

## VOLUNTARY PRINCIPLES INITIATIVE

### SUMMARY OF IMPLEMENTATION EFFORTS DURING 2017

This report provides an overview of Participants' efforts to implement the Voluntary Principles on Security and Human Rights (the "Voluntary Principles" or "VPSHR") during the calendar year 2017. The information contained in this report is based on the individual annual reports submitted by Participants in the Initiative of the Voluntary Principles on Security and Human Rights (the "Voluntary Principles Initiative") in anticipation of the 2018 Annual Plenary Meeting in Washington, D.C.

Each year, Participants' annual reports provide considerable detail on implementation efforts and outreach activities in countries around the world. The summary report is intended to highlight good practice and progress in Participants' implementation efforts. For this year, the Secretariat received reports from 8 members of the Government Pillar, 9 members of the NGO Pillar, and 30 members of the Corporate Pillar.<sup>1</sup>

This year's reports included information on Participants' activities in the following countries and territories: Albania, Algeria, Angola, Argentina, Australia, Bolivia, Botswana, Brazil, Burundi, Cape Verde, Cameroon, Canada, Chad, Chile, Colombia, Congo, Cuba, Democratic Republic of Congo, Dominican Republic, East Timor, Ecuador, Egypt, Equatorial Guinea, Finland, Georgia, Ghana, Greece, Guinea, Guinea-Bissau, Guatemala, Guyana, Haiti, Honduras, Indonesia, Iraq, Italy, Jamaica, Kenya, Laos, Libya, Madagascar, Malawi, Malaysia, Mali, Mauritania, Mexico, Mongolia, Morocco, Mozambique, Myanmar, Namibia, Nigeria, Norway, Pakistan, Papua New Guinea, Panama, Palestine, Peru, Philippines, Portugal, Romania, Rwanda, Saudi Arabia, São Tomé and Príncipe, Senegal, South Africa, Spain, Suriname, Swaziland, Switzerland, Tanzania, Thailand, Trinidad, Tunisia, Turkey, Uganda, United Kingdom, United States, Venezuela, Western Sahara, Yemen, Zambia, and Zimbabwe.

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The Plenary approved new Reporting Guidelines at the 2016 Annual Plenary Meeting. The Reporting Guidelines are intended to help: (i) support transparency regarding efforts to support and implement, and/or assist in the implementation of, the Voluntary Principles; (ii) assist Participants in reporting on efforts to implement the Voluntary Principles to the Plenary; and (iii) facilitate the exchange of good practices among Participants.

Copies of the Voluntary Principles Initiative Reporting Guidelines for each Pillar are available on the Voluntary Principles website ([www.voluntaryprinciples.org](http://www.voluntaryprinciples.org)) under "Resources." Generally, there are five major topic areas covered by each Pillar's guidelines:

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<sup>1</sup> Reports submitted as of May 11, 2018.

- A. Commitment to the Voluntary Principles;
- B. Policies, Procedures, and Related Activities;
- C. Promotion and Outreach
- D. Country Implementation; and
- E. Lessons and Issues.

Each year, Participants are expected to use their Reporting Guidelines to describe their efforts to implement, and/or to assist in the implementation of, the Voluntary Principles, recognizing any and all security and legal considerations, as well as practical issues related to the collection of required information.

**A. COMMITMENT TO THE VOLUNTARY PRINCIPLES**

The Reporting Guidelines ask Participants to include the following information in their annual reports:

<b>Corporate Pillar</b>	<ul style="list-style-type: none"> <li>• Public statement of commitment or endorsement of the Voluntary Principles; engagement in the Voluntary Principles Initiative; and transparency</li> <li>• Examples of promoting awareness of the Voluntary Principles throughout the organization, including within the value chain</li> <li>• Examples of promoting and advancing implementation of the Voluntary Principles internationally</li> </ul>
<b>Government Pillar</b>	<ul style="list-style-type: none"> <li>• Commitment to the Rules of the Voluntary Principles Initiative</li> <li>• Statement of commitment or endorsement of the Voluntary Principles</li> <li>• Statement of commitment to implementation National Plan(s), where applicable</li> <li>• Describe Engagement in the Voluntary Principles Initiative</li> <li>• Describe government engagement in the Voluntary Principles Initiative</li> </ul> <p><b><i>Transparency and Dialogue</i></b></p> <ul style="list-style-type: none"> <li>• Describe how the government shares information about efforts to assist in implementation of the Voluntary Principles with other Participants and the public</li> </ul>

<b>NGO Pillar</b>	<ul style="list-style-type: none"> <li>• Describe how you have engaged in the Voluntary Principles Initiative over the past year</li> <li>• Describe efforts to increase transparency, both internally and externally, regarding your efforts to implement or support implementation of the Voluntary Principles</li> <li>• Describe any efforts to engage in dialogue with other participants in the Voluntary Principles Initiative</li> </ul>
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**1. Corporate Pillar**

- ***Public statement of commitment or endorsement of the Voluntary Principles; engagement in the Voluntary Principles***

Members of the Corporate Pillar cited a range of specific policies, principles, guidelines, codes, and assurance mechanisms by which they have sought to incorporate a commitment to the Voluntary Principles into the management of their operations. Members of the Pillar referenced both stand-alone policies on security and human rights as well as more general human rights policies as consistent with their commitment to Voluntary Principles implementation. Several companies referenced specific reports and speeches in which they had cited their commitment to the Voluntary Principles. Several Corporate Participants also explained that their commitments to the Voluntary Principles are clearly articulated in the companies’ annual sustainability reports.

Corporate Participants discussed various ways in which they have engaged with the Voluntary Principles. One member of the Corporate Pillar remarked on engagements between the company’s sustainability director and a Participant in the NGO Pillar to further promote and advance the Voluntary Principles in southeastern Africa. The same Corporate Pillar member also described how it reached out to a fellow Corporate Participant with operations at a Canadian refinery to discuss at a high level what the companies were doing to implement the Voluntary Principles there. As an immediate outcome of that meeting, the Corporate Participant added that its security team plans to meet in person with the fellow Corporate Participant to discuss further implementation of the Voluntary Principles, and to share more information on the local operating environment and to discuss opportunities for collaboration on training initiatives for security personnel.

Many members of the Corporate Pillar emphasized that their commitments to the Voluntary Principles are advanced by making Voluntary Principles annual reports available to the public, including via publication on the Voluntary Principles website.

One member of the Corporate Pillar said that it seeks to align its corporate policies and practices with the United Nations Guiding Principles for Business and Human Rights (“U.N. Guiding Principles”). The company added that by doing so, it aims to operate with respect for internationally recognized human rights, even when national laws or their application fall short of protecting these rights, as consistent with the values of the Voluntary Principles.

Corporate Participants also noted their commitment to and promotion of the Voluntary Principles Initiative through their involvement in related events and initiatives, such as the Prospectors and Developers Association of Canada (“PDAC”) conference; the Kenya Oil & Gas Association; the Mining Association of Canada; Mexico’s national oil and gas industry association (AM EXHI); the IPIECA Social Responsibility Working Group; the International Council on Mining and Metals; and the U.N. Forum on Business and Human Rights.

- ***Examples of promoting awareness of the Voluntary Principles throughout the organization or government including within the value chain***

Members of the Corporate Pillar cited various platforms and initiatives by which they have sought to promote awareness of the Voluntary Principles within their organizations. Many Corporate Participants explained that the Voluntary Principles are integrated into their corporate management systems and that there is continuous reinforcement of the Voluntary Principles at a site level through the training of security personnel and ongoing security and human rights assessments. These same companies highlighted that security and human rights elements are also incorporated into their human rights compliance programs.

One Corporate Participant provided details on the establishment of a new corporate security team at its operations in South America. The company’s global security leader delivered a week-long induction training to the new managers and security leads to ensure that they were familiar with the company’s security management systems and related policies and procedures. Additional training was provided by an external security consultant on the Voluntary Principles, and related elements such as use of force, risk assessment methodology, and pre-employment screening. The same training will be carried out with the new security team at one of the company’s South American mining sites in the earlier part of 2018.

Another member of the Corporate Pillar said that it continues to build relationships with its non-operated joint ventures that further allow the company to discuss and share its approach to security and human rights across global operations. Throughout 2017, the company undertook to deliver a series of briefings to key internal stakeholders, provided Voluntary Principles training, and supported Voluntary Principles risk assessments and in-country implementation processes in a number of countries in the Caribbean and Africa.

One Corporate Participant noted that members of its corporate security team hold annual meetings with security managers from various countries in which the company has

extractive operations. In these meetings, they emphasize the Voluntary Principles and discuss related guidelines and expectations to be followed throughout the year.

Another Corporate Participant reported on its efforts in 2017 to promote awareness of the Voluntary Principles internally, including:

- Ongoing site visits and engagement with high-risk sites on security and human rights by the company's security and human rights team;
- Supporting priority sites with security risks analysis and management (inclusive of human rights risks);
- Delivering and maintaining Voluntary Principles training for business leaders, persons responsible for security, private security personnel, and public security forces;
- Conducting security and human rights workshops with newly appointed site personnel responsible for security managers – specifically on security and human rights governance, requirements, guidance notes, and tools;
- Providing guidance to sites and business resilience teams on conflict prevention and mitigating security and human rights risks at company operations in southern Africa, southeast Asia, and the Caribbean; and
- Developing new security assurance protocols that will be used to assess site compliance on the company's security standard implementation (inclusive of human rights requirements).

One Corporate Participant said that following the redevelopment of its security operations worldwide, the company's security department organized a three-day security seminar for newly assigned country security officers in November 2017. One half-day session was dedicated to the Voluntary Principles, using case studies and role-playing exercises. Fifty percent of country security managers attended this session. The company states that the remaining 50 percent are scheduled to attend a second course in April 2018.

- ***Examples of promoting and advancing implementation of the Voluntary Principles internationally***

Members of the Corporate Pillar provided examples of diverse engagements with both government representatives and international institutions intended to promote and advance implementation of the Voluntary Principles.

