

# Voluntary Principles on Security and Human Rights (VPSHR) Mapping: Myanmar

## Final Report

28 March 2018

*List of Activities Revised as per VPSHR In-country Working Group  
Meeting 18 May 2018*

Submitted to:



## Table of Contents

<b>Abbreviations.....</b>	<b>2</b>
<b>1. Executive summary .....</b>	<b>3</b>
<b>2. Introduction.....</b>	<b>4</b>
<b>3. Scoping Objectives, Implementation Process, and Caveats .....</b>	<b>5</b>
3.1. Objectives .....	5
3.2. Implementation Process .....	5
3.3. Caveats .....	5
<b>4. Context: The VPSHR and Pilot Groups in Ghana and Nigeria.....</b>	<b>5</b>
<b>5. Findings .....</b>	<b>7</b>
5.1. Is there a role for the VPSHR in Myanmar? .....	7
5.2. Who should be involved in an In-Country Implementation Pilot Group? .....	8
5.3. What Pilot Group activities would add value? .....	9
5.4. How Should the Pilot Group be Chaired and coordinated? .....	10
<b>6. Recommendations and Proposed Next Steps.....</b>	<b>12</b>
6.1. Recommendations .....	12
6.2. Proposed Next Steps .....	12
<b>Annexes .....</b>	<b>13</b>
Annex 1: Terms of Reference for In-Country Implementation Pilot Groups .....	13
Annex 2: Organisations Consulted/Attending Reflection Workshop.....	16
Annex 3: Suggested Activities For 2018-2019 .....	17
Annex 5: About Asia Conflict and Security Consulting Ltd. ....	18

## ABBREVIATIONS

---

FFP	Fund for Peace
ICIPGs	In-Country Implementation Pilot Groups
IFC	International Finance Corporation
MCRB	Myanmar Centre for Responsible Business
Pilot Group	In-Country Implementation Pilot Group
VPI	Voluntary Principles Initiative
VPSHR	Voluntary Principles on Security and Human Rights
VPs-WG	Voluntary Principles – Working Group
WANEP	West Africa Network for Peace-building

# 1. EXECUTIVE SUMMARY

---

Established in 2000, the Voluntary Principles on Security and Human Rights (VPSHR) are a set of principles designed to guide companies in maintaining the security of their operations within an operating framework that encourages respect for human rights. The VPSHR are used by many of the world's leading oil, gas, and mining companies, as well as an increasing number of companies in other sectors such as infrastructure and energy. International lenders and finance institutions encourage or even require that companies adopt the practices outlined in the VPSHR. Although the VPSHR have been in existence for two decades, their implementation has sometimes been challenging when it comes to combining the Principles with operational constraints in complex environments.

To explore how to best roll-out and implement the VPSHR at national level, three countries (Ghana, Nigeria, and Myanmar) were selected for the establishment of what is called In-Country Implementation Pilot Groups (ICIPGs). For the Myanmar Pilot Group, the Myanmar Centre for Responsible Business, International Alert, and PeaceNexus, with the agreement of those VPI members with an in-country presence, commissioned a scoping study to ascertain the value added of the VPSHR in the country and what form the Pilot Group could usefully take.

The scoping study was carried out in February-March 2018. It involved desk research and in-country consultations with key stakeholders, as well as a reflection workshop that reviewed preliminary findings. A draft scoping study report was prepared and benefitted from further inputs, which were integrated into this document.

The scoping study finds that the VPSHR and a Pilot Group in Myanmar will add value. To do so optimally, a Pilot Group should draw in national and regional companies from key sectors with significant onshore footprints. Three core activities for a Pilot Group in Myanmar are identified:

1. Share lessons learnt and good practice;
2. Support Myanmar and regional companies to use the VPSHR in their operations; and
3. Help define shared responses by companies to local level challenges on VPSHR-related issues.

The report concludes with several recommendations to the VPSHR group of members in Myanmar:

1. Establish an ICIPG ('Pilot Group') in Myanmar, to be led by a core group or Steering Committee initially consisting of interested in-country VPI members, and co-chaired by the UK Embassy and TOTAL. This should establish the necessary governance and process, inter alia considering the pros and cons of expansion of the Steering Committee membership to interested non-VPI members, in view of concerns about dilution/reputation risks (See Box 3)
2. Define a light Pilot Group schedule and agenda of initiatives until the end of 2019 (see 5.3 for outline activities), drawing on lessons from Peru and Ghana. Use this schedule to incrementally, learn, and hone in on value added areas, avoiding a 'talking shop', and foster a sense of collective ownership
3. Invite national and regional companies from key sectors and with significant onshore footprints to participate in relevant ICIPG activities, but do not formally associate non-VPSHR companies as Members or require financial contributions e.g. to a Secretariat.
4. Request the MCRB to serve as an Interim Coordinator for the Pilot Group until the end of 2019. Consider in H2 2019 if a Secretariat is required and if so, how it should be established and funded.

