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Switzerland & Liechtenstein



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WEBINAR | JUNE 5, 2023 | 14:00

**Responsible Business in Conflict-
Affected or High-Risk Areas:
What companies need to know and act upon**

JOIN TODAY

The Ten Principles of the UN Global Compact

Corporate sustainability starts with a company's value system. By incorporating the Ten Principles into strategies, policies and procedures, and establishing a culture of integrity, companies are not only upholding their basic responsibilities to people and planet, but also setting the stage for long-term success.

Companies operate responsibly



HUMAN RIGHTS

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.



LABOUR

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labour;
5. the effective abolition of child labour; and
6. the elimination of discrimination in respect of employment and occupation.



ENVIRONMENT

7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.



ANTI-CORRUPTION

10. Businesses should work against corruption in all its forms, including extortion and bribery.

Companies contribute to progress

SUSTAINABLE DEVELOPMENT GOALS



Let's make Global Goals Local Business



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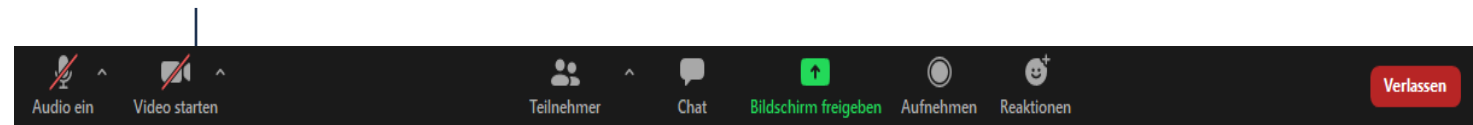
Agenda

- **Introduction**
Frédéric Chenais, Senior Advisor Business and Human Rights, Swiss Federal Department of Foreign Affairs
- **Responsible business in conflict-affected and high-risk areas**
Regula Meng, Senior Consultant, focusright & Dr. Evelyn Dietsche, Head Business & Peace, swisspeace
- **Q&A**
- **Responsible Security in a Complex Environment**
Charlie Mayne, CEO VSC Security Solutions
- **Expert interview**
Jamie Williamson, Executive Director, International Code of Conduct Association (ICoCA)
- **Q&A**

Housekeeping

- The session is recorded.
- Slides & recording will be made available by the UN Global Compact Network Switzerland & Liechtenstein after the webinar.
- Please write your questions in the chat.

*Activate the video before
you make an intervention.*



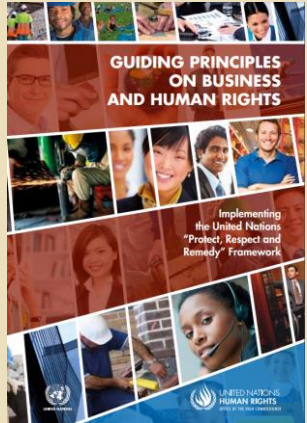
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webinar. Unmute yourself if you wish
to speak.*

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*Use the chat function to
type in your questions or
make a comment.*

WHAT COMPANIES NEED TO
KNOW AND ACT UPON

Responsible business
in conflict-affected
and high-risk areas

WHICH COMPANIES SHOULD FOCUS ON THIS TOPIC?



All companies that

- cause
- contribute to
- are linked to

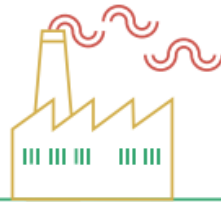
... human rights risks / impacts, incl. in conflict-affected or high-risk areas.

UNGPs:

Consider all internationally recognised human rights, along the full value chain, for example:



Source materials from such areas, including when the company cannot trace where the materials originate from.



Have **direct or indirect suppliers or business partners** from such areas, providing goods or services that are linked to the company.



Invest in these areas.



Have **own operations**, incl. joint ventures, in these areas.



Have **clients** in these areas.



Dispose unused goods or waste in these areas.

EXAMPLES

Lafarge pleads guilty to US charge of supporting Islamic State



ENGLISH

Russian supermarkets are still filled with Nestlé products – contrary to company announcements

After the start of the Ukraine war, Nestlé announced that it would reduce its range of goods in Russia to «essential» foods like baby formula. The reality in the country is different, however: The Swiss company is selling, producing and looking for staff.