One new member of the Corporate Pillar noted that it recognizes the value of the Voluntary Principles Initiative not only as a mechanism to protect and promote human rights in the extractive sector, but also as an important element of multi-stakeholder efforts to

strengthen and vitalize the global human rights movement writ large. With respect to international promotion and implementation, the company observed that human rights are promoted when the company's financial partners, clients, vendors and stakeholders converge upon the same principles. The same Corporate Participant also facilitates an internal multidisciplinary working group on the Voluntary Principles to shape and advance the company's plan for Voluntary Principles implementation at its mining operations in southeastern Africa and South America.

Several companies and a member of the NGO Pillar reported on their continued involvement with an initiative sponsored by a member of the Government Pillar to promote good governance and human rights in Madagascar's extractive sector. The initiative has focused on implementation of both the Voluntary Principles and the U.N. Guiding Principles on Business and Human Rights and has included joint trainings and roundtable discussions involving companies, government representatives, public and private security forces, and civil society organizations.

One Corporate Pillar reported that the company's security and corporate social responsibility ("CSR") teams participated in a working group with other Participants, as well as non-Participants, to promulgate a Child Rights and Security Handbook. The Handbook includes a checklist to help companies identify key risks and develop procedures designed to identify and prevent abuses of juvenile or other vulnerable populations in or around their operations. The company stated that, in 2018, it intends to review how the company can implement the checklist in its daily operations as well as in ongoing assessments of its operations.

## **2. Government Pillar**

- ***Statement of commitment or endorsement of the Voluntary Principles***

Participants in the Government Pillar noted that implementation of the Voluntary Principles is consistent with a broader commitment to protect and promote human rights. One government noted that it required security contractors engaged to protect government officials and assets to provide training to their personnel on international law, including human rights and humanitarian law. Another government noted that it was working to identify and leverage synergies between the Voluntary Principles, the International Code of Conduct for Private Security Service Providers, the U.N. Guiding Principles, and other global human rights initiatives. Several members of the Government Pillar highlighted the Voluntary Principles as a key tool for implementing the U.N. Guiding Principles in the extractive sector.

As consistent with previous years, multiple governments cited the engagement of diverse ministries, agencies, and departments in discussions regarding the importance of the Voluntary Principles in the context of extractive sector activities. Several governments referenced specific speeches and written publications that highlighted their commitment to the Voluntary Principles.

- ***Statement of commitment to implementation National Action Plan(s), where applicable***

Members of the Government Pillar referenced their commitments to the Voluntary Principles National Action Plans for advancing human rights and security in the extractive sector. Government Participants noted that their National Action Plans codify and articulate their commitment to the Voluntary Principles Initiative and its objectives. Governments discussed how the Plans helped them frame and achieve various goals for raising security and human rights standards, and for engaging in-country stakeholders.

Several Government Participants underscored their efforts to help the Government of Ghana revise and finalize its National Action Plan, including helping government officials identify priorities and opportunities to further implementation efforts that would be conducted under Ghana's Plan. For its part, the Government of Ghana affirmed that implementation of the revised Plan is expected to commence in the second quarter of 2018 with a baseline study to establish the status of human rights and security in the country's extractive sector. Several members of the Government Pillar noted that they are also working with the Government of Argentina to draft its Plan, and look forward to further reviewing and providing input as the Government of Argentina moves to finalize the Plan in 2018.

- ***Describe government engagement in the Voluntary Principles Initiative.***

Members of the Government Pillar reported on efforts to raise awareness of the Voluntary Principles at embassies and missions around the world in order to help facilitate outreach to, and engagement with, host governments. These efforts included the development of toolkits and online resources as well as the delivery of targeted briefings and training programs. Governments also referenced efforts to disseminate information regarding the Voluntary Principles across different government departments and agencies.

Several Government Participants reported that they had worked with other members of the Government Pillar to organize multi-stakeholder conferences, workshops, or other events on the Voluntary Principles. These events reflected the participation of representatives of multiple government agencies, companies, and civil society.

Several Governments referenced their participation in Voluntary Principles Initiative Working Groups, in particular the Implementation Working Group. One Government referenced its involvement in an informal group of Participants that had conducted research and prepared proposals regarding the future governance of the Voluntary Principles Initiative.

Other members of the Government Pillar highlighted their involvement in informal groups of Participants that worked throughout 2017 to develop guidance documents on priority implementation topics, including: security in offshore settings; the rights of children in extractives settings; the vetting of security forces; the use of model clauses in memorandum of

understanding between extractive companies and public security forces; and artisanal and small-scale mining.

Several members of the Government Pillar described their leadership in outreach to several countries that have been identified as priority host governments, adding that their embassies in those countries continue to work with other Government Participants to build external awareness of the Voluntary Principles and support for the Voluntary Principles Initiative.

- ***Describe how the government shares information about efforts to assist in implementation of the Voluntary Principles with other Participants and the public.***

Members of the Government Pillar referenced a range of platforms by which they shared information on their efforts to assist with Voluntary Principles implementation, including: the 2017 Annual Plenary Meeting; National Action Plans; verification presentations; the peer review process for verification presentations; in-country visits to In-Country Implementation Pilot Group countries; and annual reports. Members of the Government Pillar noted that online public communication fora were also helpful in disseminating information on implementation more broadly. Such communications included newsletters and websites dedicated to updates and to informing constituents about national strategies and international standards to which Government Participants adhere.

Other members of the Government Pillar reported that they helped lead other security- and human rights-related efforts and initiatives that reinforce the values of the Voluntary Principles, or that they have collaborated with corporations and civil service entities to promote human rights in the extractive sector. These concomitant efforts allowed for continued networking with other stakeholders to discuss matters such as adverse human rights impacts in the extractive sector. Online media also broaden the audience with which core values and commitments are shared.

Several Government Pillar Members noted that they have, or are planning to, provide financial support for various implementation efforts, including specific projects being planned by the In-Country Implementation Pilot Groups in Ghana, Myanmar, and Nigeria. Several Government Participants noted that in-country implementation continues to be a cornerstone of the Voluntary Principles Initiative, and that the Pilot Groups and other implementation activities will need robust financial resources and human capital in order to successfully carry out their terms of reference. Governments noted their willingness to partner with other Participants to help provide the necessary resources, and/or to coordinate on implementation.

### **3. NGO Pillar**

- ***Describe how you have engaged in the Voluntary Principles Initiative over the past year.***

NGO Pillar Members reported that they had participated in: monthly NGO Pillar meetings; Working Groups; Steering Committee Strategy Retreats; and Annual Plenary Meetings. Members of the NGO Pillar also reported that they had assumed key leadership roles within the NGO Pillar, Working Groups, and the Steering Committee. One NGO underscored its extensive work on the development of a broad set of training materials that embed the Voluntary Principles, and its efforts to promote the training materials to Participants and to the Implementation Pilot Group.

NGO Participants stressed their role in helping to shape the long-term direction of the Initiative and their close engagement through the Steering Committee on key governance and strategy topics. Many NGO Participants also noted their focus on growing the membership of the Initiative. These efforts included outreach throughout the year to prospective host governments that are in various stages of Voluntary Principles implementation and that are considering applying to join the Voluntary Principles Initiative.

- ***Describe efforts to increase transparency, both internally and externally, regarding your efforts to implement or support implementation of the Voluntary Principles.***

Members of the NGO Pillar cited their participation in both the Implementation Working Group and the Governance Working Group. They also reported on their participation in the Steering Committee and their attendance at the 2017 Annual Plenary Meeting.

Members of the NGO Pillar noted their efforts to increase the transparency of their Voluntary Principles implementation efforts. One NGO Participant reported that it made public its efforts to promote the Voluntary Principles through its website, annual reports, and other media publications. Members of the NGO Pillar also reported that they had organized roundtables, briefings, and training sessions to familiarize internal staff with the Voluntary Principles.

Several NGOs noted that programmatic efforts to assist in Voluntary Principles implementation had helped to raise awareness among internal staff even if all staff members were not directly engaged in the specific programs.

Members of the NGO Pillar worked to increase transparency through Pillar members' engagements with stakeholders, in particular through training in the field, multi-stakeholder roundtables to discuss the Voluntary Principles, and other events/presentations where human rights and security issues were the central theme. Several NGO Participants noted that many of these events are broadcast online and often open for the public to attend in person. They remarked that this allows greater and more open access to the Voluntary Principles and allows members of the public to ask clarifying questions.

Members of the NGO Pillar cited their participation in informal groups of Participants to develop best practices, guidances, handbooks and toolkits on the Voluntary Principles. Others

explained that they have issued press releases and assisted in advocacy efforts to promote the Voluntary Principles.

NGO Pillar members welcomed the Steering Committee's proposal to open membership in the Corporate Pillar to a broader set of companies engaged in the development of natural resources in addition to minerals and hydrocarbons.

- ***Describe any efforts to engage in dialogue with other participants in the Voluntary Principles Initiative***

Many members of the NGO Pillar noted efforts to engage in dialogue with other Participants regarding security and human rights challenges. One NGO described its extensive engagement with members of both the Government and Corporate Pillars to discuss specific issues related to in-country implementation efforts.

Members of the NGO Pillar cited engagement with in-country training efforts and their participation in roundtables organized with other Voluntary Principles Participants. Several NGOs cited their work in developing terms of reference for the In-Country Implementation Pilot Groups. NGO Participants also reported on their bilateral engagements with other Participants in the Voluntary Principles Initiative to support and promote Voluntary Principles implementation.

One NGO Participant described how it organized and hosted an outreach session with Canadian NGOs on the sidelines of the 2017 Annual Plenary Meeting. They explained that the event provided a space for increasing the understanding of Canadian NGOs on both the benefits and limitations of the Voluntary Principles. The event demonstrated that there are a wide range of views on the effectiveness of the Voluntary Principles, while also emphasizing the value of both the Voluntary Principles and the Initiative itself to civil society organizations in Canada.

