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THE HUMAN RIGHTS AND BUSINESS ROUNDTABLE TEAM

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Cover photo: FFP/J.J. Messner
In 2017, the Human Rights and Business Roundtable looked significantly different to when it was first launched in 1996 as the Foreign Policy Roundtable, demonstrating not only how far the Roundtable itself has come in over two decades, but also highlighting through its content and focus areas just how much the practice of business and human rights, particularly in regard to security, has also progressed.

Two decades ago, the Voluntary Principles on Security and Human Rights (VPSHR) was merely the beginning of a concept discussed within the confines of forums such as the Human Rights and Business Roundtable. And now, it is a flourishing initiative that is being systematically implemented in countries around the world. Testament to this is the Roundtable’s focus during 2017 on two of those in-country processes, specifically Ghana and Nigeria. Closer to home, the Roundtable also looked at the United States Government’s own National Action Plan on responsible business conduct, and how it aligns with national-level implementation of initiatives such as the VPSHR.

Another sign of the progression of the VPSHR is its breadth of implementation. In 2000, the Initiative was established solely for the oil, gas, and mining sectors. Now, nearly two decades on, it is seen as the gold standard of practical security frameworks by myriad sectors who find themselves facing very similar security and human rights challenges to the oil, gas, and mining sectors. We have witnessed the VPSHR being implemented by sectors as diverse as renewable energy (such as solar, wind, and hydropower), construction, transportation, infrastructure, and agriculture. As this progression takes place, there are new opportunities to share lessons and best practices across sectors; as we did during the 2017 Roundtable on the VPSHR implementation of a large-scale agribusiness.

Though much about the Roundtable has changed in the last 21 years, 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 has contributed to the strengthening relationships between diverse, multisector groups, such as between the private sector and civil society. It is important that a light be shone on areas of concern, or worse, wrongdoing. It is necessary that we cast a 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.

The true utility of the Roundtable has been demonstrated 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.

The Roundtable has also fostered our own role in collaborating with companies to help them address their own complex security challenges, and as a result, hopefully create safer and more sustainable 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 within our own sector. But now, the reality is very different, and multi-stakeholder collaborative activities have gone from being criticized to even celebrated.

But as much as cooperation and collaborative approaches to problem solving have flourished between companies and civil society, these developments are occurring against the backdrop of a closing civil society space in many countries, and rapidly evaporating resources for NGOs to continue to do their work independently. Without adequate financial resourcing, and without the civic space required, much of what has been achieved by NGOs in the field of business and human rights simply would not have been possible. This poses a significant threat not only to all the hard work done by many stakeholders over the past 20 or more years, but also to the ability of NGOs to continue to support the implementation of initiatives such as the VPs — and ultimately to benefit local communities at risk.

Despite these challenges, as we look forward to 2018, we will seek to continue to innovate, both in terms of the subject matter we examine and the relationships we seek to build.

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

J.J. Messner
Executive Director, The Fund for Peace
Chair, Human Rights & Business Roundtable
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 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 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 multistakeholder 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, Finland, Ghana, Guatemala, Honduras, Laos, Malaysia, Mexico, Morocco, Nigeria, Panama, Papua New Guinea, Philippines, Spain, Turkey, and Western Sahara.

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.
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.

Nearly two decades 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 two months 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.
The Fund for Peace is grateful for the continuing support of the Corporate Members of the Human Rights & Business Roundtable.

FFP also thanks the following organizations for their continuing participation in the Human Rights & Business Roundtable:

- Access Health Worldwide
- Afghan American Chamber of Commerce
- Africa Expert Network
- Amazon Conservation Association
- American Bar Association Rule of Law Initiative
- Arcadia University
- BP
- Cardno Emerging Markets
- CARE
- Citi
- Climate Nexus
- Compliance Advisor Ombudsman, World Bank
- Conservation International
- Deloitte
- Devonshire Initiative
- DLA Piper
- Earthworks
- Embassy of Australia
- Equitable Origin
- ExxonMobil
- First Peoples Worldwide
- GardaWorld
- Gemological Institute of America
- George Washington University
- Global Affairs Canada
- Goldcorp
- Hess
- Human Analytics
- Interaction
- Inter-American Development Bank
- Inter-American Dialogue
- International Finance Corporation
- International Senior Lawyers Association
- International Stability Operations Association
- IO Sustainability
- Kinross
- McCain Institute
- MSI Integrity
- National Defense University
- National Democratic Institute
- National Geospatial Intelligence Agency
- New Gold
- Noble Energy
- Organization of American States
- Oxfam America
- PAE
- Partners Global
- Pax Mondial
- Pepper Hamilton
- Prospectors and Developers Association of Canada
- Resolve
- RioTinto
- Shell
- U.N. Association
- Universal Human Rights Network
- U.S. Department of State
- World Bank
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With the recent release of the National Action Plan on Responsible Business Conduct in December 2016, the U.S. Government mapped out its priorities and primary areas of focus to encourage high standards of conduct for American business. As the U.S. Government finds itself in a period of political transition, stakeholders in government, civil society, and the corporate sector are now seeking to understand what direction the incoming Administration may take on business and human rights going forward.