## 2. INTRODUCTION

---

Myanmar is one of three pilot countries (in addition to Nigeria and Ghana) selected in 2016 for the roll-out of the Voluntary Principles on Security and Human Rights (VPSHR) at local level by establishing In-Country Implementation Pilot Groups (ICIPG), in addition to an existing group in Peru. The Voluntary Principles Initiative (VPI) has set objectives and activities for the ICIPGs, and developed governance templates for them (see Annex 1). The VPIs Strategy 2016-2019<sup>1</sup> includes the following Implementation Objective 1(a). Promote in-country implementation through the facilitation of In-Country Implementation Pilot Groups (ICIPG). Actions envisaged are:

- i. Identify three (3) countries open to the establishment of new ICIPGs as part of a pilot project (additionally to the existing group in Peru);
- ii. Establish a roadmap to determine the scope and to facilitate the work of ICIPGs;
- iii. Launch ICIPGs in identified pilot countries, under the oversight of the VPI-level Implementation Working Group; and
- iv. Provide support to the ICIPGs as required.

As of the time of the study, the following VPI members had an in-country presence in Myanmar.

**Corporate:** Chevron, Shell, Statoil, Total, Woodside Energy, PanAust.

Freeport-McMoRan Inc also has a potential interest but no in-country presence. Statoil and Conoco were present but have exited in 2017.

**Government (as Embassies):** Australia, Canada, Netherlands, Norway, Switzerland, United Kingdom, USA

**Civil Society:** CDA Collaborative Learning Projects (changing wef June 2018 to a new local NGO, RAFT), Human Rights Watch, International Alert, Pact, Search for Common Ground

**Observers** to the VPSHR with a presence in Myanmar include the IFC and the ICRC, and Institute for Human Rights and Business (IHRB) as a founder of the Yangon-based Myanmar Centre for Responsible Business.

In late 2017, the Myanmar Centre for Responsible Business (MCRB), International Alert, and PeaceNexus proposed to the above VPI members to implement a scoping study to inform ICIPG implementation in Myanmar, and retained ACAS for this purpose<sup>2</sup>. This draft Final Report outlines the scoping purpose and process, gives context to the VPSHR and the study, describes findings from research in relation to key questions, and proposes next steps.

---

<sup>1</sup> See the [Voluntary Principles Strategy 2016-2019](#).

<sup>2</sup> Peace Nexus funded the scoping study as part of their support for conflict-sensitive company-community dialogue in Myanmar.

### 3. SCOPING OBJECTIVES, IMPLEMENTATION PROCESS, AND CAVEATS

---

#### 3.1. OBJECTIVES

The primary objective of the scoping study was to assess whether there is a role for the VPSHR in Myanmar, and if so, how to move the initiative forward in-country. A secondary, but also important objective was to raise awareness through the scoping study of the VPSHR, particularly among local civil society and government stakeholders.

#### 3.2. IMPLEMENTATION PROCESS

The assignment implementation process involved three phases: a preparatory phase, an in-country phase, and a finalisation phase.

The **Preparatory Phase (22 January – 16 February 2018)** involved a kick-off call with MCRB, International Alert, and PeaceNexus, along with Chevron, and was followed by the preparation of an Inception Report. It also included a review of documentation and development of a list of over 60 stakeholders to inform in-country interviews. An interview schedule was set, interview questions defined, and a short VPSHR presentation was prepared.

The **In-Country Phase (18 February – 28 February 2018)** was focused on interviews in Yangon with over 25 international and Myanmar companies, NGOs/civil society, industry bodies, embassies and multilateral agencies. Four small group discussions were held, along with a reflection workshop where preliminary findings were discussed. The full list of organisations consulted is in Annex 2.

The **Finalisation Phase (March 2018)** has involved the drafting of the Final Report and its finalisation after receiving feedback from MCRB, International Alert, and PeaceNexus.

