

## **The Voluntary Principles on Security & Human Rights**

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**14 June 2007**

**University of East London, London, UK**

*Presented at a Seminar on "Business and Human Rights in Conflict"*

**\*Please reference appropriately when citing from this text\***

### **Introduction**

Thank you to the University of East London – particularly the School of Law and the Centre on Human Rights in Conflict – for inviting me to speak to you today about the Voluntary Principles (VPs) on Security & Human Rights.

I plan to start by first providing a short overview of the organisation I work for, the International Business Leaders Forum (IBLF), and then I'll move on to the VPs – what they are, why they're relevant, and some of the ways they are changing corporate behaviour in terms of how companies conduct security practices in conflict areas.

### **What is IBLF?**

IBLF was established in 1990 at the initiative of the Prince of Wales and a handful of international CEOs, in response to various challenges of economic growth and change in the global economy. We work with and are supported by over 80 corporate partners to 'put business at the heart of sustainable development'. We also work with governments, international organisations and civil society groups. But our responsibility is to our corporate partners – not to represent them, but to:

- challenge them
- encourage continuous improvement and leadership in responsible business practice
- help to create an 'enabling environment' in which they can conduct leadership activities.

We work at two levels:

**Strategically**, with CEOs, Chairmen, and directors, for example, to ensure corporate leaders understand and address the social impacts of globalisation.

1. Facilitate dialogue - We often convene meetings between different industry sectors, or even between different companies within a specific industry, for example, to discuss sensitive issues. We also act as a bridge

- between business, government and NGOs.
2. Provide research and information - We advocate the business role in development through our publications, and by sharing information and resources among partners and companies.
  3. Provide advice and strategic counsel - we work in collaboration with companies to provide guidance on particular business and development challenges.

**Operationally**, with practitioners and country managers, for example, to help companies develop business solutions to development challenges

4. Help implement responsible business practices - This could take many different forms – we might for example help to set up or evaluate multi-sector partnerships, conduct training for staff, or assist companies to develop and undertake effective stakeholder engagement processes.
5. Develop thematic programmes for the practical delivery of responsible business initiatives. These include programmes in Human Rights, Corruption, Employment and Enterprise Development, and Health & Wellness, to name a few.

IBLF has been working with companies operating in areas of conflict for the last 10 years. In our experience, business can make a positive difference to peacebuilding efforts first and foremost by running a profitable and responsible business (doing no harm). This means generating income and investment, taking care of employees, adhering to international and national regulations and standards, and producing safe and appropriate products/services. Beyond running a successful business, companies operating in areas of conflict often have a strong incentive and the capacity and know-how to play a more active part in broader economic, social and environmental development (doing good).

More often than not, it is in the direct interests of companies to operate in a stable and peaceful society – companies will typically face increased costs and struggle to carry out operations in areas where their employees, facilities and routes to market are under constant threat. The risk of damaging reputation or of becoming subject to litigation is also high in situations where companies could be accused of complicity in human rights violations.

Multi-stakeholder initiatives – which bring together companies with NGOs and governments – are starting to spring up in order to address some of the challenges companies face when operating in difficult places. The VPs are one of these initiatives, and focus specifically on the extractive industry.

### **The Voluntary Principles on Security and Human Rights**

The VPs were launched in the year 2000, when multinational energy companies sat down with human rights NGOs and the US and British governments to devise

a set of principles to help ensure respect for human rights in oil and gas-producing areas around the world. All the participants at the table shared a common concern -- that efforts to ensure company security could have a negative impact on the human rights of local communities.

The VPs provide guidance for companies in 3 main areas:

- Risk assessment
- Relations with public security forces (like the police and army), and
- Relations with private security forces (contracted security guards)

A large number of large multinational companies have now adopted or adhere to the Principles. However, alongside the written principles themselves, there is a regular dialogue about the principles and about performance. Through this dialogue, the companies, governments and NGOs involved share good practice and discuss challenges of implementation. This is often referred to as 'The VPs process'. IBLF co-manages the Secretariat for this process.

## **IMPLEMENTATION**

I thought I'd take some time to talk about how some of the positive steps companies have taken to implement the VPs, and then finish by identifying some of the continuing challenges for the VPs initiative going forward.