This Roundtable sought to identify the strengths and weaknesses of the existing National Action Plan, consider how the U.S. Government’s approach to business and human rights compares to other countries, and to suggest what areas of the National Action Plan are most likely to be prioritized by the new Administration. And importantly, as a leading figure in the field of business and human rights, how the American Government approach to the issue may influence and shape the approaches of other international actors.

The U.N. Guiding Principles on Business and Human Rights (UNGPs) were endorsed by the United Nations Human Rights Council (UNHRC) in 2011 as a set of guidelines for states and companies to prevent, address, and provide a remedy for human rights abuses committed in business operations. The creation of these principles came after the realization of the adverse impact businesses can potentially have on human rights and the fact that international human rights treaties are generally unable to impose direct legal obligation on private actors such as companies. The UNGPs provide a blueprint to States on their existing duty to protect human rights against adverse impacts caused by companies, and to offer practical guidance to companies about the steps to take to respect internationally recognized human rights standards.

In 2014, the UNHRC called on all States to develop National Actions Plans (NAPs) to promote the implementation of the UNGPs within their respective national contexts. In response, U.S. President Barack Obama announced that his government would work with the private sector and civil society to
develop a NAP to promote and incentivize Responsible Business Conduct. The National Security Council (NSC) was designated to coordinate the effort to develop the US-NAP.

The first step they took was examining already existing NAPs created by other states such as the United Kingdom. Secondly, they collaborated with other relevant State-based agencies such as the Labor, Commerce, and Homeland Security departments and held open dialogues to consult with multiple stakeholders, including business associations, individual companies and civil society organizations. In addition to working with multiple agencies, civil society and other external stakeholders, they built the NAP by drawing relevant material from the UNGPs and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

The U.S. NAP was created to reinforce and strengthen U.S. industry leadership by providing a framework by which the government can establish a standard for corporate accountability and social responsibility. It was also created to set an example for other governments to view and emulate in creating their own NAPs. It primarily focuses on Responsible Business Conduct which is intended to include a broad range of areas where corporate conduct impacts society.

Responsible business conduct (RBC) focuses on the idea that businesses can achieve economic performance while also doing good, through two key aspects. The first is the positive contribution businesses can make to economic, environmental, and social progress with a view to achieving sustainable development. The second is to work on avoiding adverse impacts and addressing them when they do occur.

The Roundtable discussion focused on how the NAP has helped create ways to encourage businesses to enact RBC, and emphasized that continued progress in advancing this approach must be maintained through companies setting an example for other businesses domestically and abroad. Civil society plays a significant role in pushing governments to create a better environment and more conducive conditions for businesses to implement responsible conduct as well as to call for bold measures for businesses to enact human rights practices.

GOVERNMENT APPROACH TOWARDS BUSINESS AND HUMAN RIGHTS

The Roundtable discussion centered on how the NAP encourages businesses to implement responsible conduct with respect to human rights. The process of creating the U.S. NAP provided an opportunity to solicit feedback from stakeholders and allowed businesses to contribute on ways governments can create environments susceptible for them to enact good business practices. The importance of creating an online resource tool to educate and train businesses on how to implement RBC was reiterated, and how best practices should be shared between the government and companies from a diverse range of industries and sectors. Furthermore, the discussion highlighted that many other governments around the world — particularly in conflict-affected states — are unable or unwilling to adhere to human rights practices; providing few incentives for companies to prioritize RBC, an ongoing obstacle moving forward.

LIMITATIONS OF THE U.S. NATIONAL ACTION PLAN

For some participants, the NAP was perceived as not being firm enough on corporations with regards to human rights reporting. The NAP makes use of “soft law” techniques by encouraging companies to voluntarily report on human rights issues.

Another critique was the plan’s approach to leaving the onus on providing access to remedy for human rights violations in the hands of the individual states, with some arguing not all countries have such mechanisms in place. While the NAP hopes to encourage corporations to implement responsible conduct abroad and domestically, questions were raised as to why there was limited focus paid for conduct of businesses operating domestically. Environmental commitments were not included in the NAP as a compromise between U.S. government agencies, and this was also noted as a source of contention for some during proceedings.

With a focus on not only companies operating abroad, but also large and medium enterprises, the NAP policies potentially leave out small businesses who may have less knowledge and access to international standards for responsible business conduct. Larger companies were encouraged to respect human rights by adopting the RBC principles and set a positive example to the smaller business owners. To do this, the NSC was advised to increase incentives to large corporations to motivate them to focus on human rights.
reporting and responsible conduct. In particular, they were encouraged to focus on their supply chain and provide education to small businesses on the advantages of reporting human rights issues and respecting the NAP principles.

It was also noted that the NAP provides plenty of training and guidance to multilateral corporations, but falls short in verification; ensuring that corporations are actually behaving in a responsible manner. The NSC was tasked with better monitoring and follow up on the implementation of the NAP. Obstacles in implementing NAP highlighted were lack of allocated funds by the U.S. government and limitation of resources; rather than a lack of political will.

