WOSCAP
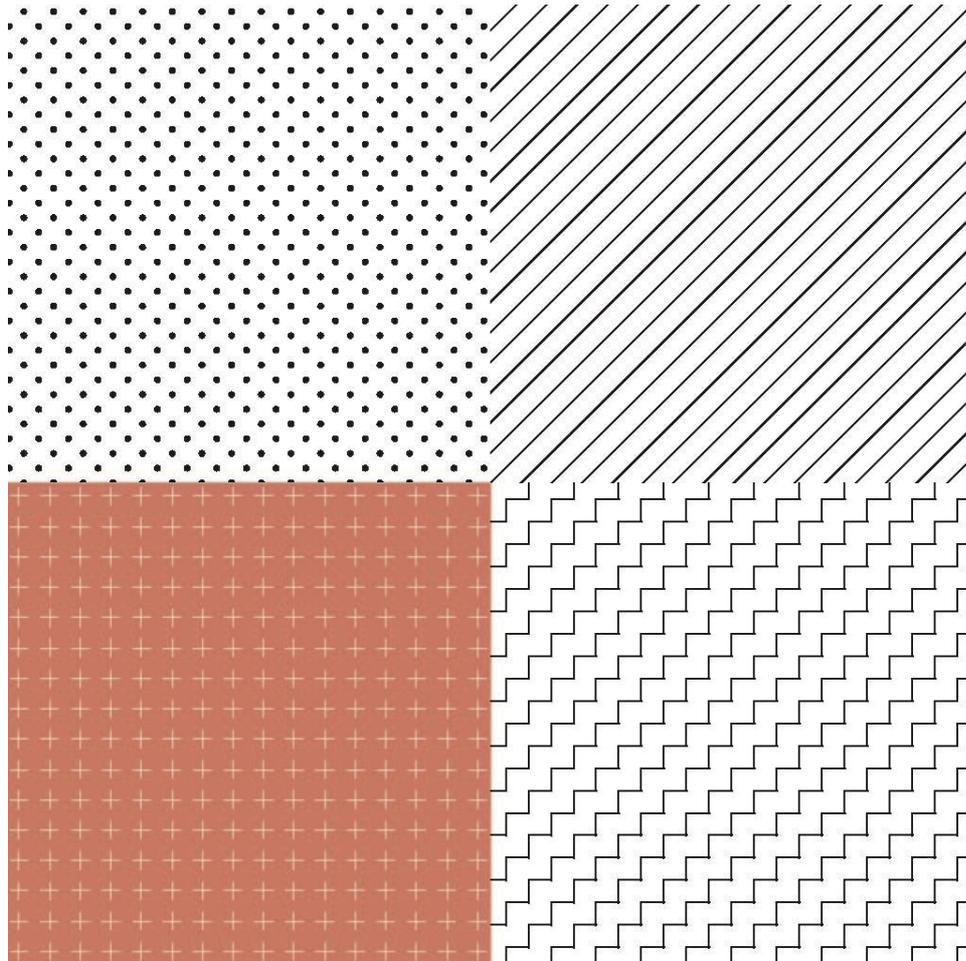
ENHANCING EU PEACEBUILDING CAPABILITIES

Summary Report of the Policy Dialogue: Corporate Peace: private sector strategies for conflict prevention, peacebuilding and sustainable development

LSE IDEAS, London School of Economics and Political Science

Colophon

SUMMARY REPORT OF THE POLICY DIALOGUE:
CORPORATE PEACE: PRIVATE SECTOR STRATEGIES FOR CONFLICT
PREVENTION, PEACEBUILDING AND SUSTAINABLE DEVELOPMENT

Whole of Society Conflict Prevention and Peacebuilding

This summary report was produced as part of the project "Whole-of-Society Conflict Prevention and Peacebuilding" (WOSCAP). It summarizes the discussion and results of the Policy Dialogue roundtable that was organised by the London School of Economics and Political Science, on 18 July 2017 in London, in The United Kingdom. This meeting is one of the nine policy dialogues the project holds in 2017 in several EU Member States as well as case study countries to discuss findings and recommendations. The aim of this Policy Dialogue was to discuss the challenges, barriers and opportunities for enhanced collaboration between public, private and civil society stakeholders to strengthen peace and resilience-building and conflict prevention initiatives.

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Introduction

The Roundtable convened representatives from global corporations, other private sector organisations (law firms, consultancies) and UK government officials to discuss the challenges, barriers and opportunities for enhanced collaboration between public, private and civil society stakeholders to strengthen peace and resilience-building and conflict prevention initiatives.

Among the questions considered were:

- What is the potential contribution of private companies to a Whole of Society approach to conflict prevention and peacebuilding?
- What difficulties do policy-makers and companies face in working together on non-traditional issues such as security, development and peacebuilding?
- What is the case for improved co-operation between government, international organisations and companies?
- How can co-operation meet the demands of business strategy, public policy and the needs of communities?
- How can we build on practices of CSR and business and human rights to fulfil the SDG agenda and enhance sustainability and resilience?