A member of the NGO Pillar explained how it had participated in a meeting on the state of private security in Nigeria and an NGO forum organized by ICoCA. The NGO Participant also participated in a panel discussion with DCAF on the regulation of private security in African contexts. These meetings provided opportunity for a robust appraisal of the state of security and robust dialogue with other Participants, particularly with respect to potential regulatory approaches.

Another member of the NGO Pillar said that it had engaged Government, Corporate, and NGO Pillar members to discuss specific issues with respect to Voluntary Principles in-country implementation activities. The NGO participated in meetings in Nigeria and noted the importance of Participants taking up active roles in various in-country implementation efforts. The NGO Participant further explained that it met with members of the Corporate Pillar and the Government Pillar to discuss Voluntary Principles implementation in Nigeria and coordinating

the launch of the In-Country Implementation Pilot Group in Nigeria. This engagement led to a cross-Pillar consultative meeting.

## **B. POLICIES, PROCEDURES, AND RELATED ACTIVITIES**

The Reporting Guidelines ask Participants to include the following information in their annual reports:

<p><b>Corporate Pillar</b></p>	<ul style="list-style-type: none"> <li>• Relevant policies, procedures, and/or guidelines (or changes thereto from the previous reporting year) to implement the Voluntary Principles</li> </ul> <p><b><i>Risk Assessment</i></b></p> <ul style="list-style-type: none"> <li>• Company procedure to conduct security and human rights risk assessments and integrate findings</li> </ul> <p><b><i>Engagements with Security Forces</i></b></p> <ul style="list-style-type: none"> <li>• Company procedure or mechanisms to report security-related incidents with human rights implications by public/private security forces relating to the company’s activities</li> <li>• Company procedure to consider the Voluntary Principles in entering into relations with private security providers</li> <li>• Company procedure or mechanism to investigate and remediate security-related incidents with human rights implications by public/private security providers relating to the company’s activities</li> </ul>
<p><b>Government Pillar</b></p>	<p><b><i>Rule of Law</i></b></p> <ul style="list-style-type: none"> <li>• As related to the Voluntary Principles, describe relevant policies, legislation, procedures, and/or guidelines relevant to promoting and protecting human rights, consistent with international human rights obligations</li> <li>• As related to the Voluntary Principles, describe (where appropriate and feasible) if the government has conducted or assisted with security sector reform, strengthening of the rule of law, and developing institutional capacities.</li> <li>• Within the context of the Voluntary Principles and in accordance with national and international law, describe how the government takes appropriate steps to prevent, investigate, punish and redress human</li> </ul>

	<p>rights abuses within its territory and/or jurisdiction by third parties, including extractive companies and public and private security providers.</p> <p><b>Verification and Accountability</b></p> <ul style="list-style-type: none"> <li>• Describe progress on the execution of Voluntary Principles National Action Plan.</li> <li>• Provide a summary of the findings of the verification process as outlined in the Government Pillar Verification Framework.</li> </ul>
<b>NGO Pillar</b>	<ul style="list-style-type: none"> <li>• Provide a summary of the findings of the verification process as outlined in the NGO Pillar Verification Framework</li> </ul>

**1. Corporate Pillar**

- ***Relevant policies, procedures, and/or guidelines (or changes thereto from the previous reporting year) to implement the Voluntary Principles***

Members of the Corporate Pillar cited a range of policies, principles, directives, standards, and guidelines by which they have incorporated their commitment to the Voluntary Principles into the management of their operations.

All members of the Corporate Pillar highlighted their work integrating the Voluntary Principles into security guidelines and protocols. In particular, companies referenced how they manage, deploy, and train security resources to understand, use, and respect the Voluntary Principles. Several companies noted that these practices included the insertion of security-related human rights provisions/clauses into contracts with private security providers.

As in past years, many members of the Corporate Pillar noted that they had developed codes of conduct that serve to guide company policy on human rights and security procedures. Through such codes, companies make specific reference to human rights and related voluntary commitments, including the Voluntary Principles.

One new member of the Corporate Pillar active in Latin America reported that it is committed to ensuring that its activities in relation to security align with the Voluntary Principles. Its commitments apply to: mining operations; exploration, and other development activities in which the company is directly or indirectly engaged; and to all outsourced or subcontracted activities across the company’s entire supply chain.

Another Corporate Participant focused on mining in Africa said that some of its business subsidiaries/units have implemented their own Voluntary Principles-specific policies in support

of their commitment to maintain the highest standards with regard to human rights in the application of security measures. For example, the external private security service providers and individuals that are hired as employees at one of its South African business units are evaluated, before being hired, through a due diligence process. The process seeks to determine that providers: (a) do not have a criminal record; (b) are clear of any human rights violations; (c) have not participated in any mercenary work; and (d) have not operated in conflict areas against legitimate governments.

### **Risk Assessment**

- ***Company procedures to conduct security and human rights risk assessments and integrate findings***

All members of the Corporate Pillar said that they employ threat and risk assessment processes to determine what security resources are appropriate at specific operating locations. Many members of the Corporate Pillar stated that the time intervals between risk assessments are dependent upon initial assessments of the relative risk levels of particular locations. Companies also noted that sites that have been identified as higher risk are required to go through additional levels of assessment.

A member of Pillar reported that, in 2017, it engaged third-party, independent experts on global risk analytics to update the human rights risk profile for its hydrocarbon operations in the Pacific. Another company explained that security and human rights-related risks are fully integrated into the risk registers at its operations. The company also reported that the risk assessments completed at its operations in southern Africa included, for the first time, members of the community and local police.

Many Corporate Participants emphasized that potential human rights-related risks are taken into account when developing capital projects, both through the technical criteria that guide project development, and the frameworks that guide corporate decision-making around investment.

In addition to its corporate-level risk assessment, one member of the Corporate Pillar reported that all sites operated by the company are required to complete an annual security risk assessment that includes an assessment of security and human rights-related risks. Sites are required to identify both existing and additional controls to avoid or mitigate such risks. The identified site risks are then sent to the company's global security director for review, and are reported to corporate headquarters, as well as to the company's risk management and assessment department through weekly business planning review meetings.

- ***Company procedure or mechanisms to report security-related incidents with human rights implications by public/private security forces relating to the company's activities***

Members of the Corporate Pillar described robust procedures and mechanisms for reporting security-related incidents with human rights implications. Corporate Participants referenced various internal frameworks and protocols for documenting any allegations of human rights abuses by public and private security and recording any incidents of inappropriate physical force used by security providers in the protection of company personnel and facilities.

One Corporate Participant explained that the most serious security-related human rights incidents might be handled through a direct incident report by the company's site security or community relations departments. Internal and external stakeholders may also report incidents via the company's compliance hotline. Many Corporate Participants also noted the use of internal, anonymous "complaint boxes" that allow all employees and contractors to raise grievances and report any breaches of corporate commitments to security and human rights.

A member of the Corporate Pillar mentioned that when a major incident is reported and investigated, specific actions must be taken in order to secure the operation. The company noted that its collaboration agreement with the Colombian armed forces is crucial to maintain peace and stability where the company operates in Colombia. Another Corporate Participant reported that it employs an enterprise-wide event management system to register, report, communicate, track and address all sustainability-related incidents. The system allows the sites to flag any incident with human rights implications, which prompts an immediate and wide distribution of the event for appropriate investigation and follow up.

The same Corporate Participant noted that, in 2017, it reported on several incidents in which security guards were assaulted by intruders and demonstrated restraint by avoiding the use of lethal force against their assailants. In one event, a guard retreated when intruders entered the site. As a result of the training and emphasis on human rights and situational analysis that incorporates the Voluntary Principles, the guards were able to deter the attacker and avoid a violent confrontation. Like many other Corporate Participants in 2017, the company was able to report that there had not been any pending internal or external investigations of incidents involving public, private, or proprietary security at its operations alleging excessive force or human rights abuses.

- ***Company procedure to consider the Voluntary Principles in entering into relations with private security providers***

Members of the Corporate Pillar noted that they have in place strong vetting procedures for private security providers. Many companies stated that they carry out due diligence on each private security provider that they employ. These due diligence efforts include evaluations of: the provider's professional reputation in the country or industry; reported cases of violence by the provider's personnel; the provider's awareness of security and human rights issues; the provider's screening procedures for its security personnel; the

provider's training programs on the use of force and other Voluntary Principles-related elements.

As in past reporting years, a wide range of Corporate Participants stated that they require all private security contractors to be compliant with: the Voluntary Principles; company policies and procedures on the use of force; and corporate codes of conduct on security and human rights. Many Corporate Participants also noted that their contract language references international standards, including the Universal Declaration on Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

One member of the Corporate Pillar observed that all sites provide training programs for private security personnel that include specific training on the Voluntary Principles, the use of force, and human rights. Where applicable, the sites also ensure that all guards have a current license to bear arms and appropriate weapons qualifications. At the company's operations in Central America, the government also audits the background checks and weapons licenses of all private security guards.

Another member of the Corporate Pillar noted that its contractual agreements with security providers will include a mandatory signed security and human rights addendum, with specific focus on security and human rights training requirements, technical skills and proficiency, ethics and conduct, as well as controls for the use of force, weapons and firearms by private security personnel. In addition, the company holds all private security suppliers accountable to its newly-issued supplier code of conduct.

### **Engagements with Security Forces**

- ***Company procedure or mechanism to investigate and remediate security-related incidents with human rights implications by public/private security providers relating to the company's activities***

Members of the Corporate Pillar described various internal protocols and frameworks for investigating and remediating incidents with human rights implications by public and private security providers.

One company explained that, in the event of an allegation of a human rights violation by public or private security personnel, a complete internal investigation must be conducted in order to develop an understanding of what occurred, what controls are in place, and what additional controls are needed to prevent a similar incident from occurring in the future. The company added that its corporate legal counsel assigns an investigation team comprised of departments that are not directly involved in the incident. In cases involving public security, the company will advocate for an external investigation and subsequently follow up on the findings.