To follow through with the NAP, it was suggested that there was a need for an online toolkit which would serve as a baseline template for implementation and monitoring progress of the NAP.

**ROLE OF TECHNOLOGY SECTOR IN HUMAN RIGHTS**

The technology sector is rapidly expanding, and many of these companies have not traditionally been brought into the conversation on human rights and responsible business practices. The Roundtable discussion delved into how information and communications technology companies can take initiative in promoting human rights practices. One technology company was given as an example for creating a human rights program with respect to free speech, cybersecurity, data storage, and issues of censorship. Their initiatives involved visibility and training for its employees on the U.N. Guiding Principles on Business and Human Rights and were praised for their efforts to promote accountability in line with the U.S. NAP framework.

Information and technology companies have also taken part in the Global Network Initiative (GNI) to encourage the implementation of RBC by all technology companies. This program was created after a two-year negotiation and it seeks to protect and advance freedom of expression and privacy in the information technology sector. GNI has made progress in educating and providing frameworks for information and technology companies to enhance their internal structures and policies; which in turn can be used as examples to new startup technology companies coming into the sector.

**THE ROLE OF CIVIL SOCIETY**

Civil society organizations also play a crucial role in pushing for compliance and ensuring transparency and accountability. The Roundtable discussed how the U.S. NAP must take bold measures to ensure that businesses implement good practices to promote human rights. U.S. NAP provides training and education but does little to ensure implementation by businesses. It was highlighted that out of twelve countries that have created NAPs, ten have been assessed by civil society organizations.

Many NAPs have been assessed as weak with limited concrete actions to carry out bold practices to ensure human rights of consumers. Recommendations were made to follow through with the NAP toolkit and include the UNGPs part of a checklist. Likewise, more incentives such as tax breaks were suggested to encourage large corporations to set themselves as examples for small businesses to implement RBC. Small businesses, employees, populations, and governments should be consulted as the U.S. NAP needs stakeholders who are impacted by at-risk stakeholders to improve relations in terms of human rights practices. Examples of Chile and Mexico’s ongoing process of creating their NAPs based on comprehensive baseline assessment by consulting civil society organizations was given to point out the importance of civil society in promoting RBC.

**PROMOTING REPORTING UNDER THE NAP**

The U.S. NAP encourages corporations to report their progress on a voluntary basis, but there are few incentives for them to do so. Reporting requires significant resources, that may be one diving factor for why companies may be hesitant to report. It was suggested that tax breaks for companies who reported can be a future option as an incentive to increase reporting. It was noted that the U.S. NAP encourages reporting and transparency by corporations but does not specify on how reporting should be done, as it allows businesses to decide for themselves on the best ways to report progress, relevant to their sector and operational context.

By contrast annual reporting is mandatory in the U.K. NAP. Many investors are showing increasing interest in RBC companies; particularly with respect to the non-financial reporting directive adopted by the European Parliament and Council in 2014. According to this directive, companies concerned must disclose information on policies, risks and results as concerns the environment, social and employee-
related aspects, respect for human rights, anti-corruption and bribery issues.

Canada has also taken key steps to promote Corporate Social Responsibility. The Canadian Government does so with the expectations that Canadian companies will operate abroad with high ethical standards in line with international best practices. Implementing regular sustainability reporting, there are a variety of approaches that businesses can take to communicate their environmental, social and economic priorities, policies, programs and performance.

THE FUTURE OF THE U.S. NAP

Several companies have begun convening with their customers on one side and their suppliers on the other hand. During this process, the companies bring experts in the field of business and human rights to educate the customers on what to expect from the company in terms of corporate responsibility, and to educate their suppliers on the importance and necessity for respecting human rights. The NAP does not have an overall recommendation for human rights monitoring but it relies on each department working on the NAP to come up with techniques to monitor human rights at the various levels.

One goal of U.S. NAP is to create an online resource tool for companies, government agencies, and stakeholders to sensitize the NAP goals and underscore the importance of RBC. Moving forward, questions still remain on how the goals of NAP will be implemented, how the allocations of funding to governmental agencies will affect the NAP and its priorities, and if the U.S. Congress will may remove any mechanisms in the NAP. The Roundtable discussion reiterated that some senior leaders from the previous U.S. Administration who took part in establishing the U.S. NAP are still present and are committed to advance responsible business conduct by companies.

The U.S. NAP is still fresh with many potential prospects for success. The NAP continues to focus on strengthening U.S. industry leadership by presenting a framework that enables the government set common standards for company social responsibility and accountability.

While the NAP framework focuses on business overseas, it encourages companies to also commit to the same standards domestically. At the time of Roundtable discussion, the NSC was still receiving input from stakeholders and other agencies within the government and articulated that they remain open to recommendations and critiques. The Roundtable discussed recommendations such as including prohibitions on child labor and human trafficking in future business contracts.

Highlighting success stories of how different businesses are embodying the NAP and UNGPs is crucial as it sets the example to others of how RBC can promote human rights without hampering the progress. As the NAP moves to implementation, civil society voices, along with other stakeholders must remain strong in promoting accountability as well as sharing challenges and successes.