The Roundtable heard presentations on the research findings of WOSCAP and the proposition that effective peacebuilding should recognize:

- The importance of inclusivity and local ownership;
- A wide range of stakeholders and multiple relationships at policy level and on the ground;
- A focus on both actors + the ways they associate, mobilise, enact change and respond to insecurity;
- A case study of how the private sector can contribute to resilience building in Guinea;
- Ideas on how to build partnerships between the private sector, government and communities based on human security.

Summary of discussion

The corporate decision to engage – and how

There is a need to evaluate the nature of corporate 'resources' for engaging in development and governance issues.

- Are employees an asset, or in what ways will they challenge (frustrate) plans? What is the mindset/approach and training of people in companies making decisions – e.g. engineers will think in terms of social engineering; often need to change mindset and engagement models. Where there is a legacy of poor corporate practices, changing mind sets (of a company and community) can be a major stumbling block.

- Communities and local society not monolithic and companies are still not very good at how to reconcile the role of their staff as both workers and community members.

- Constituencies that are unorganised can be susceptible to manipulation by particular interests; lack of organisation allied to unwillingness /inability to express views.

Communities often have inflated expectations about what a company can do but a company's leverage to influence other activities in the local context is finite and varies over time – e.g. in a pre-investment phase compared to the active investment life cycle. Model of relationship between government, municipal authorities and companies is often problematic and needs to be rethought.

From the government side, priorities are not always aligned with where and how companies operate and need to factor in local level corporate experience; government needs to 'unpack' the corporate sector in the same way that companies need to differentiate within community stakeholders. While government can achieve scale with transnational companies, in poor countries most of the business sector is informal and small. The challenge is to find short-term 'wins' as well as longer-term strategic interventions with business.

Some good practices such as 'tripartite structured dialogue' with local communities are difficult to implement where local community is weakly organised and lacks basic understanding of human rights issues in general and as applicable to their particular concern. Some form of training in this regard is required and there are different models how to do it. Companies themselves can take a lead in partnerships with NGOs but the most appropriate approach will depend on the context.

In the case of a mediated dialogue, there are sensitive issues of who is doing the mediation/who is the interface between communities and companies; credibility and integrity of 'mediators', liaison officers. There is a need for a company to demonstrate and implement credible commitment – an example of good practice is by appointing a designated person whose sole task is to monitor the implementation of what the partners agreed.

The decision to get engaged with local communities is a sensitive one for a company, as it is careful about not being seen as interfering/intervening too much into community matters. From a company's perspective, the public sector is diverse – its role variable – it can be government *qua* regulator, or for example a JV in which it is a shareholder as well as a

regulator. This creates different challenges. Furthermore, some governments welcome a company engaging with local issues; others do not. Similarly the support of a home state can be a benefit if this is welcomed by the host government, sometimes they resent this additional intervention.

Weak governance in the country of operation prompts companies to sometimes take on the government's role but this is often on unclear terms and companies do not want to be liable in the event of failure of service provision. They seem more comfortable in a convening role. Examples such as Anglo-American where they have led a regional dialogue on development planning issues, with the objective to explore wider economic issues/ opportunities that affect their business chain, or unrelated business developments.

Good practice is to map 'resources' in terms of skills, soil quality, social implications and then pull in actors such as UNDP and donors. Mobilise a large coalition and help co-ordinate as a form of 'anchor tenant', but not 'sit at the top of the organigram'.

In terms of a company's responsibility and accountability for some of the business and human rights agenda principles and engagement with local communities, it is difficult for a company to influence what goes on along a supply chain. This is particularly the case of smaller companies.

The time scale allowed for building is critical and needs to be factored into company strategies. It needs to be viewed against the reality of dynamic situation on the ground, and constant changes to which the company has to adapt. This is particularly challenging in conflict contexts where new actors claiming legitimacy emerge over time. Not every conflict situation is the same and this requires companies to be flexible.

Companies need to consider that engaging/mobilising stakeholders should also reflect the timescale of engagements. An example was given that youth who were not consulted about an initiative had graduated to adulthood by the time project came online, but felt marginalised in relation to its impacts.

Managing multi-stakeholder interventions

It is easier to manage changes in the external environment if the community has been part of negotiating agreements with the company. When a company is operating in a 'donor like' manner by providing one-off benefits e.g. helping build a school, health facilities or the like, managing the impact of changes (such as job cuts, changes to original commitments) is more difficult unless there has been an extended process of interaction and communication beforehand. Mistakes arise through opacity and rapid changes which stakeholders cannot adapt to. Integrating the private sector into peace negotiations is also important.

One of the lessons from DfID is the importance of simple framework focused on clear, limited number of objectives and with clear division of responsibilities where if one side fails to deliver, a whole project is jeopardised.

