

The background of the report cover is a photograph of a construction site. In the foreground, there is a wooden structure, possibly a formwork or scaffolding, with several vertical wooden posts. The ground is uneven and appears to be dirt or sand. In the upper right corner, a person wearing a red shirt is partially visible, seemingly engaged in some work. The overall scene is somewhat hazy and dusty, suggesting an active construction environment.

VPSHR 2020 ANNUAL REPORT

REPORT ON ACTIVITIES AND OUTREACH
FOR THE VOLUNTARY PRINCIPLES ON
SECURITY AND HUMAN RIGHTS



For over 60 years, The Fund for Peace (FFP) has been a world leader in developing practical tools and approaches for reducing conflict. With a clear focus on the nexus of human security and economic development, FFP contributes to more peaceful and prosperous societies by engineering smarter methodologies and smarter partnerships. FFP empowers policy-makers, practitioners, and populations with context-specific, data-driven applications to diagnose risks and vulnerabilities and to develop solutions through collective dialogue. FFP is an independent tax-exempt non-governmental organization headquartered in Washington, D.C. with offices in Abuja, Nigeria and Tunis, Tunisia. FFP boasts six decades of programmatic experience in over 40 countries, focused on conflict early warning, peacebuilding, and sustainable development.

Copyright © 2021 The Fund for Peace.
All rights reserved.

No part of this publication may be reproduced or transmitted in any form or by any means without prior written consent from The Fund for Peace.

Cover image: FFP

The Fund for Peace
1101 14th Street NW, Suite 1020
Washington, D.C. 20005
T: +1 202 223 7940
www.fundforpeace.org

VOLUNTARY PRINCIPLES ANNUAL REPORT 2020

COMMITMENT TO THE VOLUNTARY PRINCIPLES

1 FFP is highly active within the VPSHR, as a member of the VPSHR Association (VPA) Board of Directors since 2016 (after previously having served from 2011-2015). After chairing the NGO Pillar for most of its existence, including 2017-2020, during the year, FFP remained engaged as a member and also co-chaired the Ghana In-Country Working Group (ICWG).

2 FFP continues to feature the VPSHR prominently on its website (www.fundforpeace.org), wherein FFP also makes publicly available its Annual Report to the VPI. FFP also provides extensive information and reporting on its ongoing implementation work in Ghana, hosted on a dedicated website at www.ghanavps.org. Further, in 2020, FFP frequently publicized the VPSHR in lectures and panel discussions related to issues such as corporations operating in conflict-sensitive areas; conflict and human rights impact assessments; and multisectoral collaboration and partnerships. Due to the COVID-19 pandemic, these events typically took the form of online university classes, or virtual conferences organized by industry, governments, international organizations, and civil society.

3 As with previous years, in 2020 FFP engaged with other participants of the VPI to better understand challenges and lessons learned. A major pillar of this engagement is the Human Rights & Business Roundtable (HRBRT). Launched in 1996, the HRBRT was the first forum designed for multinational businesses, governments, and