Adani proposed coal ventures to sanctioned Myanmar military despite public vow to cut ties, leaked documents show

ABC Investigations / Exclusive by Josh Robertson

Posted Wed 3 May 2023 at 9:00pm, updated Thu 4 May 2023 at 1:24am



Exxon accused of rights abuses

Esso parent group cited in US case over Indonesian violations

Special report: Indonesia and East Timor

ExxonMobil, the world's largest oil company, has been accused of complicity in human rights abuses committed by security forces in Indonesia, it emerged yesterday.

A Washington-based organisation, the International Labour Rights Fund - which represents workers abroad - lodged a complaint against the company in a court in Washington DC on Wednesday.

The lawsuit - brought on behalf of 11 villagers - alleges that ExxonMobil was complicit in murders, rape, torture and kidnapping during the recent campaign by the Indonesian military to quash insurgency by separatists in the impoverished Aceh region of western Indonesia.

THE PLATFORM ECONOMY

The Vietnamese military has a troll army and Facebook is its weapon

Force 47 abuses Facebook's safety tools to silence government critics at home and anywhere in the world.

WHY IS IT RELEVANT FROM A BUSINESS PERSPECTIVE?

COMPANY VALUES & PRINCIPLES

Stakeholder expectations

- Ethical obligations and commitments
- Business continuity
- Customer expectations
- Public procurement
- Investor expectations / (ESG) Benchmarks
- Indirect effects of legislation: business partners / customers passing on duties
- Talent attraction / employer branding

Legal requirements

Selected examples

Switzerland

- New reporting & due diligence requirements

Germany

- "Lieferkettensorgfaltspflichtengesetz" (LKSG)

European Union

- Mandatory human rights due diligence – DRAFT Law (CSDDD)
- EU Conflict Minerals Regulation

Risks companies face if not acting:

- Loss of reputation
- Loss in business and order intakes
- Legal claims

Measures are needed to

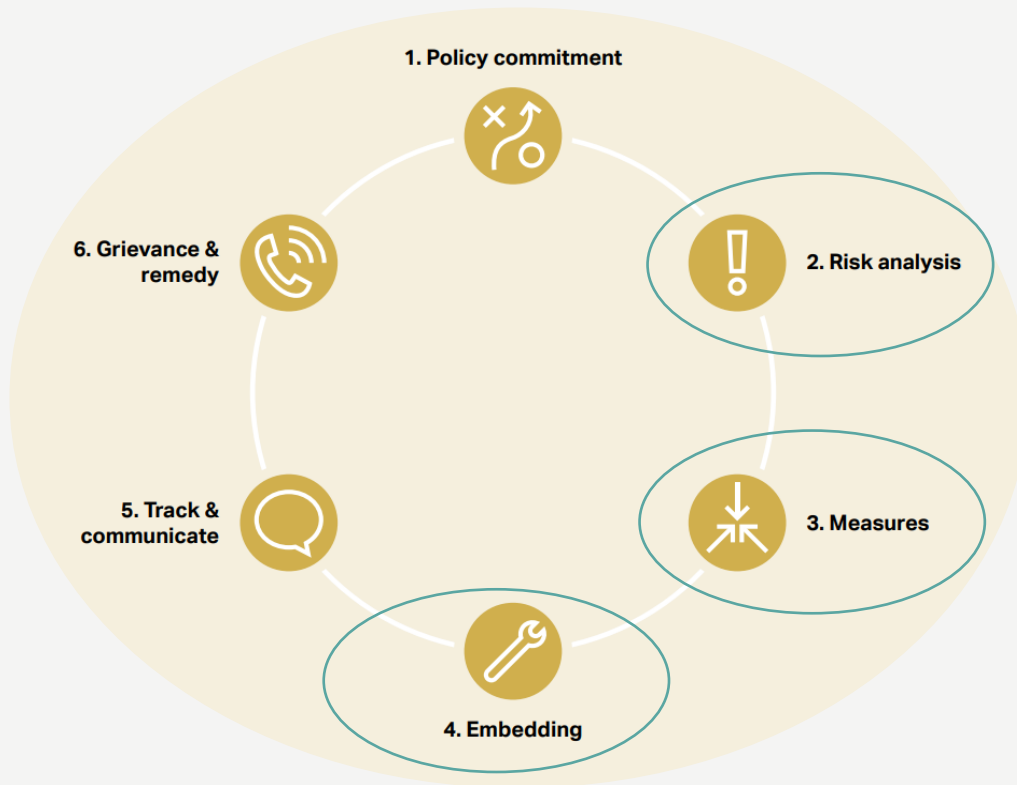
- ensure that the company fulfills its **values and principles**
- manage **risks** and **opportunities**
- **comply** with regulations and **prepare** for effects of upcoming regulations

