



## **Government of Australia**

### **Voluntary Principles Initiative on Security and Human Rights Annual Report 2024**

#### **A. Commitment to the Voluntary Principles**

The Australian Government believes the protection and promotion of human rights are vital to global efforts to achieve lasting peace and security, and freedom and dignity for all. Australia's commitment to human rights is an underlying principle of Australia's engagement with the international community.

As a nation endowed with natural resources and home to some of the world's largest mining companies, Australia is committed to an open, ethical and sustainable global extractives industry. It is this commitment that drives our engagement in the Voluntary Principles on Security and Human Rights Initiative (VPI).

The Department of Foreign Affairs and Trade (DFAT) represents Australia within the VPI.

Six Australian-based companies are also VPI members (BHP Billiton, Fortescue, MMG, PanAust, Rio Tinto, and Woodside).

#### **B. Policies, Procedures and Related Activities**

The Australian Government expects businesses to adhere to human rights and responsible business standards at home and abroad.

Mechanisms through which the Australian Government advocates for, and enforces, these standards include:

- the United Nations Guiding Principles on Business and Human Rights, which provides an important framework for enhancing standards and practices by states and businesses;
- Australia's landmark Modern Slavery Act 2018, which requires businesses to report annually on their actions to address modern slavery, including in supply chains;
- Australia's leadership within the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime – which we co-Chair with Indonesia;
- our commitment to various international voluntary initiatives, codes of conduct and guidelines, including the Kimberley Process Certification Scheme, the OECD's Guidelines for Multinational Enterprises on Responsible Business Conduct (OECD RBC Guidelines) and related OECD due diligence guidance including sector specific guidance for the extractives sector, the International Code of Conduct for Private Security Service Providers, and the Voluntary Principles; and

- the Australian National Contact Point for Responsible Business Conduct (AusNCP), which promotes responsible business conduct standards under the OECD RBC Guidelines and provides conciliation services to resolve complaints against multinational businesses operating in Australia and Australian multinationals operating overseas
- Australia has supported the Energy Resource Governance Initiative (ERGI) Academy since its establishment in 2019 – the ERGI Academy promotes sound mining sector governance and resilient and secure energy mineral supply chains through capacity building training delivered by the University of Nevada Reno.

As at the end of 2024, the Australian National Contact Point for Responsible Business Conduct had five open complaints, with two of these related to the extractives sector. The AusNCP also commenced follow up work on two earlier extractive sector complaints where it made recommendations to the parties. [One of these complaints recommended both parties to the complaint consider and make use of the VPI toolkit if dealing with issues relating to the role and use of security personnel].

### **C. Promotion and Implementation**

#### Promotion of the VPI

Australia became a full Member of the VPI in 2016 and chaired the initiative for the first time in 2020/21. At country-level, officials from Australian diplomatic missions participated in VPI In-Country Working Groups. Australia also takes opportunities to advocate to other potentially interested Governments to consider joining the initiative. The Australian Government also encourages Australian extractive companies to adopt and adhere to relevant codes of practice relating to human rights, including the Voluntary Principles.

In November 2023, Australia completed its first Verification Presentation on its implementation of the Voluntary Principles.

#### Related activity through the Australian aid program

The Australian Government has a long history of working with partner governments, multilateral and non-government organisations, universities and the private sector to maximise the development potential of the extractives sector. Our support enhances the capacity of governments in resource-rich developing countries, particularly in the Indo-Pacific region, to make the most of their natural resources and ensure benefits flow on to communities.

The Australian Government funds several programs aimed at assisting partner countries in strengthening their responsible natural resource governance. These include the:

- Extractive Industries Transparency Initiative; and
- International Monetary Fund Managing Natural Resources Wealth Trust Fund.

The Australian Government also partners with the Global Compact Network of Australia in its efforts to support Australian companies in implementing the Network's ten universal principles on human rights, labour, the environment and anti-corruption. Australia is also an advocate for the Global Reporting Initiative's Sustainability Reporting Standards.

#### **D. Lessons and Issues**

Australia considers that promotion of the VPI would benefit from forums and meetings in the Indo-Pacific region. Such meetings would facilitate the full participation of members and countries from the Indo-Pacific region and support the sharing of information and best practices within similar country contexts. Australia encourages the VPI to continue its efforts to cooperate with similar initiatives (e.g. the Extractive Industries Transparency Initiative) to allow for the sharing of resources and the leveraging of similar contacts.

##### Participation in In-Country Working Groups

Australia has participated in VPI or VPI-affiliated in-country working groups in Chile, Brazil, DRC, and Peru through our relevant missions. Our overseas Posts in Baghdad and Port Moresby have also engaged with the VPI in its attempts to set up in-country working groups in Iraq and Papua New Guinea.