



## 2018 Annual Report Voluntary Principles on Security and Human Rights

### **A-B. Commitment**

PAX joined the Voluntary Principles in January 2003 and is committed to its purpose. We regard the VPs as a useful tool to reduce direct involvement of companies to human rights violations in relation to their security provision.

In 2018 in addition to irregular meetings and consultations with individual government, corporate, and NGO participants, we served in the

- ✓ Steering Committee of the VPI
- ✓ Board of Directors of the VPA
- ✓ Implementation Working Group; and took part in
- ✓ NGO Pillar meetings,
- ✓ The 2018 Plenary meeting, and
- ✓ the May 2018 strategic retreat under the British presidency.

We are strongly committed to the effectiveness and credibility of the VPI.

### **C. Promotion**

Nothing much to report.

We have been approached several times by creditors and shareholders who sought to better understand the relevance of the VPSHR and VPI membership for their sustainability goals. We have done our best to explain this.

### **D. Country Implementation**

Nothing to report.

The relevance of the VPSHR for our work in high-risk environments has diminished. The mining industry plays an important role in DRC's disastrous political system, but the VPSHR do not address any of the underlying issues, nor does it directly address local conflict dynamics. In South Sudan, implementation of the VPSHR would arguably have made a difference over the past few years, but the oil companies that operate in the country show no interest in our best practices. In Colombia, the end of the civil war as we know it seems to transform violence rather than ending it. The VPSHR seems to have little to offer here, and is not truly relevant for the reconciliation and peacebuilding process that we are involved in with Glencore/Prodeco.

## E. Lessons and Issues

Whilst the relevance of the VPSHR for our work on the ground has diminished, PAX would like to share some thoughts about opportunities and challenges that the VPI is faced with today.

- ✓ How relevant are VPSHR after 18 years? Even though most VPI company members have their issues, they rarely seem to be directly contributing to major and systematic security-related human rights abuses. It is entirely possible, though not certain that VPSHR implementation is a key factor in this. On the other hand, large operations of VPI members do not necessarily have an overall positive impact on the security and the human rights situations of communities. Willy-nilly, many play a role in protracted social, economic, environmental, and political conflicts. The VPSHR are not designed to prevent or mitigate these conflicts, but to manage their immediate security and human rights consequences. The Risk Assessment part of the VPSHR is about getting the security context right, much less on tackling conflict drivers. 18 years ago, this clear focus was a strength. As the VPSHR have become widely accepted in the industry, its limitations are becoming more prominent. The VPI would gain in relevance if it would broaden its understanding of Risk Assessments and include directly addressing conflict drivers.
- ✓ A major challenge today is the shrinking free space for citizens to defend their human rights. The basic assumption under the VPSHR is the recognition of the constructive role that business and civil society – including non-governmental organizations, labour/trade unions, and local communities – can play to promote respect for human rights. Full VPSHR implementation is simply impossible in dictatorial and repressive countries. This has been an NGO Pillar priority for several years and has been largely ignored by other members. It is paramount that the VPI starts acting decisively on this matter.
- ✓ Joint engagement by multiple companies, supported by their home governments, can make a difference, but is surprisingly unusual. Many corporate human rights policies are basically about keeping clean hands. That doesn't work in abusive environments. The value of the VPI is that it offers a platform for companies, governments and NGOs to challenge human rights violators together. Creating an enabling environment for human rights is a crucial implementation issue that in-country working groups should address. We are yet to see that it is actually tabled.
- ✓ Many company members of the VPI focus their implementation efforts on aspects of the VPs that allow them to make a difference by themselves, like conducting Risk Assessments or providing human rights education to security providers. The VPI 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 polarised environments, how to deal with government requests that go against the spirit of the VP, or which consequences the absence of the rule of law should have. Such questions may not always be well addressed by all members. In some circumstances, for instance, not just any, but *effective* engagement with the authorities should be an implementation requirement. Protection of vulnerable people may at times require public, decisive and unilateral action. The best practices that have been developed in 2018 provide little

guidance on sensitive implementation issues. After 18 years, it is time for the VPI to identify and address all outstanding implementation challenges and provide clear guidance on how to deal with them. In doing so, the VPI will also have to determine if there are any red lines that members should not cross.

- ✓ The VPI is moving slowly and sometimes seems to be sailing without a captain or clear purpose. Some important aspects of the 2016-19 strategic plan remain to be addressed. The 2017 decision to prioritise pilot in-country working groups and best practice development has been partly successful, but for a high-profile initiative like the VPI, our ambitions are modest and our achievements too slow in coming.
- ✓ The VPI has no monitoring system, no strong rules for participation, cannot show the security and human rights impact of its efforts and does not establish clear walls between those inside and those outside. Apart from the in-country working groups, it is essentially a network with an annual conference to exchange whatever we wish to exchange with others. The governance structure of the VPI is heavier than seems necessary to fulfil this function.
- ✓ PAX will evaluate its membership of the VPI in 2019, taking the above observations into account.