Report by Mazhar Syed and Hepsibah Effange

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.
IMPLEMENTATION OF SECURITY AND HUMAN RIGHTS INITIATIVES IN NIGERIA

Nigeria, Africa’s largest economy and home to abundant natural resources, is also no stranger to cycles of conflict and violence. The intersection between business and human rights, and how companies ensure their operations are secure while also respecting the rights of communities, is an important issue amidst insecurity within the country.

Ongoing Insurgency in the North, pastoralist conflict in the Middle Belt, and growing militancy and gang violence in the Niger Delta, can all have negative impacts on the economy and business’ ability to operate. It can also result in increased public security deployments around project areas, which can cause friction with local communities. As conflict risk is heightened within hotspot regions, implementation of robust security and human rights policies remains critical to protect both communities and businesses.

This Roundtable sought to identify how policymakers and practitioners can support government, civil society and companies in the Nigeria to implement sound security and human rights practices, and reduce conflict risk in the region, to lay the groundwork for stability and sustainable development.

In determining the best way to implement the Voluntary Principles on Security and Human Rights (VPSHR) in extractive sectors in Nigeria, it is imperative that local and international governments, companies, and civil society cooperate and collaborate to protect human rights while stimulating the Nigerian economy.

Nigeria is facing multiple conflicts simultaneously; insurgency in the north, violence between farmers and herders in central Nigeria, and gang/militant violence in the Delta. The causes of these conflicts differ from what Nigeria has faced historically, arising from different circumstances and creating a new dynamics. The Roundtable discussion considered how companies in the oil and gas sector can navigate these complex conflicts — and the heightened risks of human rights violations — while pursuing operations which can bring about sustainable development in Nigeria.
NEW METHODS: IN-COUNTRY WORKING GROUPS

The different approaches to implementation of the VPSHR in the Nigerian context was discussed, including strategies for encouraging Nigerian actors to participate in the international initiative (VPI) and join in-country working group meetings. Currently in the pilot stages, the VPI has begun to roll out a working group model in Nigeria, as well as Ghana and Myanmar, bringing together local civil society, company and government actors to further VPSHR in-country implementation. For the new Nigerian working group, meetings are being co-chaired by a Nigerian NGO and the Swiss Embassy in Abuja. Challenges and opportunities were highlighted including logistics (such as the trade-off of holding meetings in Abuja versus the Niger Delta where majority of operations are), increasing stakeholder buy-in, and resource constraints.

With the Nigerian Government not a signatory to the VPI, one of the main obstacles is government focus and buy-in for the VPSHR and working group process. The role of the international community — including the diplomatic community in-country was highlighted as an important piece for increasing visibility to senior Nigerian government stakeholders. More broadly, embassies can support research efforts, encourage companies to promote responsible business conduct, engage with civil society, and raising awareness of security and human rights concepts in public engagements. Most importantly, international actors, especially governments, should present a united front and come together to put their power and energy behind the VPSHR. With the U.S. as a key economic and military partner to Nigeria, it was highlighted that there is a need for greater inter-agency cooperation within the U.S. government with regards to the government’s actions and policies in Nigeria, with many potential avenues for encouraging respect for human rights.

Some roundtable participants highlighted the underutilization of the military — specifically, using U.S. military aid to the Nigerian Government in its fight against Boko Haram, as a key entry point for security and human rights reform (such as greater transparency and accountability, and regular training). The need for broader security sector reform is a widely discussed topic not only in Nigerian context, but within the broader region. With limited capacity of policing, the military is often used deployed to civilian areas to fill the gaps. With the military fundamentally trained differently to police in terms of use lethal force and use of weapons, it makes their deployment to civilian areas more high risk for human rights abuses. The need for more robust and regular training for public security — whether military or police — deployed to civilian areas like host communities in the Niger Delta an imperative, along with strengthened grievance mechanisms for reporting allegations of misconduct.

MULTI-FACETED CHALLENGES REQUIRE INNOVATIVE SOLUTIONS

The roundtable discussed many of the interconnected communal and political conflict drivers, and legacy issues of the oil and gas industry in the Niger Delta that have been a continuing source of grievance. Today, some of the key areas of security and human rights related risks identified in the context Niger Delta oil and gas operations were deployment of the Nigerian security forces to host communities without consistent security and human rights and Use of Force training. Further, a growing youth population that is struggling to find employment, thus more susceptible to turning to criminality and violence. These risks have the potential to manifest in wider conflict, as seen during the militancy that had widespread impacts on the oil and gas industry in the 1990s and early 2000s. The Nigeria Working Group must therefore seek to be inclusive of a wide range of stakeholders and perspectives during their meetings, but also look at ways to increase outreach and awareness about security and human rights — and tools for constructive engagement and conflict mitigation — to those on the front lines.