Several companies reported a “zero tolerance” policy for security and human rights-related violations at their operating locations and described a range of measures to enforce company policies and procedures in order to prevent such violations from occurring.

One member of the Corporate Pillar reported that the company’s security and human rights guidance notes provide practical guidance on how to address both security-related incidents with human rights implications and difficult issues at sites/projects where the company does not have full operating control. The company’s business leaders and ethics/integrity officers are committed to fully supporting and cooperating with any inquiry or investigation, and the company said that it expects its security providers to do the same. Direction on the identification, reporting and investigation of potential breaches of the company’s CSR policies, as well as wrongdoings with an associated human rights impact by any employee or security providers, are articulated in the company’s procedures and investigations manuals.

## 2. Government Pillar

- ***As related to the Voluntary Principles, describe relevant policies, legislation, procedures, and/or guidelines relevant to promoting and protecting human rights, consistent with international human rights obligations***

As in previous years, several members of the Government Pillar cited National Action Plans on Business and Human Rights as part of their broader efforts to promote and protect human rights. Governments noted that the Voluntary Principles are a useful tool for clarifying their policies in human rights.

One member of the Government Pillar outlined the policies, treaties, and agreements it uses to promote human rights. That Government Participant reported that it has ratified the International Labour Organization’s eight core conventions, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and the European Convention on Human Rights. In addition, national legislation ensures that citizens have a remedy for the breach of rights that are protected by the European Convention on Human Rights.

Another member of the Government Pillar reported that its inaugural U.N. Human Rights Council (“HRC”) membership is framed by pledges to advance human rights. These pledges reflect specific commitments to: advancing the rights of women and girls; promoting good governance and stronger democratic institutions; promoting and protecting freedom of expression; advancing human rights for indigenous peoples around the globe; and promoting strong national human rights institutions and capacity building. The Government Participant noted that the Voluntary Principles aligns with a number of the commitments, including good governance and stronger democratic institutions, the rights of indigenous peoples, and national human rights institutions and capacity building. The Government Participant posited that Voluntary Principles programs and outcomes could be shaped to contribute to the Government

Participant's promotion of the Voluntary Principles through its HRC leadership. In addition, program publicity and case studies can highlight its linkages to and consistency with our human-rights commitments.

Another member of the Government Pillar discussed its active participation in the development of the International Code of Conduct for Private Security Service Providers, adding that it joined the International Code of Conduct Association in January 2017. The Government Participant said this decision was as an important step to ensuring that private security service providers understand, respect and act in a manner that is consistent with international human rights and humanitarian law.

- ***As related to the Voluntary Principles, describe (where appropriate and feasible) if the government has conducted or assisted with security sector reform, strengthening of the rule of law, and developing institutional capacities.***

Government Participants provided a range of examples of instances in which their posts and home government offices have supported security sector reform, rule of law, and further development of institutional capacities.

One member of the Government Pillar provided several examples of ways that it contributes to strengthening host country natural resource governance, including:

- Support for the African Mineral Development Centre ("AMDC"), which aims to provide technical advice and assistance on mineral development issues to the African Union, African Regional Economic Communities, and member states; and
- Support for an inclusive resource development project in East Africa. The project aims to increase sustainable economic growth for communities hosting natural resource development, including women and vulnerable groups, in Kenya, Tanzania, and Uganda.

Another Government Participant reported that protection of human rights through strong rule of law is a cornerstone of its foreign policy and constitutional values. The Government Participant reported that its policy on international cooperation for the period 2017–2020 explicitly mentions the government's participation in the Voluntary Principles Initiative as part of its international commitments in the area of business and human rights and as reflective of its efforts to establish international standards for CSR. The same Government Participant also explained that its human rights strategy for 2016-2019 states that the government promotes respect for human rights through participation in multi-stakeholder initiatives like the Voluntary Principles Initiative.

One member of the Government Pillar reported that it commissioned a due diligence study to identify industries for which supply chains potentially pose heightened risks of human rights abuses and environmental harm. The study identified 13 priority sectors, a diverse list that includes the construction, metals, electronics, oil and gas, and other energy industries. The

analysis took account of a broad range of risks, including issues related to mining, including child labor, excessive working hours, health hazards, and land grabs.

- ***Within the context of the Voluntary Principles and in accordance with national and international law, describe how the government takes appropriate steps to prevent, investigate, punish and redress human rights abuses within its territory and/or jurisdiction by third parties, including extractive companies and public and private security providers.***

Members of the Government Pillar provided examples of steps that they have taken to prevent, investigate, punish, and redress human rights abuses.

One member of the Government Pillar emphasized strong support of accountability for human rights abuses, as evidenced by its domestic legal and regulatory regime, as well as its deep and ongoing engagement with governments, businesses, and NGOs. The government noted that civil liability is one important element of legal accountability, and domestic tort law provides a powerful tool for accountability. The Government Participant also reported that national laws provide clear remedies for torts committed domestically and mechanisms such as legal aid and class certification enhance accessibility of such remedies. The government went on to explain that contract law provides a useful vehicle for the enforcement of contractual terms against private security providers, and such contracts are enforceable in federal courts.

Another Government Participant cited its national Human Rights Act, which provides individuals within its country a remedy for breaches of rights that are protected by the European Convention on Human Rights. The Act applies to all public authorities and other bodies performing public functions, including, as appropriate, private companies.

- ***Describe progress on the execution of Voluntary Principles National Action Plan.***

Many members of the Government Pillar specifically referenced their Voluntary Principles National Action Plans and the efforts they are making to advance them.

One Government Participant provided detailed background on the progress it has made to finalize and submit its National Action Plan, and referenced its collaboration with Participants in the drafting and editing process. The government reported that it has made significant progress on the Plan in 2017, after finding a way to surmount resource and funding constraints that had previously stymied progress. A revised draft was attached to the Government Participant's 2017 annual report.

- ***Provide a summary of the findings of the verification process as outlined in the Government Pillar Verification Framework.***

Several Government Participants noted their participation in the development and drafting of the Government Pillar Verification Framework.

Members of the Government Pillar reported various ways that they sought to implement verification processes. Several Government Participants stated that they served as peer reviewers for the verification presentations of other Participants or made verification presentations themselves. Several Government Participants added that they plan on making verification presentations, or serving as peer reviewers, at the 2018 Annual Plenary Meeting or at some point later in 2018.

### 3. NGO Pillar

- ***Provide a summary of the findings of the verification process as outlined in the NGO Pillar Verification Framework***

Several NGO Participants noted their participation in the development and drafting of the NGO Pillar Verification Framework.

Members of the NGO Pillar reported various ways that they sought to implement verification processes. Several NGO Participants stated that they served as peer reviewers for the verification presentations of other Participants or made verification presentations themselves. Several NGO Participants added that they plan on making verification presentations, or serving as peer reviewers, at the 2018 Annual Plenary Meeting or at some point later in 2018.

## C. PROMOTION/IMPLEMENTATION

The Reporting Guidelines ask Participants to include the following information in their annual reports:

<b>Corporate Pillar</b>	<ul style="list-style-type: none"> <li>• Overview of country operations selected for reporting</li> <li>• Engagements with stakeholders on country implementation</li> <li>• Voluntary Principles considerations in the selection of private security providers and formulation of contractual agreements with private security providers, as well as public security forces</li> <li>• Examples of supporting outreach, education, and/or training of (i) relevant personnel, (ii) private security, (iii) public security, and/or civil society (e.g., local NGOs, community groups)</li> <li>• Company procedures to review progress on implementing the Voluntary Principles at local facilities</li> </ul>
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<b>Government Pillar</b>	<ul style="list-style-type: none"> <li>• Public communication of commitment to the Voluntary Principles.</li> <li>• Describe how the government engages with external stakeholders on the Voluntary Principles.</li> <li>• Promotion of the Voluntary Principles within the government.</li> <li>• Coordination in-country around the Voluntary Principles.</li> <li>• Describe how the government conducts outreach with domestic extractive companies to encourage them to implement the Voluntary Principles and join the Voluntary Principles Initiative.</li> <li>• Describe how government enables and supports companies in implementing the Voluntary Principles.</li> <li>• Describe how government engages in conflict areas to assist Corporate Participants to help them identify, prevent and mitigate the human rights related risks of their security arrangements.</li> </ul> <p><b><i>Risk Assessment</i></b></p> <ul style="list-style-type: none"> <li>• Describe how the government engages with companies on issues related to company risk assessment.</li> </ul> <p><b><i>Public Security</i></b></p> <ul style="list-style-type: none"> <li>• Describe government efforts to promote and allow for training of public security providers.</li> <li>• Describe how government works with companies around engagement with public security forces.</li> <li>• Describe how the government promotes and enables inclusion of Voluntary Principles language in agreements between companies and public security providers.</li> </ul> <p><b><i>Private Security</i></b></p> <ul style="list-style-type: none"> <li>• Describe government efforts to promote and allow for training of private security providers.</li> </ul>
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	<ul style="list-style-type: none"> <li>• Describe how the government develops appropriate policies and oversight for the government’s own use of private security service providers.</li> </ul>
<p><b>NGO Pillar</b></p>	<p><b>Promotion</b></p> <ul style="list-style-type: none"> <li>• Describe your efforts to raise awareness of and promote understanding of the Voluntary Principles with both internal and external stakeholders.</li> <li>• Describe efforts to engage and facilitate participation of non-member CSOs, affected communities, and other relevant stakeholders in the Annual Plenary Meeting or workshops</li> <li>• Describe your efforts to promote the adoption of the Voluntary Principles into relevant government or corporate policies, as well as international standards and/or guidelines.</li> </ul> <p><b>Country Implementation</b></p> <ul style="list-style-type: none"> <li>• Describe efforts to strengthen the rule of law in the countries where you work.</li> <li>• Describe efforts to conduct and monitor risk assessments for potential human rights violations in the areas where you work</li> <li>• Describe your efforts to strengthen policies, procedures and guidelines related to the implementation of the Voluntary Principles</li> <li>• Describe your efforts to engage with or support engagement with the public security sectors and/or private security sectors in the countries where you work.</li> <li>• Describe efforts to hold Voluntary Principles participants accountable for upholding their roles and responsibilities as members of the Voluntary Principles Initiative.</li> </ul>