#### 3.3. CAVEATS

There are several caveats that should be considered when reading this report. First, as a quick scoping exercise, findings are based on secondary data and interviews. Second, it was not possible to consult all key stakeholders identified, and there has been limited input from government officials in the study due to problems in scheduling meetings in Naypyidaw in the time available. Third, findings are focused on areas where there is a consensus across stakeholder groups. This report does not provide a complete account of the diverse views heard.

### 4. CONTEXT: THE VPSHR AND PILOT GROUPS IN GHANA AND NIGERIA

---

The origins of the VPSHR are in the extractive sector and a need to address in-country challenges associated to the human rights impacts of corporate security arrangements. Almost two decades after its launch in 2000, the VPI has evolved into a tripartite network of over 30 companies, 10 governments, and 13 NGOs, which reports on corporate VPSHR implementation, provides guidance, and continues to drive the VPSHR agenda ([www.voluntaryprinciples.org](http://www.voluntaryprinciples.org)). A Secretariat has been provided by Foley Hoag LLP<sup>3</sup>.

---

<sup>3</sup> Appointed until December 2018 with a tender to appoint a 5 year Secretariat ongoing.

The VPSHR is a practical framework that can assist companies improve the effectiveness of their security practices and procedures, while ensuring that the rights of local and affected communities are respected and safeguarded. The VPSHR is today a benchmark also adopted and used by many non-VPSHR members. It is reflected in International Financial Corporation (IFC) performance standards (Performance Standard 4). In fact, available IFC guidance (see [Use of Security Forces: Assessing and Managing Risks and Impacts](#)) takes the VPSHR a step further and calls for companies not only to mitigate the human rights impacts of their security arrangements, but also tackle the security impact of investments/operations on communities.

The push to set up In-Country Implementation Pilot Groups (ICIPG) in Ghana, Nigeria and Myanmar follows in part from a recognition that the VPSHR can (and does) provide added value to companies that are non-members of the VPI, and can help address national-level challenges associated with sectors with large on-shore footprints.

In Ghana and Nigeria, the extractive sector is growing (or already sizeable) and a source of many security and human rights challenges. In Nigeria, for example, these include widespread human rights violations perpetrated by public security forces and non-state actors, attacks by armed community groups and non-state actors on oil and gas facilities, and violent community level protests. For the governments of Ghana (which joined the VPI in 2014) and Nigeria, the VPSHR offers a platform for the prevention and management of these issues.

**Box 1: Lessons learned from the Ghana Pilot Group that are applicable to Myanmar**

- Regular stakeholder mapping and conflict analysis is critical to understand power relations, conflict drivers and changing dynamics in areas where the VPSHR are to be applied
- There is often a misperception that the VPSHR can address and remedy all human rights related violations, and this needs to be addressed through training/awareness-raising initiatives for civil society and the media
- There is value in contextualizing training/awareness-raising on the VPSHR within a larger peace-building and development framework
- A community security approach, which involves early warning/response mechanisms can reduce the need for actions by external security providers
- The development of a toolbox for affected communities and engaged civil society organisations that includes approaches to benefits transparency, communication, grievance mechanisms, media advocacy, and community security adds value.
- Such a toolbox may help promote constructive engagement between communities/civil society and companies and government representatives.
- The creation of a webpage just for the VPI Ghana helped raise national awareness.

The implementation of the Pilot Groups in Ghana and Nigeria has progressed most in Ghana. In Nigeria, the Pilot Group initiative gained traction on 10 February 2018<sup>4</sup>, with a five-day working visit by the VPI steering committee. This visit included discussions to draft a roadmap to activate the Pilot Group there but it is not yet publicly available.

In Ghana, the focus to date has been on creating awareness of the VPSHR. The West Africa Network for Peacebuilding (WANEP) and Fund for Peace (FFP), who are leading this work, have taken a sub-national (regional) and integrated peacebuilding and conflict prevention approach to roll out the VPSHR at a local level. Activities conducted so far have been trainings focused on building VPSHR awareness, capacity mitigate conflict by understanding how to use grievance mechanisms, and early warning/peace-building methods at the community-level. Between 2015 and 2017, awareness-raising and training activities were organized by WANEP and FFP in four regions for civil society, communities and companies. In addition, communities were trained in the monitoring of human rights related issues associated to the extractive

<sup>4</sup> See reporting on the [VPSHR delegation in Nigeria](#).

sector. The most recent Pilot Group report<sup>5</sup> indicates that two other regions of Ghana were included in the last quarter of 2017 and activities there are ongoing.