WHAT IS A CONFLICT AFFECTED OR HIGH-RISK AREA?

- **No definitive list of conflict-affected and/or high-risk areas, but indicative characteristics and signs:**
 - **Public security** is compromised, armed conflicts and mass violence occur
 - **Human rights violations** are endemic, or mass atrocities takes place and are committed by state authorities and/or non-state armed groups
 - **Rule of law** is ineffective or non-existent, political-administrative and governance systems are weak, provision of public goods and services is poor, corruption and bribery are endemic, organised (transnational) criminality is high
 - High numbers of **internally displaced persons**, refugees, and other groups of vulnerable and marginalised persons
 - **Fragility & instability prevail**
 - **Legacies of past conflicts** (e.g., civil wars) contribute to lingering tensions and conflicts
 - **Impacts of climate change** and other environmental factors increase competition around accessing and using natural resources
- Some **indicators and guidance** exist (e.g., CAHRA, OECD states of fragility, RULAC listing) – but these are **non-exhaustive**.
- **If in doubt, apply heightened Human Rights Due Diligence!**

WHAT IS HEIGHTENED HUMAN RIGHTS DUE DILIGENCE?

Basic HRDD process



Heightened HRDD goes beyond 'basic' HRDD

Why?

- **Companies are not neutral actors** - they impact incentives and power structures and may be able to influence conflict dynamics.
- **Legal and regulatory requirements** to conduct heightened HRDD if invested, operating in, or sourcing inputs from conflict-affected or high-risk areas.

What & How?

- **Comprehensive risk analysis**, assessing (potential) direct and indirect impacts of business on conflict dynamics – as opposed to 'only' assessing corporate exposure to human rights risks.
 - Integrate **conflict analysis** into HR risk analysis and pursue a **conflict-sensitive approach** to business and business relationships.
 - Assess and address the risk of business activities violating **international humanitarian law (IHL)**.

HOW CAN COMPANIES TAKE A CONFLICT-SENSITIVE APPROACH TO BUSINESS AND BUSINESS RELATIONSHIPS?

Conflict sensitivity

Thorough analysis of the **root causes, drivers and triggers** of ongoing and latent conflicts and instability, and the **interaction** of these factors **with business operation and relationships**.



Analyse prevailing conflict or tensions and possible legacies.

Assess stakeholders, asking who gains from presence of business operations and who may lose out.

Evaluate whether trade-offs increase or decrease the risk of conflict and human rights violations.

Act upon this understanding, minimizing any direct or indirect impacts of the business on the conflict drivers and triggers.

WHAT CONSIDERATIONS SHOULD INFORM A COMPANY'S DECISION WHETHER TO STAY IN OR EXIT A CONFLICT-AFFECTED AREA?

Case by Case



- Could leaving potentially **harm employees and customers**? How might they be affected?
- Could the **goods and services and revenue payments** the business provides be used to benefit parties in the conflict?
 - How could these be weaponised?
 - Could they provide a strategic advantage?
 - Could they be used to oppress?
- Are the goods and services the business provides contributing to the **fulfilment of the local population's human rights**?
 - Are there alternative (national/local) providers of essential goods and services, and if so, how many of them, how accessible...?