**1. Corporate Pillar**

- **Overview of country operations selected for reporting**

Members of the Corporate Pillar provided information on a wide range of operating locations in their annual reports. Examples of these operations include: hydrocarbon production in Cuba, northwestern Canada, and Madagascar; crude production in the West

Qurna oilfield and oil distribution via pipeline distribution systems in Basra and Zubair in southern Iraq; offshore deepwater production assets in Ghana and Kenya; gold mining in South Africa; integrated gas development in Malaysia; gold and precious metal extraction in Argentina, Honduras, and Mexico; precious metal development in Guinea; offshore hydrocarbon production in the Niger Delta region of Nigeria; oil and gas production and exploration in the Democratic Republic of the Congo (“DRC”) and Myanmar; development of oil and gas assets and the administration of such assets in Algeria, Angola, Brazil, Tanzania, and Venezuela; production at the Luwmana Mine in Zambia; extractives operations in Australia, Chile, and Trinidad & Tobago; petroleum production and exploration in Senegal; and the development of natural resources in remote parts of Papua New Guinea.

- ***Engagements with stakeholders on country implementation***

As in previous years, members of the Corporate Pillar reported working and engaging with many local stakeholders to support company efforts to further Voluntary Principles implementation. Many Corporate Participants noted extensive engagements with public and private security forces in connection with their operating sites.

Members of the Corporate Pillar cited: their engagement with Participants in other Pillars during the 2017 Annual Plenary Meetings; meetings of the Implementation Working Group and the Governance Working Group; the Strategy Retreats held by the Steering Committee in May 2017 in Washington, D.C. and October 2017 in The Hague; and meetings of the In-Country Implementation Pilot Groups in Ghana, Myanmar, and Nigeria.

In Colombia, one member of the Corporate Pillar reported on its activities related to socialization and relationship building with local communities that live in the areas where the company has mining properties and in locations of future potential interest. Meetings were held with social leaders and local authorities and institutions with the objective of evaluating the accessibility conditions to the mining titles and applications.

In Peru, a member of Corporate Pillar noted that it has participated in the In-Country Peru Working Group since 2013, but because of staff turnover has not been active in the Working Group in 2016 and 2017. The company added, however, that a new security manager has been assigned responsibility to ensure ongoing implementation of the Voluntary Principles at both the company’s Peruvian mining sites, and the company plans to reengage with the Peru Working Group in 2018.

In Alaska, another member of the Corporate Pillar gave special focus to its revamped firearms training for security providers. The company stated that it has given renewed focus to training and modernization of equipment. The company also reported that: use of force training was overhauled; officer safety programs implemented; firearm platforms were modernized; less-lethal tools were issued; training was delivered; and qualification courses were improved to create a higher standard of proficiency. As part of this process, the

Corporate Participant noted that it undertakes consultation and joint-training exercises with local, state, and federal law enforcement partners.

In the Persian Gulf, another Corporate Participant said that it has encouraged its joint venture partner to formally adopt the Voluntary Principles as well as the company's policy on human rights. While such recommendations have yet to be accepted, the joint venture partner observes all of the Corporate Participant's security procedures, which are based on international standards and the Voluntary Principles.

- ***Voluntary Principles considerations in the selection of private security providers and formulation of contractual agreements with private security providers, as well as public security forces***

Members of the Corporate Pillar described the implementation of processes to conduct vetting of private security personnel. As in past years, all Corporate Participants also reported making reference to the Voluntary Principles in their contractual relationships with private security providers.

A new member of the Corporate Pillar reported on efforts and challenges in implementing security arrangements with public security forces at its operations in Latin America. In Mexico, one of its sites ended its formal security services arrangement with public security forces. The site, however, continues to provide sporadic logistical support in the form of fuel. The site is working to ensure that all forces that receive fuel commit to using the fuel in a lawful manner. To date, the army has not been willing to sign documentation regarding the receipt of the fuel. In providing fuel to the army, the site obtains authorization from the site's general manager, provides fuel directly to the official vehicle, and takes a photograph of the fueling of the truck.

At the same Corporate Participant's operations in Argentina, the site has a limited scope contract with local police for security services in the neighborhood where company personnel live (this arrangement is legal as per Argentine laws). The security is provided when police have days off and they are in plainclothes. The contract requires compliance with the company's policies, including its human rights policy, and Argentine laws.

One Corporate Participant observed that security and human rights issues are incorporated into the contract requirements for its private security service providers at its hydrocarbon operations in Colombia. This includes agreement that security guard services shall comply with the Voluntary Principles and those company policies established for Voluntary Principles implementation as communicated to the security contractor. Agreements with public security forces also include language regarding the Voluntary Principles.

- ***Examples of supporting outreach, education, and/or training of (i) relevant personnel, (ii) private security, (iii) public security, and/or civil society (e.g., local NGOs, community groups)***

Members of the Corporate Pillar described various ways in which they have supported outreach and training efforts.

At one Corporate Participant's higher-risk sites, the company has an extensive training program for their employees and contractors to mitigate the security risk of operating in a potentially violent context. External assessments found that all operating sites have a comprehensive training program where all employees and contractors attend a mandatory two-hour induction on the company's commitment to the Voluntary Principles, respecting human rights, and the security operations at the mine. Private security guards receive more detailed and comprehensive training on the use of force, the Voluntary Principles, and human rights. Armed guards also attend training on weapons use and handling.

A member of the Corporate Pillar explained that, at one of its operating locations, it partnered with a NGO Participant and a range of local stakeholders, including journalists from local radio stations, to produce a radio program that provides information to nearby communities and others on human rights issues, including the Voluntary Principles.

Another Corporate Participant noted that it communicates its human rights policy internally and externally, and that its company-wide human rights online training program is available to all employees. The online program includes a section on Voluntary Principles implementation. The company also reported that it has a range of security and human training products for different target audiences, including a three-day company course on the Voluntary Principles that is available in several languages.

One Corporate Participant described its efforts to carry out training with the Bolivian Armed Forces. The company noted that its corporate security management team created an annual training program together with the Spanish Red Cross Center for the Study of International Humanitarian Law. In 2017, the following courses were carried out:

- Two 30-hour in-person courses on Human Rights and International Humanitarian Law (one in Santa Cruz de la Sierra and the other in La Paz). In 2017, a total of 136 people were given training on these topics including members of the Bolivian Army, the Bolivian Air Force, and the Bolivian Red Cross. A total of 482 members of these institutions have been trained in the six courses carried out since the agreement went into effect.
- Twelve annual scholarships (awarded to the 12 best officers in the in-person courses) to study the Advanced Course on International Humanitarian Law at the International Institute of International Humanitarian Law in Sanremo, Italy. Since the agreement

went into effect, 31 members of the Bolivian Armed Forces have been trained through this course.

- ***Company procedures to review progress on implementing the Voluntary Principles at local facilities***

All members of the Corporate Pillar reported having procedures and mechanisms to review progress that they have made in implementing the Voluntary Principles at local facilities. Several Corporate Participants noted that they utilized gap analyses on security and human rights standards at some, or all, of their sites in 2017.

One Corporate Participant stated that it believes implementation of the Voluntary Principles is most effective when field-level staff “own” the process. Accordingly, the company reported that its security and human rights toolkit is designed to enable local ownership of security and human rights issues. The company added that at the corporate level, it conducts human rights risk assessments at assets deemed to be high risk. This includes an analysis of the extent to which the company is effectively implementing the Voluntary Principles and any gaps that should be addressed.

Another member of the Corporate Pillar reported on its protocols for monitoring security and human rights implementation, including: a security risk analysis and management approach that assesses the adequacy of controls used to mitigate security and human rights risks; security and human rights assistance visits aimed at reviewing and optimizing local implementation of the Voluntary Principles; site weapons and firearms decision review processes that include a holistic review of security and human rights issues with specific emphasis on strict controls to mitigate the risks associated with the use of force; and regular dialogue between company CSR teams and other key groups across the company’s production supply chain to ensure local issues are considered when implementing the Voluntary Principles at operations.

## **2. Government Pillar**

- ***Public communication of commitment to the Voluntary Principles.***

Members of the Government Pillar all reported making extensive efforts to engage the public with regard to the governments’ commitments to implementing the Voluntary Principles. Government Participants noted a variety of outreach initiatives to increase public awareness of the Voluntary Principles and government work to assist implementation.

One Government Participant described the publication of examples of the in-country work done by its embassies specific to the Voluntary Principles. The government also noted the publication of its 2017 annual human rights report, which includes extensive discussion of Voluntary Principles implementation. Furthermore, the government is conducting internal research to better understand awareness of the Voluntary Principles amongst national and

international stakeholders, with the goal of broadening awareness externally over the coming years.

One Government Participant said that it promoted the Voluntary Principles and strong standards in the extractive sector through its chairmanship of the Kimberley Process in 2017. In successfully launching a mandate to reform the Kimberley Process in 2018, the Government Participant and other Kimberley Process stakeholders committed to exploring ways to improve and strengthen the Process, including expanding its scope to address matters such as human rights abuses, forced labor, and smuggling in the diamond supply chain. The government reported that it would continue to promote the Voluntary Principles Initiative through reform of the Kimberley Process and by exploring opportunities for increased engagement and exchange between the initiatives to strengthen human rights and security in the extractive sector.