The rise of a second wave of militancy in 2016 — including new group clashes with security forces and blowing up of oil infrastructure — was discussed, and the implications for businesses and communities in the Niger Delta. Notably, many of the youth joining these new militant groups (such as the “Niger Delta Avengers”), are joining for economic reasons, not for the ideological reasons that had been a recruitment driver during the militancy in the 1990s and 2000s. As there are less economic opportunities for youth, they are incentivized by the monetary rewards that come from militancy. By helping to address the underlying economic structural vulnerabilities in these areas, government and private sector actors can begin to curb some of the militancy activities.
CONFLICT MITIGATION IN THE OIL AND MINING SECTORS: PERSPECTIVES FROM GHANA

ROUNDTABLE #136: SEPTEMBER 7, 2017

The extractives sector can serve as an important economic driver for developing countries, but oil and mining operations can equally pose significant risks for conflict with local communities. With a centuries-old mining sector - including artisanal/small-scale mining and industrial operations - and a rapidly expanding oil sector, Ghana provides a unique case study on how fault lines can emerge between communities and extractives operators.

As the first government in Africa to join the Voluntary Principles on Security and Human Rights Initiative (VPSHR), Ghana provides a useful example of how a multi-stakeholder initiative can provide a platform and vehicle for collectively addressing security and human rights issues on the ground.

This event considered different approaches to addressing conflict between communities and extractive sector operations, whether it be the tensions between offshore oil exploration and fisheries, competition for resources between communities and industrial mining projects, or violence and crime related to informal small scale mining. More broadly, it examined how the platform provided by multistakeholder initiatives such as the VPSHR, can be used as an effective way to troubleshoot and mitigate some of these issues.

The Ghanaian experience can potentially be a model for the extractive industries in other countries to implement the Voluntary Principles on Security and Human Rights (VPSHR). While the government, mining and oil and gas companies, and communities have all experienced varying challenges in their implementation, and greater communication between stakeholders from the grassroots to the national level remains key. However, the increasing awareness and buy-in across civil society, companies and the Ghana Government for the VPSHR has enabled progress on key security and human rights issues. The roundtable discussion focused on the status of work currently being undertaken, communication between the community and mining companies, and the role of donors and foreign governments in helping the process. While human rights abuses and natural resource conflict remain a key challenge in regions around the world, the Ghanaian experience has provided some helpful lessons learned for other countries to find common ground between stakeholders to mitigate security human right issues.
ISSUES AND PROGRESS WITH VPSHR IMPLEMENTATION IN GHANA

Since 2015, the Fund For Peace in partnership with the West-Africa Network for Peacebuilding Ghana (WANEP-Ghana) have implemented a program on VPSHR awareness in Ghana. The program has been funded by the U.S. Department of State, to help support implementation after the Ghana Government signed onto the initiative in 2014. Roundtable discussion focused on the implementation the program in six extractives affected communities in five regions of Ghana. The program aimed to build awareness and capacity of local stakeholders on security and human rights, grievance mechanisms and conflict mitigation; as well as simultaneously building up a national level platform for companies, government and civil society to discuss VPSHR issues. Roundtable discussion underscored the need to focus on local communities when implementing the VPSHR, including creating space for local dialogue in which grievances that can drive escalation to violence and potential human rights abuses can be mitigated.

In the context of Ghana, one of the salient issues highlighted was small-scale informal mining, known locally as ‘Galamsey’. While community leaders often support this practice, it can be detrimental to the environment and can frequently engage child labor. It can be a major source of security risk to large scale mining operations as well, with miners trespassing onto the mine site; putting both themselves and others in danger. Galamsey has also been linked to increases in crime and conflict, prompting public security forces deployment in response.

Another key issue discussed was the breakdowns in communication between communities, the government, and companies. Unaddressed community grievances can erupt into conflict such as in the case of a medium-sized gold mine in the Upper East region and salt mine in the Volta Region, both of which have experienced incidents of insecurity.

A third key issue outlined was in the oil and gas sector in the Western region. The oil and gas sector is comparatively new in Ghana, with its first operations beginning in 2007. Offshore oil operations can have far ranging impacts on coastal communities, most notably interfering with artisanal fishing who are unable to fish in exclusion zones around the oil rigs. With the nature of offshore operations versus onshore mining, where mining companies must pay for land compensation and generally have a larger and longevities footprint, many coastal communities share the perception that the oil benefits are not flowing back to those most affected. This can lead to grievances and tension between communities and the oil and gas operators.

As the State Department funded program comes to a close in 2018, progress has been made towards establishing a sustainable national platform for companies, government and communities to come and work to address specific and actionable policy objectives.

ADDRESSING COMMUNITY GRIEVANCES WITH THE EXTRACTIVES INDUSTRIES

The second presentation offered a civil society perspective from the West African peacebuilding community, which detailed the common grievances felt by communities as a result of extractive industry operations. Communities often have an expectation that mining companies will improve the community’s infrastructure and provide for their wellbeing which can be a source of misunderstanding between the communities and companies. For individuals in communities engaged in Galamsey, a significant challenge for them is finding alternative livelihoods instead of turning to criminal activities. Another key issue for communities highlighted was the deployment of public security forces to community areas, which can be a point of contention as many community members complain of excessive force used by these security forces. Strengthening grievance response mechanisms within the affected communities, and making community members aware of these mechanisms, can be an important step in preventing conflict.