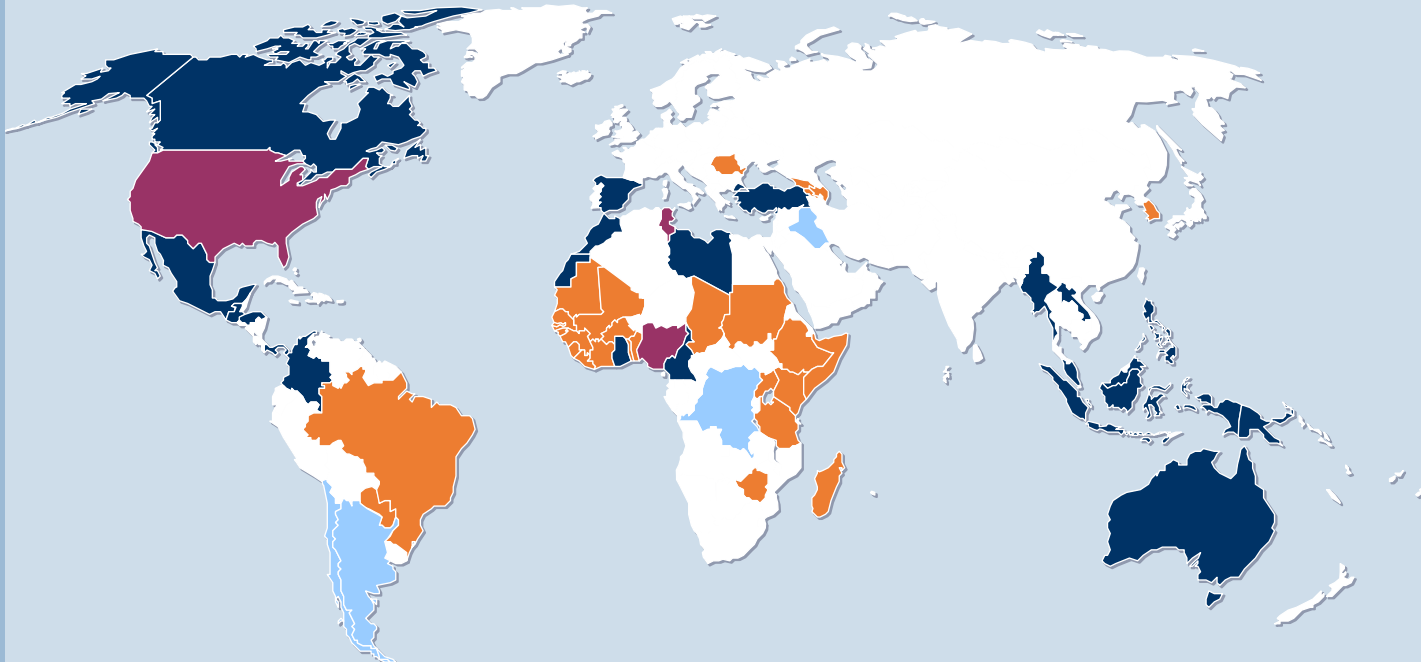
ABOUT FUND FOR PEACE'S WORK

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

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

mainstream human rights organizations to discuss issues of common concern in an atmosphere of mutual respect, trust, and confidentiality. During the reporting period, the HRBRT continued to serve as an invaluable resource for corporations, NGOs, and governments to work together to promote human rights, good corporate practices, and sustainable development, especially within the context of the COVID-19 pandemic. The pandemic and the resultant public health measures necessitated that the forum transition to a virtual platform for 2020. The accessibility of virtual meeting platforms made it easier for the Roundtable to engage with panelists and stakeholders around the world who would never have been able to travel for in-person events. This created a broader pool of expertise and participants that FFP engaged with on both the forums and the

WHERE THE FUND FOR PEACE OPERATES



Countries where FFP has offices and on-the-ground activities related to the VPSHR
 Countries where FFP has performed on-the-ground activities related to the VPSHR
 Countries where FFP has performed remote activities related to the VPSHR
 Countries where other sections within FFP operate on-the-ground, unrelated to the VPSHR

FFP has implemented VPSHR-related programs or research in Australia, Cameroon, Canada, Colombia, Ghana, Guatemala, Haiti, Honduras, Laos, Malaysia, Mexico, Morocco, Myanmar, Nigeria, Panama, Papua New Guinea, Philippines, Spain, Turkey, and Western Sahara.

publicization of the VPSHR. Among the HRBRT’s corporate members are Barrick Gold, Chevron, Freeport-McMoRan, and Newmont Mining.

POLICIES, PROCEDURES AND/OR GUIDELINES TO IMPLEMENT THE VOLUNTARY PRINCIPLES

4 FFP continues to pursue multiple activities related to the promotion and implementation of the VPSHR, in furthering their implementation and sharing lessons learned. Following the finalization of the 2019 research study on best practices and lessons learned from VPs In-Country Working Groups (ICWGs), in 2020, FFP, in partnership with the Geneva Centre for Security Sector Governance (DCAF), published the findings of the research. *From Commitment to Impact: A Guide for Local Working Groups on Business,*

Security & Human Rights provides best practices and insights for the development and successful implementation of local and ICWGs in support of the VPSHR. Innovative local-level mechanisms for fostering implementation of good practices in the field of business, security, and human rights exist in many contexts and are linked to different policy frameworks. While this report focuses on ICWGs that support the implementation of the VPSHR, its application is of relevance to numerous international initiatives in the field of security, development, and human rights, predicated on effective implementation in often challenging environments. The report features prominently on FFP’s website. Further, key aspects of the VPSHR, such as security & human rights and risk assessments, are the focus of dedicated discussions within FFP’s *Human Rights & Business Roundtable*, as noted above. FFP has also continued to develop and deliver training programs on the VPSHR, and has performed assessments, trainings, and provided advice on the VPSHR for various clients, including

multilateral financial institutions and multinational extractive companies. FFP is also one of a handful of organizations that has begun to examine first-hand — and promote — the application of the VPSHR in industries other than oil, gas, or mining.

PROMOTION OF THE VOLUNTARY PRINCIPLES

5 As in previous years, FFP has promoted the VPSHR directly with companies who are not currently VPSHR participants, at the project and corporate level. Discussions sometimes address joining the VPSHR formally, but FFP’s focus is first on the adoption of the principles themselves in company policies and procedures. FFP promotes the value of the VPSHR with companies in the oil and mining sectors, as well as outside the extractive industry, in sectors such as renewable energy, large-scale construction, agribusiness, and infrastructure. Beyond meeting with various interested stakeholders one-on-one, FFP frequently publicizes the VPSHR in lectures and panel discussions, as outlined in section 2 above.

6 Through our work in Ghana, FFP has engaged directly with local communities and civil society organizations throughout the country. FFP has worked closely with local civil society organizations, including our program partners WANEP-Ghana, as well as other relevant organizations such as Wassa Communities Affected by Mining (WACAM) and Youth on Board Africa (YOBA). During 2020, the Ghana ICWG, which FFP co-chairs, began work on a research study aimed at establishing a baseline on the current status of human rights in the extractive sector. Led by the Commission on Human Rights and Administrative Justice (CHRAJ), an independent government organization mandated to protect human rights, the study will inform the design of appropriate response and operational strategies as part of Ghana’s VPs National Action Plan (NAP). Additionally, in consultation with the Kofi Annan International Peacekeeping Training Centre (KAIPTC), the Ghana ICWG, continued work on the development of VPs

standards for security through standardized training, awareness raising, and regulatory review.