### **1. Supporting policies and statements**

Most participant companies have articulated their support for the VPs in their overarching corporate policies and operating principles – for example: Corporate Value Statements, Statements on Human Rights (where they exist – most companies involved in the VPs now have one), or codes of conduct for security personnel.

Many companies are now focusing on developing 'policy to practice' tools, which expand guidance on the VPs into more practical format for project staff. Others are developing standard MOU language for relationships with host government security, developing standard contract language for contracts with private security providers, incorporating the principles into risk assessment methodologies, and producing templates for VPs reporting and record-keeping.

### **2. Education and training**

All participants in the VPs process now conduct some sort of training on the VPs, to various degrees. VPs training – including for company personnel, security contractors and state security forces – is typically incorporated into broader Human Rights training programmes. This helps to place the VPs in the wider context of security and human rights in general, and to position them as one piece of – not the solution to – the security and human rights jigsaw.

In the past, training has tended to occur in silos – for a particular group of employees (such as global security advisors), or for specific business units where VPs application is most relevant. Many companies are now focusing on aligning training activities across all business units. A few have hired employees whose sole mandate is to focus on company-wide VPs implementation.

Training workshops are often conducted with the assistance of external institutions. The Danish Institute on Human Rights has worked with VPs companies to develop human rights training programmes with a VPs component. In other instances, the International Committee of the Red Cross, local and international NGOs, specialised university centres, or international consultancies have played a role.

At the most basic level, VPs workshops usually include: an explanation on the VPs and what they are, a discussion of their local relevance and potential use, and scenario planning exercises on how the VPs can be applied in practical situations. Some companies are now asking third parties to audit or verify training programmes and conduct monitoring assessments which look at, for example, levels of awareness of the Principles at site level, and identify areas for improvement.

### 3. Awareness raising / communication

The VPs have sat pretty comfortably within the CSR and/or security departments of companies for the last several years. Increasingly, however, companies are trying to integrate the VPs within other departments such as government and public affairs, human resources, policy and legal departments.

Where possible, companies have inserted language about adhering to the VPs into contractual relationships with business partners, essentially giving the 'voluntary principles' legal application.

At community level, many companies have put in place complaints mechanisms through which community members – and company employees – can call or write if they feel that their own or someone else's rights have been violated by company security personnel.

Additionally, most VP participants now state their commitment to the VPs in their annual CSR or sustainability reports. Some provide specific examples of how the VPs are applied in particularly volatile areas of operation.

### 4. Collective Action

A number of participants in the VPs are involved in what we call 'in-country VP processes'. In-country processes attempt to re-create the multi-stakeholder

dialogue of the global VPs process at the country level.

At present, there are official in-country processes in Colombia and Indonesia, with Colombia considered the furthest along. In May 2006, a delegation of VPs participants visited Nigeria to prepare the ground for an in-country process there. The delegation met with local civil society groups, companies, and senior Nigerian government officials, and hopes to follow up with a workshop on the VPs in the Niger Delta in the second half of 2007.

## **CONCLUSION / CHALLENGES AHEAD**

Is this all 'enough'? The answer has to be no, because human rights incidents do still occur. However, the aim of the VPs process is to encourage continuous improvement in security practices, and in that regard I believe that progress has been made and will continue.

A number of challenges remain in terms of VPs implementation going forward:

1. VPs participants increasingly recognise the need to get host government support for the VPs at the highest level. Despite good intentions, it is very difficult for companies to try and mandate training for state military and police forces.
2. Another particular challenge for companies is how to promote the VPs with Joint Ventures in which they have minority participation, as well as with contractors who hire private security providers when working on company projects and facilities.
3. We still need to do some thinking about how to bring more private security companies up to speed on the principles. It has become apparent that many security providers don't know much about what it means to implement the principles, despite claims on websites.
4. We are working toward becoming more transparent in our activities, and are currently drafting reporting criteria which will provide guidelines for what participants need to report to the VPs plenary and to the public.
5. Finally, participants in the VPs process now recognise that efforts need to be made to share good practice on VPs implementation more widely, including with non-extractive companies. A number of discussions are now underway to produce generic guidance on VPs implementation that can be made available to the public in the very near future.