U.S. ENGAGEMENT ON IMPLEMENTING THE VPSHR

The role of the U.S. government in implementing the VPSHR in Ghana was also discussed. To be effective, outreach is required within the U.S. government, to its embassies and relevant agencies such as the Department of Defense in order to acquire their support for these projects. Following outreach, these programs need to be implemented on the ground, both top-down through the government or bottom-up through communities and civil society. Finally, transparency and accountability mechanisms need to be established for the VPSHR to be truly effective.

There was consideration of the Memoranda of Understanding CONTINUED ON PAGE 21
The Voluntary Principles on Security & Human Rights (VPSHR) were established in 2000 as a practical tool for companies in the oil, gas, and mining sectors to better manage their security arrangements and, in so doing, to respect human rights. Though the Voluntary Principles were created with the extractive sectors specifically in mind, since then other industries have recognized the applicability of the Voluntary Principles to their own, often similar, security and human rights challenges. Indeed, the Voluntary Principles are now being implemented in sectors as diverse as renewable energy, agriculture, infrastructure, transportation and manufacturing, demonstrating the relevance of the Principles in addressing a broad array of business and human rights issues.

This event looked at how the VPSHR have been implemented in industries outside of the oil and mining sectors, including a case study on their implementation in the agricultural sector. The event considered how other sectors can learn from nearly two decades of implementation by the oil, gas, and mining sectors; and equally examine what lessons and innovative approaches other sectors may provide from their own implementation experiences.

With the success of the VPSHR in the oil, gas, and mining sectors, members of the Voluntary Principles Initiative (VPI) have begun to understand the ways in which the guidelines can be applied to sectors outside of traditional extractives. Similarities and overlap between the International Finance Corporation’s Performance Standard 4 (PS4) and the VPSHR has also been recognized, both conceptually and practically such as in the case of the success of an agricultural company in implementing the VPSHR. That said, discussion considered the need to help smaller companies understand the value of the VPSHR, as well as the differences between low-risk and low-capacity companies. This understanding provides lessons for other sectors trying to implement the VPSHR, particularly in terms of tools, frameworks, and strategies for implementation.
SIMILARITIES BETWEEN IFC PERFORMANCE STANDARD 4 AND THE VOLUNTARY PRINCIPLES

There are significant similarities between the VPSHR and the IFC’s PS4. PS4, which looks at Community Health, Safety, and Security, is part of eight Performance Standards on Environmental and Social Sustainability laid out by the IFC that must be followed by clients for the life of any IFC investment. Specifically, PS4 calls on companies and governments implementing large-scale projects to mitigate the community, health, safety, and security risks at project sites and in the broader community. The objective is to ensure that necessary large-scale projects such as infrastructure or mining operations do not cause undue harm on communities or the environment.

Among the strengths of PS4, is that even when companies or governments outsource security, they are unable to outsource the risk because the framework, tools, and contractual agreements between the IFC and the companies or governments ensures the risk stays with the grantee. The discussion emphasized the importance of this aspect of PS4 and highlighted the need for security services and communities’ to maintain dialogue on security related issues. Community outreach and input reduces risk and provides a feedback mechanism for companies to understand the impact their operations may have on the community. One roundtable participant commented that companies sometimes view their operations as an inherently good to the community, without holding sustained interactions to understand better how the community may be experiencing adverse impacts from the operations in their everyday lives.

Discussion also focused on how PS4 can be applied to sectors beyond oil, gas, and mining and into agribusiness, renewable infrastructure and products, and finance intermediaries. The IFC has taken the lessons learned from the implementation of PS4 and developed a handbook to help companies that lack knowledge of the Performance Standards understand how they would be helpful to improving environmental and social stability standards on work sites. The Handbook demonstrates the importance of improving the security situation at work sites and how best to mitigate risk for security services that takes into consideration the impact of such services on the communities in which they operate. It also includes tools and templates such as, Memoranda of Understanding (MOUs), Security Management Plans, and ready-to-use templates for a range of issues. The handbook places a great deal of emphasis on reframing the issue, getting companies to view security services through a human rights risk lens, but also a source of legitimate security to protect company assets. There have been too many security service incidents in previous years for companies to view security and human rights as separate issues, but instead to view them as essential pieces of one component part of a risk mitigation strategy of a business plan. The discussion called for finding ways to better coordinate efforts and synergies between PS4 and the VPSHR.

A PERSPECTIVE ON IMPLEMENTING THE VPSHR FROM OUTSIDE THE OIL, GAS OR MINING SECTORS

Having framed the connections between PS4 and the VPSHR, the roundtable then heard from the experiences of a large agricultural company who implemented the VPSHR after a string of security related incidents that affected the company’s operations and image, and deeply impacted their relationships with the communities in which they operated. Beginning in 2011, the company actively started using the VPSHR to change its risk mitigation strategies for security services in order to improve community relations and avoid contributing to the violence seen throughout Honduras. In fact, it was the first agricultural company in Honduras to adopt the VPSHR and it has seen significant success in its strategy.