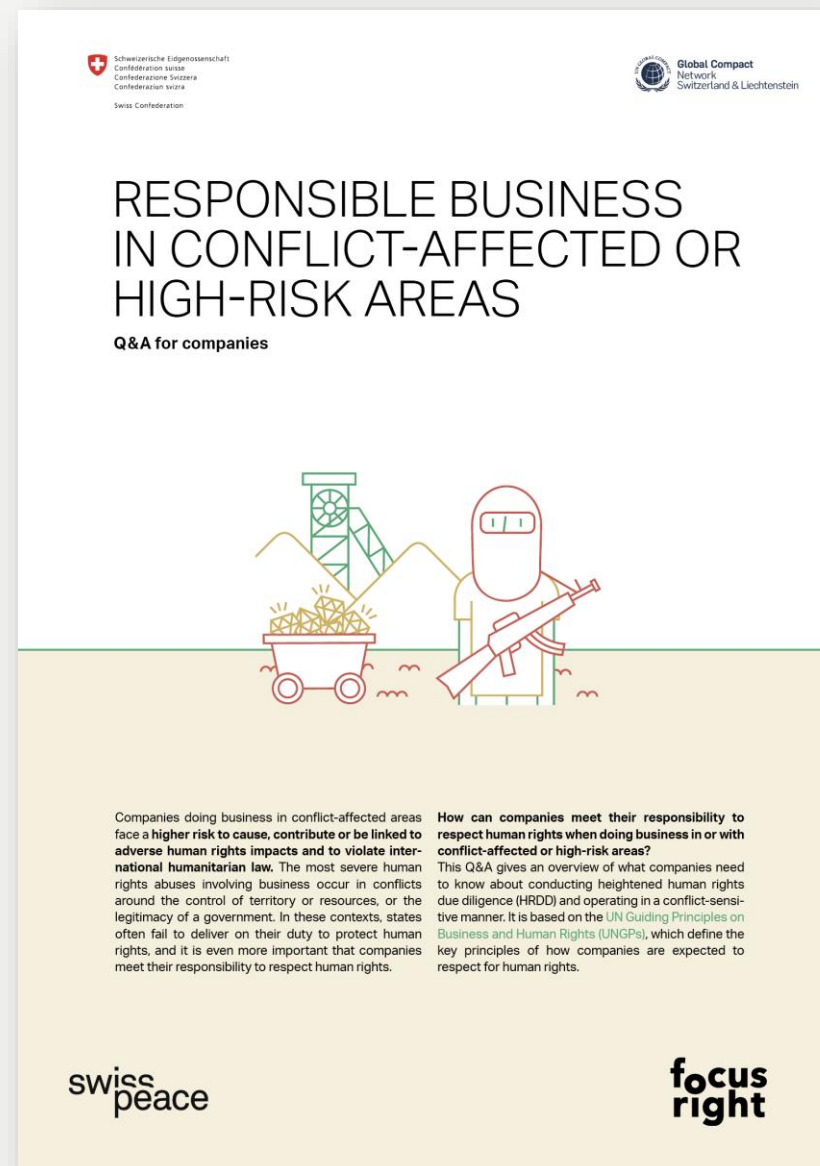
HOW TO GET STARTED: KEY ACTION POINTS FOR COMPANIES

	Monitor signs & indicators	Identify and continuously monitor the signs that indicate whether an area the company is connected to is conflict-affected or high-risk . Track changes in the conflict dynamics and the company's exposure to human rights risks.
	Consider IHL	Understand the applicability of international humanitarian law (IHL) in a given context , as well as the company's rights and obligations under IHL when applicable.
	Conduct heightened HRDD	Conduct a heightened HRDD process to proactively identify and address salient human rights risks that (may) arise from doing business in conflict-affected areas.
	Conduct conflict sensitivity analyses	Conduct and integrate conflict sensitivity analyses into the heightened HRDD process to understand how the company's operations and/or business relationships influence conflict dynamics and act upon this understanding.
	Assign responsibility & resources	Assign responsibility for the heightened HRDD process to staff at all relevant levels , dedicate the necessary resources and build internal capacity to effectively deliver on this process.
	Engage relevant stakeholders	Identify the relevant internal and external stakeholders and expertise needed for heightened HRDD, including at local level, and establish periodic stakeholder engagement processes and dialogue.