Beyond the ICIPG initiatives in Ghana and Nigeria, Peru is a non-VPSHR signatory country where civil society organisations have taken a leading role to help roll out the initiative. A Voluntary Principles Working Group (VPs-WG) on the VPSHR was set up in 2010 to discuss implementation challenges among stakeholders. Selected lessons learned from Peru are given in Box 2 and are drawn from [Ten Steps to Promote the Voluntary Principles on Security and Human Rights: The Peruvian Working Group Model](#).

#### Box 2: Selected lessons learned from the VPs-WG in Peru

- Identify a champion to lead the VPs-WG to jump-start the promotion of the VPSHR and convene stakeholders from government, corporations, and civil society.
- In a second phase, a collective leadership model is helpful and needed to yield impact.
- External governments and their embassies in-country can be key allies in pushing forward the VPSHR agenda.
- A phased approach is critical, where a core group is built first with motivated participants from each pillar, followed by a slow expansion.
- Several activities should be considered, including capacity building, awareness, promotion through website, studies, VPSHR assessments, visits to project sites, and monitoring VPSHR implementation.

Some of the lessons learnt from Peru, such as identifying a champion to kick-start the Pilot Group and going for a collective leadership model in a second phase are applicable to Myanmar. However, activities like site visits, VPSHR assessments and monitoring may be premature.

## 5. FINDINGS

### 5.1. IS THERE A ROLE FOR THE VPSHR IN MYANMAR?

From the 20 respondents that were asked this question, 65% answered 'yes', 20% said it was not their priority, but that they would support it, and 15% felt it was premature in Myanmar (see Figure 1).

Discussions with interviewees and in small group sessions raised a number challenges for the VPSHR in Myanmar, including:

- Human rights issues related to company security arrangements are less important than rights violations associated to land acquisition, labour conditions, environment, and health and safety.
- Rights violations associated to land acquisition, labour conditions, environment, and health and safety may cause community and workforce protests, which in turn may be met by a security response. As such, a VPSHR initiative in Myanmar should consider and address these as causes of security-related human rights risks.

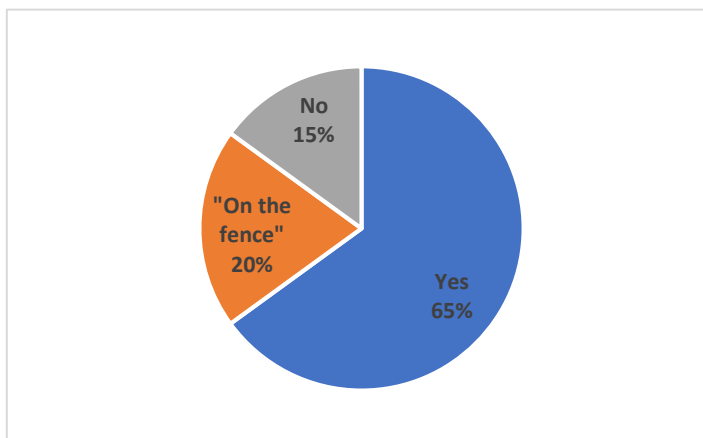


Figure 1: Responses to whether the VPSHR have a role in Myanmar

<sup>5</sup> See the Fund for Peace's [VPSHR Ghana Update](#).

- There is low awareness of the VPSHR in the Myanmar government and civil society. Capacity in the government and civil society sector to engage in a VPSHR initiative is limited also given the range of other priorities.
- Most corporate members of the VPSHR in Myanmar (except for Total) have a limited onshore footprint, are offshore and/or in an exploration phase. They have limited resources to deploy on the VPSHR and engagement in the initiative is not a priority.
- The embassies of most countries that are part of the government pillar of the VPSHR have limited staff in-country. The VPSHR are a low priority among all except for the UK, US and Dutch embassies in Myanmar.

## 5.2. WHO SHOULD BE INVOLVED IN AN IN-COUNTRY IMPLEMENTATION PILOT GROUP?

Among respondents who answered 'yes' or were 'on the fence' when it comes to a role for the VPSHR in Myanmar, most felt it would be important to include non-VPSHR members (from Myanmar and the region) in a Pilot Group and ensure that sectors/industries are covered where the security and human rights interface is important. Beyond oil/gas and mining, participants at the Reflection Workshop identified several key sectors/industries for potential inclusion:

- Energy
- Ports and Special Economic Zones
- Private security
- Tourism
- Construction
- Garment
- Banking and finance
- Telecommunications

Some respondents felt that inclusion in a Pilot Group of Myanmar and regional companies active in these sectors carries some risk (see Box 1), particularly reputational for the VPI more broadly and in terms of diluting the focus/value added of a Pilot Group for current VPSHR members. There were different views among in-country VPSHR members on whether the benefits of an expanded group/sector focus outweighed the risks, but agreement on the need for further discussion on how to manage potential risks.