In May 2017, one member of the Government Pillar launched a CSR/extractives navigation tool, designed to help its national companies, civil society organizations, communities, host country governments, and CSR practitioners more easily access the Voluntary Principles, and other international guidelines on good practices. In 2017, the Government Participant's commitment to, and promotion of, the Voluntary Principles was also highlighted in speaking remarks delivered by government officials at extractive sector-focused meetings and at responsible business events throughout Latin America, Africa, Asia, and Europe, as well as at the OECD.

- ***Describe how the government engages with external stakeholders on the Voluntary Principles.***

Members of the Government Pillar all reported extensive engagements with external stakeholders to advance implementation of the Voluntary Principles. Government Participants also highlighted their unique capacity to frame Voluntary Principles dialogues through bilateral relationships, partnerships, and official engagements with other governments worldwide.

Other members of the Government Pillar described their outreach to companies and civil society organizations to facilitate efforts to address complex security and human rights challenges in the extractive sector. These cross-pillar engagements sought to encourage national-level companies and NGOs to strengthen their relationships with the Voluntary Principles Initiative through discussion of the challenges and opportunities the Voluntary Principles present. Government Participants also reported collaborative partnerships and engagements with national companies who have not yet joined the Voluntary Principles Initiative, including encouraging participation in regional workshops on security and human rights.

- ***Promotion of the Voluntary Principles within the government.***

Members of the Government Pillar discussed various efforts to promote the Voluntary Principles within their respective governments.

In January 2017, one member of the Government Pillar hosted a webinar on human rights and security challenges in complex environments that was co-organized by the ICRC and DCAF. The webinar was focused on trade commissioners based in resource-rich countries and related staff within its own government. The webinar provided an overview of the tools available to trade commissioners in support to their clients in the implementation of security and human rights good practices.

The same Government Participant reported that its natural resources department delivers CSR training and webinars to officers at its embassies and at headquarters. Specific information on the Voluntary Principles continues to be developed for inclusion in training courses for its trade commissioners attending international trade outreach events.

One member of the Government Pillar remarked that it continues to promote the value of the Voluntary Principles across key ministries that share responsibility for implementing the Voluntary Principles nationally. The Government reported that, in 2018, it is committed to securing more involvement from various governmental bodies, including its Petroleum Commission and the National Petroleum Authority, and mining regulatory agencies.

- ***Coordination in-country around the Voluntary Principles.***

Members of the Government Pillar described various ways in which they coordinate with local stakeholders and in-country personnel in order to advance implementation of the Voluntary Principles. Several Government Participants noted that they are actively collaborating with their missions and local stakeholders in Myanmar, Ghana, and Nigeria to help advance the long-term goals of the In-Country Implementation Pilot Groups.

Several Government Participants reported that, in 2017, they maintained close working relationships with other Government Participants, extractive companies, and civil society organizations to promote greater understanding of the Voluntary Principles and to strengthen implementation and effectiveness, including at the in-country level.

One Government Participant explained that its foreign ministry has worked on a number of occasions with its diplomatic missions in priority countries to identify the best ways to promote the Voluntary Principles. Where appropriate, it has asked missions to engage with local Voluntary Principles Participants, host country governments, and other stakeholders on outreach and on-the-ground coordination. Since the launch of the In-Country Implementation Pilot Groups, the foreign ministry has engaged actively with its missions in Ghana, Myanmar, and Nigeria to advance government-to-government outreach.

One member of the Government Pillar said that its human rights department led numerous conversations with desk officers, as well as economic, political, and human rights

officers at headquarters and at embassies, to educate them on the Voluntary Principles and the Initiative. This has helped increase the flow of information between headquarters and embassies regarding human rights and security challenges in the extractives industry. The Government Participant reported that it has also created outreach and implementation opportunities and helped raise the profile of the Voluntary Principles on the ground.

- ***Describe how the government conducts outreach with domestic extractive companies to encourage them to implement the Voluntary Principles and join the Voluntary Principles Initiative.***

Members of the Government Pillar reported on government-led initiatives to advance Voluntary Principles implementation and efforts to encourage companies to join the Voluntary Principles Initiative.

One member of the Government Pillar highlighted that it participated in all roundtables, events, and calls organized by a major multi-stakeholder dialogue initiative in the country. The initiative includes 10 national companies in the oil sector, which provided the government with opportunities to promote the value of the Voluntary Principles and to encourage companies in the country's extractive sector to join the Voluntary Principles Initiative.

Another Government Participant noted its convening authority and efforts to invite a number of national extractive companies to attend the 2017 Annual Plenary Meeting as Invited Guests, so that they might become more knowledgeable on the Voluntary Principles, learn how to implement them at extractive operations in the country, and consider joining the Initiative.

- ***Describe how government enables and supports companies in implementing the Voluntary Principles.***

Members of the Government Pillar described general and specific ways that they work with companies to further Voluntary Principles implementation. One Government Participant reported that, as a follow-up to the issuance of a government background report on commodities, which included recommendations for extractive sector operators, it is also supporting development of a guide for the implementation of the U.N. Guiding Principles by the commodities trading sector.

A member of the Government Pillar noted that its broad engagement with companies on Voluntary Principles implementation efforts are enshrined in the government's commitments to the Voluntary Principles themselves. The government explained that the ever-increasing profile of its national companies with international operations and the government's internationally-recognized expertise in responsible mining provides the foundation for the government's involvement and leadership in the Voluntary Principles Initiative.

The same Government Participant also noted that in 2017 it continued forward with plans and efforts to promote best practices in the extractive sector by: delivering on its National

Action Plan; strengthening the established community of practice on the Voluntary Principles within its country; and by using its leadership role in the Kimberley Process to promote Voluntary Principles implementation among extractive sector companies.

- ***Describe how government engages in conflict areas to assist Corporate Participants to help them identify, prevent and mitigate the human rights related risks of their security arrangements.***

Members of the Government Pillar described tools and processes that they have developed to assist members of the Corporate Pillar, directly and indirectly, in their management of human rights-related risks in security operations.

Several members of the Government Pillar noted their close involvement with Observers and NGO Participants to develop guidance and toolkits for Corporate Participants in relation to companies' engagement with public and private security forces, as well as with communities in complex environments.

One Government Participant reported that its counsellor's office and its trade commission service both serve as information and support focal points for national companies operating abroad, including in conflict areas. The government emphasized that it is actively engaged in various countries, including in countries experiencing active conflict, such as Colombia and the DRC. In addition to activities led by its embassies, the Government Participant noted that it also works with companies and other stakeholders through its active support of the International Conference on the Great Lakes Region.

### **Risk Assessment**

- ***Describe how the government engages with companies on issues related to company risk assessment.***

Members of the Government Pillar stressed the importance of providing public security providers with the proper training on human rights and the use of force. They further explained that fora like the Voluntary Principles Initiative could provide a framework for businesses to cooperate in the implementation of human rights-focused security by public security providers.

One member of the Government Pillar reported that its trade commission service provides information and training as relevant and/or requested on the Voluntary Principles, as well as other guidelines that provide for risk assessment and mitigation such as: the OECD Due Diligence Guidelines for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas; the Kimberley Process Certification Scheme; the OECD Due Diligence Guidance for Meaningful Stakeholder Engagement in the Extractive Sector; and the U.N. Guiding Principles.

### **Public Security**

- ***Describe government efforts to promote and allow for training of public security providers***

Members of the Government Pillar stressed the importance of providing public security providers with the proper training on human rights and the use of force.

One Government Participant reports on its International Police Peacekeeping and Peace Operations Program, which is jointly managed by the foreign ministry, and several public security divisions. Through the Program, police officers are deployed to international peace support operations or other stabilization efforts. Prior to their deployment to U.N. peace operations, all candidates must complete training modules on various human rights considerations, including the promotion of gender diversity and briefings on sexual and gender-based violence.

A member of the Government Pillar said its policies make clear that the Voluntary Principles provide a framework for businesses to cooperate with the implementation of security by public security providers. The Government Participant stated that adequate and effective training for public security providers is a key component of preventing human rights abuses and, that it has funded projects to implement effective training.

- ***Describe how government works with companies around engagement with public security forces.***

Members of the Government Pillar reported on their work with companies regarding public security engagement. Several Government Participants noted that they consistently encourage extractive sector companies working with public security to use the Voluntary Principles as a method to reduce and ultimately eliminate human rights incidents.

One member of the Government Pillar reported on its efforts to support the training of public security officers in Kenya. The project delivered human rights, conflict management, and Voluntary Principles-focused training directly to Kenyan public security forces in the Turkana region in order to reduce the risk of future human rights incidents. A human rights consultancy that specializes in training was chosen as a partner for the project and delivered the training in December 2017. The project built on ongoing work by Corporate Participant to encourage the Kenyan security forces to build a joint approach to security. A proposed second phase of the project is being developed and will focus on a “train the trainer” approach. A small group of individuals providing public security will be identified to receive training and then act as trainers to deliver the training to a wider number of public security forces personnel.

- ***Describe how the government promotes and enables inclusion of Voluntary Principles language in agreements between companies and public security providers.***

Governments cited a range of efforts to promote inclusion of language regarding the Voluntary Principles in agreements between companies and public security providers. One

Government states that its trade commissioners have actively promoted the Voluntary Principles in advising companies operating abroad on responsible business practices. The Government has also been a proponent of the model clauses for agreements with public security providers that were approved by the Plenary at the 2016 Annual Plenary Meeting.

A Government Participant reported that it encourages extractive companies working with public security to use the Voluntary Principles as a method to reduce and ultimately eliminate human rights incidents and welcomes the work on the proposed template for memoranda of understanding between host governments and companies.

### **Private Security**

- ***Describe government efforts to promote and allow for training of private security providers.***

Members of the Government Pillar reported examples of their efforts to further the training of private security providers on human rights-related matters.