For the partnerships to develop, the key point is complementarity – that each side looks at what can be gained from collaboration – finding overlaps is key for getting collaboration going. The experience shows that when companies are more tuned in and have the links with local communities, it is possible to mobilise more quickly if there is a need for a specific response (eg. Ebola crisis). But ad hoc coalitions are different from setting up long term

dialogue. What is useful from the Ebola example is understanding what is a central issue that can motivate all relevant actors, bring people together and who are the people. Who within a company is the right contact?

Need to build in flexibility, which depends on assessing the people who sit at the community/company interface – do they have a technical role or a 'political' mandate?

Not all companies have the capacity to apply tools that would ensure addressing different types of risks (non-technical risks) even when they recognise the importance of such risks. Valuable to bring in 3rd parties – expert mediation e.g. NGOs who can ensure best practice and trust building, and consultants to undertake tasks requiring specific expertise.

While engaging with communities requires resources on the company side, a lack of capabilities of all kinds – from infrastructure to skills etc. – in the local community is a major barrier to how corporates can best position themselves to help local communities. Clearly, no magic solutions and blue prints, instead companies have to look for opportunities informed by conducting comprehensive political economy analysis of local society, identifying different interests including by other local companies, government and non- government actors.

Ways forward – further key points

- Need to build learning and experience using examples which work (and those that do not);
- Sector wide approaches provide possibility of coherent learning, also companies' ability to speak with one voice in relation to government;
- Collaboration imperatives grounded in 'interests': risk management, generation of shared value; need to move away from 'delivery/non-delivery binary'; identify issues which bring sides together and who can address them within each constituency;
- Establish tripartite dialogue processes with plenty of time and clear ownership by participants, including a set of agreed commitments/targets, with dedicated monitoring;
- Need for new tools adapted to effective collaboration and to understand corporate impacts.

Policy Recommendations

- The EU to develop concrete proposals for a strategy of peacebuilding partnerships with the private sector to include support for conceiving and developing effective structures of collaboration with companies;

- Support for tripartite dialogues to include training in mediation, the creation of public-private peacebuilding focal points, interventions in dialogues between private sector and conflict affected communities to avoid binary outcomes;

- The inclusion of private sector representatives in formal and informal peace negotiations;

- Systematic incorporation of the lessons and experiences of private sector companies in resilience building of local communities.

W O S C A P

ENHANCING EU PEACEBUILDING CAPABILITIES

Annex: Agenda

Policy dialogue: Corporate Peace: private sector strategies for conflict prevention, peacebuilding and sustainable development

Date and time:
18 July 2017
9:30 – 13:00

Venue:
LSE Room 9.04 Tower 1, London, The United Kingdom

THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE ■

Organised by the **London Schools of Economics and Political Science (LSE)**

The potential of business to contribute to security, justice and development as part of peace and conflict initiatives is being increasingly recognised. Public-private partnerships are at the heart of agendas such as the Sustainable Development Goals and peace processes in Latin America and Africa. There is also growing practice and scholarly evidence of how business impacts transitions from conflict and state/peacebuilding efforts.

Yet international institutions such as the UN and the European Union have been slow to develop effective and systematic strategies for engaging and working with the private sector. From the perspective of business, there are gaps in knowledge and practical guidance about how, when and where to collaborate with government and civil society, in ways which go beyond the limits of corporate social responsibility or a business and human rights framework.

This roundtable will examine research findings from the EU- funded 'Whole of Society Conflict Prevention and Peacebuilding '(WOSCAP) and other studies on partnerships and the business-peace nexus to explore the possibilities for both policy-makers and companies to work more constructively together for the benefit of both.

The aim of the roundtable is to bring together key stakeholders from public policy-making, the private sector and civil society to review the status quo relating to business engagement with peace, security and development and identify avenues for collaboration and innovation in policy, management strategies and academic research.

Agenda

9.30 – 9.45	*Welcome, introductions and outline of objectives*
9.45 – 11.00	*Presentation of research on business, peace and public-private partnership* ▪ A Whole of Society Approach – the case of EU peacebuilding and the private sector, *Vesna Bojicic-Dzelilovic, Associate Professor, LSE* ▪ Case study – Corporate resilience building in Guinea, Linda Benrais, Adjunct Professor of Comparative Law and *Mediation, Director of Governance and Conflict Resolution Programs, ESSEC Institute for Research and Education on Negotiation* ▪ SDGs - Beyond human rights and corporate responsibility – a human security approach *Mary Martin, Senior Research Fellow, LSE*
11.00 – 11.15	Coffee
11.15 – 12.30	*Challenges and benefits of enhanced collaboration between public and private sector* ▪ Corporate contributions to policy, *Tony Burdon, Head of private sector development, DfiD* ▪ The view from the boardroom, *Jan Klawitter, principal, International Relations, Anglo-American*
12:30 – 13:00	*Discussion and next steps*