7 Through our frequent engagement with VPI member and nonmember companies, FFP encourages the adoption and implementation of the VPSHR in corporate policies and practices. In some programs, FFP assesses the effectiveness of that implementation and provides assistance and guidance for improvement. More broadly, FFP has worked closely with the International Finance Corporation (IFC), an observer of the VPs, to develop guidance on the use of security forces, culminating in a [good practice handbook](#) that was published in 2017. FFP has continued with ongoing advisory services for investments in the oil, mining, infrastructure, agribusiness, and renewable energy sectors. This approach has also more recently been replicated in partnerships with IDB Invest in Latin America and the Caribbean.

COUNTRY IMPLEMENTATION

8 FFP’s efforts to strengthen the rule of law in countries around the world stretches far beyond its efforts related to the VPSHR. Indeed, strengthening the rule of law is woven into the fabric of many of FFP’s projects, particularly in West Africa, where FFP works closely with the Economic Community of West African States (ECOWAS) on building up their own internal capacity to respond to instability and support the rule of law throughout the region. More specifically germane to the VPSHR, FFP’s work in Ghana has focused heavily on the security sector, particularly the police and military and their respect for human rights and the rule of law, as outlined in section 6 above.

9 Similarly, FFP’s work on conducting assessments and monitoring potential human rights violations stretches far beyond the organization’s specific VPSHR programming. FFP has been tasked with performing risk assessments of commercial operations on behalf of investors, and has communicated any issues 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. Further, as part of FFP's work in Ghana, a system for local communities to lodge grievances regarding human rights violations by oil and mining companies has been established, overseen by FFP's local partner WANEP-Ghana.

I O FFP can work both directly with companies, or indirectly via investors such as banks and multilateral financial institutions, to assess human rights and security risks and to assist with improving policies and practices for their operations. Assessments and recommendations for operational improvement center around the implementation of the VPSHR. In 2020, FFP conducted an assessment of an extractive firm in Latin America to promote human rights and security best practices consistent with the VPSHR. Further, FFP has worked closely with the International Finance Corporation (IFC) to develop guidance for the implementation of IFC's Performance Standard 4, which shares much in common with implementation of the VPs. In 2017, the IFC published *Use of Security Forces: Assessing and Managing Risks and Impacts*, a good practice handbook that relies heavily on the VPSHR. As this handbook is rolled out within the IFC and to its client operations, it is expected that understanding of VPSHR implementation will also spread further to corporate operations, including those outside of the traditional VPSHR oil, gas, and mining sectors.

I I FFP follows a model of close consultation with companies, and as such respects the confidentiality of such processes. This practice allows FFP to have frank, open conversations with company representatives within the parameters of a trustful relationship. FFP continues to consult regularly with various companies — both members of the VPI and non-members alike — to discuss challenges and consider strategies for improvement.

LESSONS AND ISSUES

During 2020, the global COVID-19 pandemic forced changes to the way FFP carried out its operations. While creating additional challenges, the pandemic provided an opportunity for innovation, particularly in how activities and outreach for the VPSHR should be conducted. Virtual and online communication platforms made many meetings and conferences possible where logistics or situational risk might have prevented in-person connections in the past. For the Human Rights and Business Roundtable (HRBRT), the online format has enhanced FFP's ability to ensure local representation on key issues. For the Ghana ICWG, the virtual platform allowed for the participation of key members of the Secretariat. Looking ahead to 2021, FFP will seek to continue to innovate by capitalizing on the flexibility and global reach afforded by online communication platforms to expand its activities and outreach on the VPSHR and bring diverse perspectives on the subject matters we examine and the relationships we seek to build.

HUMAN RIGHTS & BUSINESS ROUNDTABLE IN 2020

The mission of the Human Rights & Business Roundtable is to promote the rule of law and open societies. Launched in 1996, the Roundtable was the first forum designed for multinational businesses and mainstream human rights organizations to discuss issues of common concern in an atmosphere of mutual respect, trust, and confidentiality.



Image: FFP

Artisanal & Small-Scale Gold Mining: Ongoing and Emerging Pandemic Challenges

November 2020 - One of the effects of the global COVID-19 pandemic was a 25 percent jump in the value of gold on international markets, creating greater demand. This demand has spurred more workers to engage in Artisanal and Small-Scale Gold Mining (ASGM), with all the rewards, risks, and complications of the practice. Globally, ASGM provides livelihoods for millions of people: however, it is also associated with poor working conditions, environmental degradation, and conflicts affecting communities, commercial mining operations, and governments. This Roundtable explored the challenges faced by the commercial mining sector, NGOs, and governments during the COVID-19 pandemic as well as efforts to mitigate its impacts on the sector.



www.fundforpeace.org