The company made a number of changes to its risk mitigation strategy, but first and foremost, it ensured that its security personnel were being recruited from the local communities in which they operated. This operational change was crucial to improving community relations and mitigating risk because recruiting locally made it easier to resolve issues peacefully as security personnel were less likely to use violent force in their own communities. Security personnel received a new training program and were also trained on how to use less lethal weapons such as batons. Furthermore, the company incorporated stakeholder surveys, developing and improving a community liaison activities and community grievance mechanisms that establish a direct contact between the company and the community.

In 2013, the company took the bold step of removing firearms from their security personnel, a move unusual in Honduras and initially met with trepidation by security personnel, but championed by the community and management at the company. Ultimately though, disarming the security personnel was successful in reducing violence and improved relations with the surrounding communities.

In early 2017, the IFC confirmed that the company had been...
compliant with PS4 and had used the VPSHR in order to become compliant. Other companies in the area have followed the company’s lead in trying to implement the VPSHR as a way of mitigating risk, reducing violence in the region, and improving relations with the communities in which they operate. Additionally, many of the same companies have also disarmed their own security personnel as well. By becoming compliant with the VPSHR and PS4, the company has created an amplifying effect in the region, which has helped reduce violence and mitigate risks to the communities in which they operate.

**MAKING THE VPSHR WORK FOR SMALLER COMPANIES**

Those working with the VPSHR were called upon to find ways to make the VPSHR more accessible for smaller organizations and companies that may not have robust security personnel, but instead, may be a small family-run operation seeking to mitigate risks.

The Roundtable was told a story about an economic development project in which farmers were being helped to install wind turbines. Installing a wind turbine resulted in higher compensation for farmers, but at a cost — not every plot of land was able to accommodate a turbine due to minimum spacing criteria. This created a “haves” and “have-nots” scenario, resulting in increased conflict and violence between farmers and wind turbine workers that did not previously exist. Where a project brings benefits to a community, it is important to be mindful of its potential to also create economic winners and losers.

The Roundtable participants were called upon to find ways to make the VPSHR work for smaller operations, such as the wind turbine project, and to ensure that new projects are not increasing risk, but instead, allowing smaller operations to manage risk in the same ways as larger operations by using the VPSHR.

The discussion further considered understanding the degree of flexibility in the VPSHR to include other sectors as well as issues around gender, equivalents currently used by other sectors, similarities between PS4 and the VPSHR, and the special formula for making the VPSHR work in real life.

Participants discussed the fact that the VPSHR have been used by an increasing number of sectors outside of the oil, gas, and mining sectors, demonstrating the strength of the VPSHR and the receptivity of other sectors to a form of self-regulation that improves both the company’s operations and their relations with the communities in which they operate. However, the concern is that other sectors may not have the same level of engagement in the VPSHR as the oil, gas, and mining sectors. Another participant reflected on the lack of gender streamlining in the VPSHR and asked how members of the VPI were working to include more gender sensitivity. VPSHR members present stated that gender was an issue that was being talked about more than ever before, but stressed that gender mainstreaming is an implicit aspect of implementing the guidelines, particularly as women and children are often disproportionately impacted by violence and vulnerable to abuse.

The next question was that of comparable standards to the VPSHR that are currently being used in other sectors and the degree with which the VPSHR may complement or overlap the other standards. One roundtable participant stated the palm oil industry had a similar initiative called the Roundtable on Sustainable Palm Oil where issues are discussed and that the VPSHR and PS4 are measures the industry has tried to strive toward in recent years as a result of greater scrutiny on global supply chains and corporate social responsibility.

The question of similarities and overlap between PS4 and the VPSHR sparked a lively discussion. The similarities and differences of the two frameworks was discussed in great detail, exploring each framework’s own leverage points to ensure compliance, and their own platforms and reach to different audiences. It was also noted that PS4 does not offer a multistakeholder platform like the VPSHR because PS4 is a contractual agreement between the company and the IFC. Another participant acknowledged that in practice the two frameworks appear similar, but that there are nevertheless some key underlying and fundamental differences in the way in which each is intended and structured.

The final question about the special formula for making the VPSHR work in real life, considered the different nuances of projects each had implemented and the context-specific issues they had to overcome to help implement them. The keys to making the VPSHR work, according to those in the room, was to place great emphasis on hiring locally to reduce the threat of violence, since in many contexts community members are less likely to use violent force against their own community members.
It was also noted that it was important to help companies understand the difference between low-risk and low-capacity. Many companies perceive themselves as low-capacity and therefore believe they have low-risk, when often the opposite may be true. Risk is inherent regardless of capacity level and helping companies understand that is crucial to making the VPSHR work in real life.

This Roundtable highlighted some of the challenges companies face in mitigating risk and the flexibility of the VPSHR in being able to be applies in other sectors. The growing influence of investors in ensuring compliance with international best practices in the human rights space — notably IFC’s PS4 which bears many similarities to the VPSHR guidelines — is changing the landscape for VPSHR implementation. This discussion underscored the benefits the VPSHR guidelines can bring to other sectors; and how diverse companies from palm oil to hydro and wind power can offer valuable lessons learned in the security and human rights space.

Report by Trace Carlson, Rebecca Mathias and Wendy Wilson

IMPLEMENTATION OF SECURITY AND HUMAN RIGHTS INITIATIVES IN NIGERIA

CONTINUED FROM PAGE 14

Another issue discussed was how to educate actors on the ground about human rights. One of the most common human rights violations by security forces is gender based violence, and in the context of Nigeria there remains a widespread culture of silence around rape and sexual abuse which feeds into a culture of impunity and lack of reporting. Companies, government and civil society must work together to help in breaking this culture of silence and encouraging accounting and accessible reporting mechanisms.

As the VPI Nigeria Working Group continues to grow, their focus must remain in not only on how companies, government and civil society can minimize security and human rights concerns — but also how they can work together to address the underlying drivers of conflict and structural vulnerability which exacerbate conflict and risks of human rights violations. The international community can support the group’s VPSHR efforts by working together as a united front to raise awareness of the VPSHR in their interactions with and provision of support the Nigerian Government. International actors can also use lessons learned from other countries’ working groups to build buy-in and address some of the resource and logistical support issues raised.

Report by Narisa Bandali

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.
(MOUs) between the mining companies and communities and to what extent they were used as an instrument for furthering security and human rights. In many cases the implementation of the MOUs was delayed due to issues such as market challenges for companies and that there was often a failure to communicate such delays to communities, leading to frustrations. A further question focused on how communities and mining companies work out frustrations around the projects. The manner in which companies reach out to the community representatives to discuss the issues, especially with local chiefs, was discussed. For example how youth and women are sometimes excluded by nature of the patriarchal community leadership structures, which can mean that their voices and grievances are not always heard by companies. One participant noted that many companies acknowledge that there is a gender parity issue, and that they are actively trying to involve more traditional female leaders in the process.

Another discussion point was on the government’s monitoring of environmental issues at mining sites and how the community is involved in the process. The Ghana Government has strong environmental frameworks, lacks resourcing for implementation and monitoring. The community can also play a role in monitoring and report issues to the government and speaking to the mining companies directly about environmental issues they may see in their communities.

As a country rich in natural resources with a long history of mining and a burgeoning oil and gas sector, Ghana represents a prime example of where VPSHR implementation is crucial to maintaining peace and sustainable development. The key to ingraining security and human rights practices across the extractives sector in Ghana remains local engagement, in tandem with building national level awareness. At the local level, building capacity and enabling space for communities, NGOs, companies and the government to discuss not only security and human rights, but also identify and mitigate the underlying sources of grievance is critical. At the national level, strong coordination between partners to build a coalition of committed private sector, government, and civil society representatives is needed to obtain measurable progress around policy level efforts. While buy-in, resources and capacity constraints remain an ongoing challenge, through persistence and partnerships across the three pillars Ghana can continue to mature as an model of successful VPSHR implementation.

Report by Trace Carlson and Robert Pattillo

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The Fund for Peace (FFP) works to prevent conflict and promote sustainable security globally by building relationships and trust across diverse sectors. Founded in 1957, FFP is an independent, nonpartisan, 501(c)(3) non-profit organization based in Washington, D.C. and Abuja, Nigeria.

Our objective is to create practical tools and approaches for conflict mitigation that are contextually relevant, timely, and useful to those who can help create greater stability. Our approach brings together local knowledge and expertise with innovative tools and technologies to help anticipate and alleviate the conditions that lead to conflict.

To date, FFP has worked in over 60 countries with a wide range of partners in all sectors. These include governments, regional and international organizations, the military, non-governmental organizations, academics, journalists, civil society networks, and the private sector. Our projects include supporting grassroots organizations, developing national dialogues, building the capacities of regional organizations, working to prevent gender-based violence, and taking leadership roles in international initiatives.

Combining social science techniques with information technology, we have produced the patented Conflict Assessment System Tool (CAST), a content analysis software product that provides a conceptual framework and a data gathering technique for measuring conflict risk. Annually, we produce The Fragile States Index, a ranking of 178 countries across 12 indicators of the risks and vulnerabilities faced by individual nations.

FFP specializes in building early warning networks and systems in complex environments. Working directly with local and international partners, we collect and analyze local, national and regional data and trends. This information is then made publicly available in order to foster more informed decisions and policy making, as well as better coordinated approaches to peacebuilding. In addition to our early warning work with civil society, governments, and regional bodies from around the world, we also advise companies operating in complex environments on how to ensure they operate responsibly, respecting human rights and promoting greater stability.

Most importantly, in all our work, we focus on building capacity among local actors so they can develop and implement informed and locally relevant solutions. We believe that is key to truly sustainable human security.

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For more information, contact us at inquiries@fundforpeace.org.
BEYOND THE ROUNDTABLE:  
THE FUND FOR PEACE  
IN THE FIELD

Right: Conflict Assessment workshop in Kenya.  
Below: Violence Against Women & Girls Workshop in Nigeria.  
Far Below Left: Community focus group in Mali.  
Far Below Right: Interviews with traditional leaders in Cote d’Ivoire.  

Left: CAST training.  

Above: Community Engagement in Papua New Guinea.  
Right: Multi-stakeholder human rights dialogues in Ghana.