One member of the Government Pillar reported that one of its officials serves as a Director on the Board of International Code of Conduct for Private Security Providers Association (“ICoCA”). Through this, member companies are now going through the process of certification to ICoCA’s operating standards. ICoCA has also launched a mechanism for complaints to be received directly by the organization at which point a process of assessment and follow-up will be initiated. In 2017, representatives of the Government Participant visited Nigeria and Iraq to talk to private security companies, clients, and NGOs about the current issues and landscape for provision and use of security around extractive sector operations.

The Government Participant explained that it continues to encourage all states, businesses, and NGOs contracting private security providers to recognize ICoCA membership, and certification to relevant standards, in their contracting processes.

- ***Describe how the government develops appropriate policies and oversight for the government’s own use of private security service providers.***

Several Governments cited their respective roles in the ICoCA and ways in which they ensure human rights are respected in their own agreements with private security providers.

Another Government stated that it had sponsored the development of management standards for private security providers that are based on the Montreux Document and International Code of Conduct for Private Security Providers. In addition, parts of the Government are now requiring membership in the ICoCA as a condition of contracts with private security providers.

A member of the Government Pillar reported that its defense forces are required to demonstrate compliance with either: (1) national standards for assuring the quality of private security providers, including with respect to human rights commitments; or (2) ISO 18788, which provides a framework for the management of private security operations in a manner that respects human rights.

### 3. NGO Pillar

#### Promotion

- ***Describe your efforts to raise awareness of and promote understanding of the Voluntary Principles with both internal and external stakeholders.***

Members of the NGO Pillar reported extensive efforts to promote and raise awareness regarding the Voluntary Principles among diverse stakeholders. Several NGO Participants noted that they consider the Voluntary Principles to be a valuable entry point for company engagement with host country governments and civil society organizations regarding the promotion of security and human rights issues.

Another member of the NGO Pillar cited its involvement in the ongoing development and promotion of model clauses for agreements with public security providers. The NGO has sought to raise awareness of the model clauses among both NGOs and companies.

Consistent with its efforts in previous years, one member of the NGO Pillar reported that it promoted the Voluntary Principles directly with companies at both the project- and corporate-level. The NGO's efforts included the facilitation of discussions focused on the value of the Voluntary Principles to companies in the oil and mining sectors, as well as outside the extractive industry, in sectors such as renewable energy, agribusiness, and infrastructure.

- ***Describe efforts to engage and facilitate participation of non-member CSOs, affected communities, and other relevant stakeholders in the Annual Plenary Meeting or workshops.***

Members of the NGO Pillar stated that they would host a civil society meeting comprised of NGO Pillar and non-Participant civil society organizations immediately prior to the 2018 Annual Plenary Meeting. Other members of the NGO Pillar also drew attention to the engagement of non-Participant civil society organizations through a range of workshops and events in 2017.

Members of the NGO Pillar reported on their efforts to help convene meetings and workshops that supported the work of the In-Country Implementation Pilot Groups in Ghana, Myanmar, and Nigeria. These meetings often included a wide cross-section of local non-Participant civil society organizations and affected community stakeholders and provided opportunities to discuss promotion and implementation of the Voluntary Principles.

Members of the NGO Pillar also discussed the extensive multi-stakeholder engagements between NGO Participants and local non-Participant NGOs as part of the Voluntary Principles country visit to several regions in Nigeria in February 2018.

- ***Describe your efforts to promote the adoption of the Voluntary Principles into relevant government or corporate policies, as well as international standards and/or guidelines.***

Members of the NGO Pillar described various ways in which they have promoted the incorporation of the Voluntary Principles into policies and international standards.

One NGO reported that it continues to engage the Government of Nigeria regarding the Voluntary Principles, through an inter-ministerial committee to develop Nigeria's position and potential policies on the Voluntary Principles. The NGO Participant also noted that it encouraged the Nigerian police to incorporate the Voluntary Principles in their weekly personnel lectures and in their human rights policies.

#### **NGO Pillar Country Implementation**

- ***Describe efforts to strengthen the rule of law in the countries where you work.***

Members of the NGO Pillar reported on operations and activities in a diverse range of country and regional settings. All members of the NGO Pillar described efforts that they have made to strengthen rule of law and respect for human rights.

In the DRC, a member of the NGO Pillar reported that it has been involved in reform efforts specific to police forces since 2009. The NGO Participant facilitated the drafting of the community policing doctrine adopted in March 2010 by the National Police, and contributed to the drafting at ministerial level of a by-law establishing public security oversight local bodies chaired by a civilian authority. The NGO also assisted a ministerial working group in drafting a guidebook for these new bodies. The NGO noted that it further supported the strengthening of the Ministry of Interior in supervising the police and currently support the introduction of community policing in two DRC cities: Lubumbashi and Mbuji-Mayi.

In Ghana, one member of the NGO Pillar explained that its engagements with security forces in the country have become even more critical in the past year, as the Ghanaian Government rolls out Operation Vanguard, which seeks to tackle the endemic issue of small-scale and informal mining in various parts of the country. In response, the NGO Participant reported that it has engaged extensively with security forces and the relevant ministries to assist with internal efforts at ensuring that the mission is conducted in a manner that respects human rights and the rule of law. Further to this, the NGO stated that the In-Country Implementation Pilot Group in Ghana has also begun examining reforms to the country's laws and regulations governing private security forces, with the hope that that sector will be further formalized and subject to more effective oversight in the future.

In Colombia, one NGO Participant reported that it continued to seek ways to promote the right to effective remedy on behalf of victims of human rights violations that have been associated with past and present security challenges in the extractive sector. The NGO's efforts have included engagement with government authorities, companies, victims, home governments, buyers, and other stakeholders in the coal supply chain.

In Canada, a member of the NGO Pillar reported that it sent Prime Minister Trudeau a letter in support of creating a human rights ombudsperson for the Canadian extractive sector. The NGO provided recommendations around credibility, accessibility, and transparency of the ombudsperson and outlined the importance of the ability to trigger investigations and ensure meaningful remedy. The NGO also submitted recommendations to the U.N. Working Group on Business and Human Rights on the overseas operations of Canadian extractive companies and recommended that the Working Group engage with the Canadian Government on the establishment of an ombudsperson's office.

- ***Describe efforts to conduct and monitor risk assessments for potential human rights violations in the areas where you work.***

Members of the NGO Pillar reported that they viewed and used risk assessments as an essential management tool to guide the implementation of projects in high-risk environments.

As part of its work in western Africa, one NGO Participant reported that it has been tasked with performing risk assessments of commercial operations on behalf of investors, and has communicated any concerns directly with the investors, working together with the operations concerned to ensure that appropriate remedial steps are taken in response to such concerns, and that policies and practices are improved to ensure similar issues are prevented from reoccurring in the future.

In Nigeria, a member of the NGO Pillar referenced its creation of a human rights clinic that responds to cases of human rights abuses, supports dispute resolution within the extractive sector, and facilitates dialogue – especially between oil producing communities and security agencies protecting oil facilities in the Niger Delta. The clinic monitors and coordinates its activities and continues to provide a non-judicial remedy mechanism to the public. The clinic receives complaints from the public on human rights-related issues and channels complaints to relevant security agencies for remedy.

Following up on a multi-phase risk assessment designed to avoid clashes linked to the elections in Madagascar, another NGO Participant worked with a Corporate Participant at a leading mining site in the country to launch a second, 3-year-long study in March 2017, building on previous assessment phases. The goal of the second phase is to increase trust and collaboration among local actors in order to promote local development in an expanded target zone along the mine's pipeline. Periodic meetings with representatives of the mining site were organized to share project progress and the results of the risk and conflict assessment. The NGO reported that it would continue to roll out project activities in 2018. These activities will

be informed by the findings of the conflict assessment and by the recommendations formulated through review of activities undertaken.

- ***Describe your efforts to strengthen policies, procedures, and guidelines related to the implementation of the Voluntary Principles***

Members of the NGO Pillar provided multiple examples of ways in which they are working to strengthen policies, procedures, and guidelines intended to promote implementation of the Voluntary Principles.

One NGO Participant reported that its approach to the Voluntary Principles is based on the contexts and unique needs/interests of the communities in which it works in Africa. Regarding its efforts to strengthen policies on implementation of the Voluntary Principles, the NGO said that it is especially focused on:

- Empowering communities to hold duty bearers accountable;
- Strengthening civil society to increase knowledge and expand engagement;
- Partnering with extractive companies to strengthen and expand knowledge and promote policy reform;
- Partnering with government to ensure compliance; and
- Creating effective mechanisms for dialogue, joint problem solving, and networking.
- ***Describe your efforts to engage with or support engagement with the public security sectors and/or private security sectors in the countries where you work.***

Members of the NGO Pillar reported on activities by which they supported engagement with security forces to strengthen human rights compliance.

In Papua New Guinea, one NGO Participant described its ongoing efforts to implement recommendations from an earlier report on violence against women perpetrated by private security personnel in the gold mining sector.

One NGO Participant stated that, in Nigeria, it has engaged the military and police high commands, as well as state commands, with respect to the need to strengthen established human rights grievance mechanisms in different security formations across the country. The NGO has made recommendations as to training modules that will inform security agencies with respect to leading practices in the protection of human rights and fundamental freedoms. The recommended trainings are also intended to strengthen civil society-security relations and grievance mechanisms within the security forces.

- ***Describe efforts to hold Voluntary Principles participants accountable for upholding their roles and responsibilities as members of the Voluntary Principles Initiative.***

Members of the NGO Pillar reported on a number of efforts to hold other Participants accountable with respect to their roles and responsibilities as members of the Voluntary Principles Initiative.

Several members of the NGO Pillar noted that the text of the Voluntary Principles requires that Corporate Participants ensure that key staff members are aware of their human rights responsibilities and that those responsibilities are considered when making security arrangements.