NEW Q&A FOR COMPANIES

[Available now on
www.nap-bhr.admin.ch](http://www.nap-bhr.admin.ch)

→ versions in French, German & Italian coming soon



CHARLIE MAYNE, VSC SECURITY
SOLUTIONS

Responsible Security in a Complex Environment

Security in a conflict-affected or high-risk area

- **Context, communities and risk**
- **Connections to the operating location**

Security related human rights risks in conflict areas

- **Security and human rights risks**
- **Responsible security**
- **Business advantages of responsible security?**

Conflict sensitive security

Securing your business in a conflict-sensitive manner

Recognizing increasing risk



Enhanced due diligence

- **Importance of leadership**
- **Why does certification matter?**
- **Using your external stakeholders and advisors**

When to stay and when to go?

- **Knowns, unknowns and unknown unknowns**
- **External stakeholders and advisors**
- **Dazzling opportunities**

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JAMIE WILLIAMSON

International Code of Conduct for Private Security Service Providers - ICoCA

ICOCA

Introductory video of ICoCA: www.youtube.com/watch?v=NQHnwe5kbP4

Website & Contact : <https://icoca.ch/contact-us/>

FURTHER GUIDANCE

«Basic» human rights due diligence

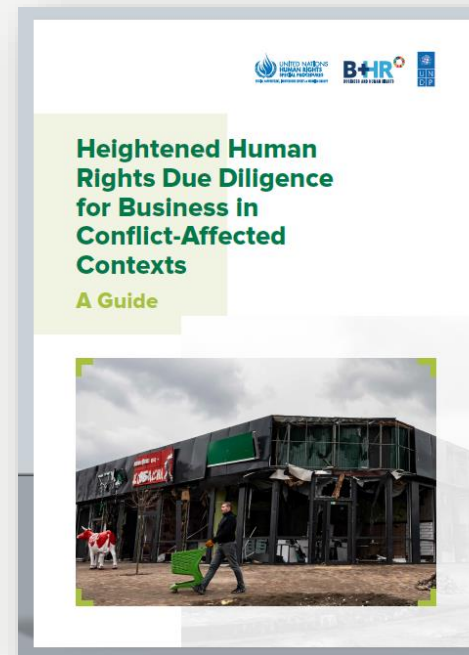


HRDD Step by Step -
Practical guide for
companies – available
online in 4 languages

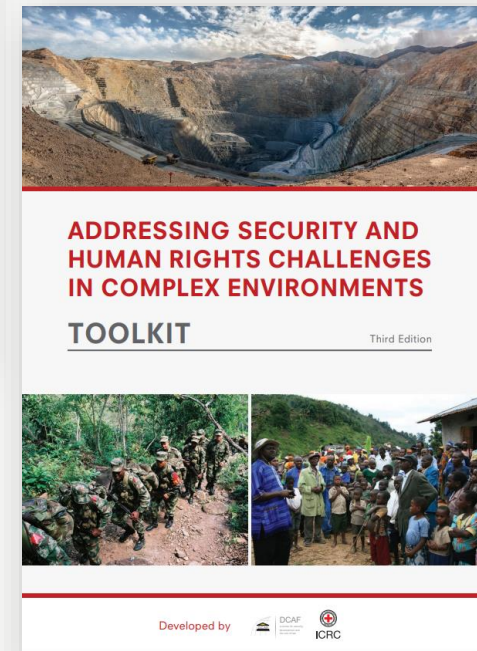


Webinars: Introduction to HRDD
recording & slides available in 4 languages

Heightened human rights due diligence



www.undp.org/publications/heightened-human-rights-due-diligence-business-conflict-affected-contexts-guide



www.securityhumanrightshub.org/toolkit-third-edition

EVALUATION SURVEY

Survey (2-3 min) to evaluate today's event - thank you for your participation:

<https://focusright.typeform.com/to/c8jGhsxm>

Contact us

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A New Era for Responsible Business



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ABOUT FOCUSRIGHT

focusright supports companies in identifying human rights risks and their impacts in their operations and value chains and in developing solution strategies.

We advise companies on their human rights due diligence process and corporate responsibility strategy by offering the following tailor-made services:

