption and technical hurdles (such as lack of widespread internet access) can be a challenge to performing efficient, high-quality background checks during recruitment. Understanding client needs and the challenges of implementation is crucial when developing and refining future standards.

The Need for Cross-Sectoral Engagement

The discussion highlighted a clear need for greater collaboration and engagement between clients, security providers and certification or monitoring bodies. Several participants noted that clients are not always at the table when standards are being developed, which can result in a disconnect between client needs — particularly around certification — and provider offerings. A more collaborative development process for these standards would, in theory, create greater client ownership and buy-in for certification processes, and would mutually benefit both clients and providers. This is particularly important in volatile operating environments, where a mistake by one party can jeopardize the ability of other actors to operate effectively.

Another issue raised was the challenge faced by NGOs — who can often be clients of private security companies — in selecting a private security provider for their own implementation work in high risk environments. Typically, program budgets from government grants or other institutions do not focus on a large line item for security, which means NGOs are often not able to select high quality providers who meet international standards. Given the central role of civil society and NGOs in advocating for greater standards and norms around human rights, it is a complex issue which clients and providers must work closely to consider. The role of governments in enabling more provisions for security in projects development budgets was one suggestion made during the discussion.

International standards for private security companies on issues of human rights are a relatively new undertaking and, as such, the structures and practices of compliance are still developing — particularly where smaller providers are concerned. Moving the field forward will require greater discussion, education and engagement on points of shared interest to create safer interactions and environments for staff, employers and local communities. ●

Summary by

Christina Murphy

Programs Associate, *The Fund for Peace*

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behaviors among the public that can undermine containment and response efforts. For example, if paid leave is denied to workers from the local community, they may not be willing to give up their livelihood even for a day, even if they are seriously ill or at risk of becoming so. During a major disease outbreak this can escalate into a high-risk situation, as in an effort to not forego wages, those exposed to the disease may not take time off work to recover and to isolate themselves from other community members to whom they could spread the infection. Therefore, systems must be in place to provide paid leave in cases of public health emergencies so that those at risk can seek appropriate help and avoid unnecessary contact that could vector a disease throughout the community.

Private Sector Efficiency in Response

The private sector tends to be adept at engineering effective distribution channels and logistical operations, even in fragile states. This efficiency and reach can provide an enormous opportunity in the event of a public health emergency, as such networks and capabilities can be utilized to respond, as many companies did in 2014 during the Ebola outbreak. Many companies already had experience in the region and had staff working on the ground. Few non-government organizations (NGOs) had the same level of infrastructure that these private companies possessed in terms of financial resources, logistics and distribution channels. Once the public health emergency arose, these resources were mobilized by the private sector to create an efficient response to the outbreak. The Ebola outbreak — and the role of businesses and the wider private sector — was a concrete example of

the ways in which these actors are equipped to provide appropriate response. Whereas many NGOs failed to meet the expectations of the international community, businesses were able to provide effective support during the emergency.

Looking In From the Outside

The final presentation looked at public health emergencies from the perspective of outside actors, including foreign governments and international NGOs. The response by international governments and agencies to public health emergencies is, in many cases, slow and delayed. Coordination between international and local actors is lacking in many ways, which contributes to the crisis. In public health emergencies a lack of coordination means that the crisis may spread and escalate rapidly. Therefore, international governments and aid agencies must work with locals to prepare a rapid response. Business can play a important role in catalyzing such coordination because they are at many times the meeting point between national and international agencies. They can thus take on a coordinating role and provide information to elicit a rapid response from the international community. ●

Summary by

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This meeting summary is intended to provide an overview of the discussion and is not intended to be a formal record of proceedings. None of the views expressed represent the formal or official views or position of any specific organization. Statements or opinions by any presenter or participant in this meeting are non-attributable.

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in 2016



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