## **D. LESSONS AND ISSUES**

The Reporting Guidelines ask Participants to include the following information in their annual reports:

<b>Corporate Pillar</b>	<ul style="list-style-type: none"> <li>• Lessons or issues from this reporting year, as well as plans or opportunities to advance the Voluntary Principles for the organization</li> </ul>
<b>Government Pillar</b>	<ul style="list-style-type: none"> <li>• To help determine what best practices and lessons learned can be leveraged going forward, provide a summary of issues from this reporting year, as well as plans or opportunities to advance the Voluntary Principles for the government, (e.g. successful/unsuccessful engagement and implementation; from lessons learnt any changes to future priorities and plans for continued or emerging opportunities)</li> </ul>
<b>NGO Pillar</b>	<ul style="list-style-type: none"> <li>• Lessons or issues from this reporting year, as well as plans or opportunities to advance the Voluntary Principles for the organization</li> </ul>

### **1. Corporate Pillar**

- ***Lessons or issues from this reporting year, as well as plans or opportunities to advance the Voluntary Principles for the organization***

Members of the Corporate Pillar Participants identified a variety of lessons and recommendations with regard to the Voluntary Principles generally, as well as with regard to implementation efforts specifically:

#### *Engagement & Dialogue*

- There is tremendous value added when company security personnel directly engage with communities.
- Early involvement of the Asset Protection and Social Performance (SP) teams in the planning stage of all major activities including seismic will enhance better stakeholder engagements for the overall benefit of the business unit.
- One member of the Corporate Pillar discussed the lessons it learned from engaging public and private security forces through a Voluntary Principles workshop the company supported in Colombia in May 2017. Through feedback during and after the workshop, the company decided to include public security officers in its subsequent “Community Roadshows” and to provide specialized training to them.
- A member of the Corporate Pillar said that its membership has allowed the company to appreciate the power and value of a multi-stakeholder initiative in facilitating dialogue between Pillars to advance security and human rights goals.

#### Awareness & Training

- In reviewing their security protocols with respect to the Voluntary Principles, some Corporate Participants found that training materials and programs need to focus more on the practical application of the Voluntary Principles as well as on topics that are relevant to security guards’ day-to-day functions.
- Corporate Participants should continue to foster a broader understanding of the Voluntary Principles throughout their businesses operations and capitalize on opportunities to deliver awareness/training sessions on the Voluntary Principles where appropriate.
- One member of the Corporate Pillar reported that it would continue to develop a broader understanding of the Voluntary Principles across its global businesses units. The company added that it would seek opportunities to meet with and discuss the Voluntary Principles throughout its operations and would capitalize on opportunities to deliver awareness/training sessions on the Voluntary Principles where appropriate. In this vein, the Corporate Participant also noted that its internal awareness e-learning module would be relaunched in 2018.
- One Corporate Participant with extensive operations in West Africa said it employed a new approach to trainings on the Voluntary Principles. This approach included asking trainees attendees to read up on the Voluntary Principles and then to present to their colleagues on their understanding of the Voluntary Principles and on their sense as to whether they have or have not implemented the Principles in the past.

- One Corporate Participant reported that participation in the In-Country Implementation Pilot Groups has raised more localized awareness of the Voluntary Principles, and has the potential to drive more effective implementation on the ground as well as outreach to potential member governments.

#### Integration into Corporate Management Systems

- It is necessary to ensure that formal instruments exist to both articulate and reinforce Voluntary Principles obligations and the company's expectations.

## 2. Government Pillar

- ***To help determine what best practices and lessons learned can be leveraged going forward, provide a summary of issues from this reporting year, as well as plans or opportunities to advance the Voluntary Principles for the government, (e.g. successful/unsuccessful engagement and implementation; from lessons learnt any changes to future priorities and plans for continued or emerging opportunities).***

Members of the Government Pillar Participants identified a variety of lessons and recommendations with regard to the Voluntary Principles generally, as well as with regard to implementation efforts specifically:

#### Engagement & Dialogue

- Close engagement between governments and companies can contribute to a more transparent and open communication between all VP stakeholders, including civil society, about security and human rights issues.

#### Membership & Outreach

- Several Government Participants stated that increasing membership in the Voluntary Principles Initiative is a critical long-term goal. Even in circumstances in which membership is not a realistic short-term objective, increasing awareness regarding the Voluntary Principles can encourage companies to incorporate the Principles into their operations, which will help lessen the chances of conflict.
- Based on past years' experiences, several Government Participants reported that outreach should be undertaken in a way that makes it clear whether one is encouraging implementation of the Voluntary Principles or encouraging an application for membership in the Voluntary Principles Initiative.
- One Government Participant said that it sees value in a staged approach to outreach and increasing membership in the Voluntary Principles Initiative. This includes an

incremental approach to government membership and corporate implementation of the Voluntary Principles.

- Several members of the Government Pillar reported that they supported the proposal to expanded Corporate Entry Framework to allow for the admission of a broader range of companies involved in the development of natural resources. Another Government Participant remarked that it supports making the Voluntary Principles as accessible as possible by reducing barriers that may limit participation.
- Outreach is more efficient when efforts are focused on a limited number of governments and when embassies on the ground are engaged and ready to provide support.
- The Initiative needs to strengthen the NGO pillar by expanding membership and ensuring that the voice of civil society and affected communities is heard. This should include the recruitment of NGOs that participate actively in Voluntary Principles debates and exercise their role of monitoring participants' activities to implement the Voluntary Principles.

#### *In-Country Pilot Groups*

- Members of the Government Pillar emphasized the importance and value of continuing to support the further development of the In-Country Implementation Pilot Groups. They added that their long-term success would be a crucial step towards demonstrating the overall value that the Voluntary Principles Initiative can provide.
- The In-Country Implementation Pilot Groups are a good initiative that can contribute effectively to improved implementation, strengthened cooperation among participants at local level, and heightened awareness of host governments on the Voluntary Principle. It may also lead to the geographical expansion of the Voluntary Principles Initiative membership, which in turn will require adjustments in the Voluntary Principles Initiative's structure and functioning. However, for the in-country groups to set off and work effectively, the active participation and financial support of several members from all three Pillars is required.

#### *Verification Efforts*

- A member of the Government Pillar observed that the Voluntary Principles Initiative has been considerably strengthened over the last several years. In order to build the accountability, credibility, and effectiveness of the Initiative, all Participants should continue to focus on support for in-country implementation and verification of implementation. The Government Participant stressed that verification is important to help convey to Participants and the public that governments, NGOs, and companies are meeting their commitments pursuant to the Voluntary Principles.

- Good reporting requires comprehensive tracking. A Government Participant noted that a challenge it faced in putting together its 2016 annual report was insufficient tracking of its outreach and promotion of the Voluntary Principles and the Voluntary Principles Initiative. The Government reported that it had made significant gains with respect to its tracking efforts and these efforts helped inform its 2017 annual report.

#### Administration of the Voluntary Principles Initiative

- One member of the Government Pillar said that the major challenge to increasing efforts by the Government and NGO Pillars to promote implementation of the Voluntary Principles remains funding/budgetary constraints.
- It is important that new government participants as well as older ones that have not taken this role yet, join the Steering Committee and take on the role of Chair as soon as possible and as soon as their Voluntary Principles experience allows it. It is also important that the governments in which In-Country Implementation Pilot Groups are developed join the initiative to reinforce its legitimacy.

### 3. NGO Pillar

- ***Lessons or issues from this reporting year, as well as plans or opportunities to advance the Voluntary Principles for the organization***

Members of the NGO Pillar identified a variety of lessons and recommendations with regard to the Voluntary Principles generally, as well as with regard to implementation efforts specifically:

#### Lessons from Implementation Efforts

- Project-level implementation has limitations in what it can achieve, but it can have quite significant impacts nevertheless. NGO Participants have identified critical improvements in security and human rights situations that may be the result of Voluntary Principles implementation, but that are not claimed as such for a variety of reasons.
- An NGO Participant said that it has learned key lessons with respect to implementation from its work in support of the Ghana In-Country Implementation Pilot Group, as well as efforts to advance the Voluntary Principles in Indonesia. From these projects, the NGO said that, in 2018, it would partner with two Observers to conduct a study into lessons learned from Voluntary Principles national-level processes in Colombia, DRC, Ghana, Indonesia, Nigeria, and Peru. The findings of this study will hopefully provide a useful resource for future in-country work.

### Implementation Challenges

- One member of the NGO Pillar reported that the areas outside mines or strategic industrial sites that fall under the control of the territorial public security forces are among the most vulnerable areas with respect to potential human rights incidents. Training of territorial police or gendarmerie units might not be enough; a training package should reach out to civilian authorities (governors, préfets, and their deputies) who, in most jurisdictions, are responsible for public order.
- One member of the NGO Pillar observed that that the Voluntary Principles are an important human rights standard, but that the critical test will be their implementation by companies, the development of tangible plans to successfully advance and demonstrate implementation, and the creation of a sustainable governance structure.
- One member of the NGO Pillar reported that many Corporate Participants focus their implementation efforts on aspects of the Voluntary Principles that allow them to make a difference on their own, like conducting risk assessments. The NGO added that the Voluntary Principles Initiative offers little guidance on other important, but more complicated or sensitive aspects - for instance, how to determine the implications of conflict analysis, how to ensure adequate community consultations in polarized environments, or which consequences the absence of the rule of law should have. Such questions may not always be well addressed by Participants.
- Another NGO Participant said that the role of national and local governments in the implementation of the Voluntary Principles must be elevated. Many issues faced by rural communities stem from a lack of government buy-in and support. To help manage and set the proper expectations, the Voluntary Principles Initiative and its Participants must engage governments at all levels.

### Awareness & Training

- One member of the NGO Pillar reported that the open access training materials, guidebooks, and resources that broadly available to those seeking to implement Voluntary Principles are primarily meant for managers. The NGO identified a demand for resources that translate the abstract guiding principles into a language adapted for guards with little education.

### Membership & Outreach

Growing the membership of the Voluntary Principles Initiative and attendance at the Annual Plenary Meetings are not necessarily measures of success, as several Corporate and NGO Participants with strong human rights commitments have left the Voluntary Principles Initiative.