### BOX 3: INCLUSION OF NON-VPI MEMBER COMPANIES

Although there was broad agreement on the value of bringing in national i.e. Myanmar and regional (i.e. Asian) companies into Pilot Group activities, there were diverging views among current VPSHR members on risks associated with their more formal participation in the ICIPG through 'association' or 'membership' or their involvement in governance. These were:

(a) reputational risk (to both the ICIPG and the VPI more broadly) of offering 'membership' to companies who were not currently VPI members or willing or able to commit to the Principles and/or had a poor human rights record; and

(b) substance/dilution risk, as a result of broad membership of a Pilot Group leading to diluted focus on the extractives sector, or the Principles, and/or limiting the ability of the group to identify and meaningfully discuss topics of shared interest.

Some VPSHR members argued that the benefits of involvement of national and regional companies even with a poor human rights record outweighed any risk. Others thought that such engagement was key to facilitate greater government participation.

It was suggested that before decisions were taken to expand to other sectors or formally associate non-VPSHR members, this should be accompanied by a risk assessment and management process – supervised by the Steering Committee.



Other reflections on an expanded group of companies/broader sector coverage for a VPSHR Pilot Group among Reflection Workshop participants included:

- The need to prioritise sectors for inclusion and consider sector-specific agendas for a Pilot Group;
- The value of taking a geographical approach to agenda-setting for a Pilot Group, and covering different sectors in different regions;
- The need to distinguish between VPSHR members, and companies/organisations that might participate in Pilot Group activities;
- The value of preparing a Myanmar-specific roadmap process that helps Myanmar and regional companies apply the VPSHR; and
- The opportunity and value added of inviting clients of the International Finance Corporation (IFC) in Myanmar to join the activities of the Pilot Group.

When it comes to the second and third VPSHR pillars (government and civil society), there was general agreement that:

- Engagement with the Myanmar government is a long-term process, which must initially involve establishing multiple contact points with government until focal ministries/stakeholders can be identified;
- Enabling effective engagement by Myanmar civil society groups in Pilot Group activities is important, and needs to consider existing capacities and competing priorities among these groups.

Some respondents also flagged that a “communities pillar” should be considered for certain geographies and sectors, which draws in community representatives from impacted areas to engage in tripartite dialogue efforts.

### 5.3. WHAT PILOT GROUP ACTIVITIES WOULD ADD VALUE?

Figure 2 outlines the elements identified by respondents as adding value for a VPSHR Pilot Group in Myanmar. These include:

#### *Activities focussed on companies*

1. **Share lessons learnt and good practice** on security and human rights broadly, and specifically on VPSHR implementation in Myanmar. This element would be targeted at a broader set of companies and sectors than VPIs members.
2. **Support Myanmar and regional companies to use the VPSHR** in their operations. This element could involve translation/context adjustment to guidance material, facilitating access to expertise, and accompaniment of companies that embark on the application of the VPSHR to their operations.
3. **Help define shared responses by companies to local level challenges on VPSHR-related issues.** This element builds on existing experience among VPSHR members in-country, where issues of shared concern have been identified, common positions and approaches were elaborated, and new (and useful) partnerships formed. Examples could include offshore operations (already the subject of a Myanmar-based VPI discussion), and artisanal mining.



Figure 2: Value added activities of a VPSHR Pilot Group

#### Activities focussed on government and civil society

4. **Raise awareness of the VPSHR among other key stakeholders in Myanmar.** This element involves preparing material on the VPSHR which is translated into Burmese, holding awareness-raising events for government and civil society, etc (which could also involve companies)
5. **Develop a tripartite dialogue agenda** on key VPSHR issues. Security and human rights challenges occur in a context of other rights violations and tripartite dialogue on these and other issues is seen by many respondents as a key value added brought by the VPSHR in Myanmar.
6. **Identify government counter-parts for the VPSHR.** Government understanding and effective participation of agencies/stakeholders concerned with security and human rights is important for VPSHR implementation. This is an element that involves activities aimed to identify key government counter-parts and draws them into the activities of the ICIPG.

Participants at the Reflection Workshop prioritised the company-focussed elements i.e. 1, 2, and 3 and saw these as ‘early wins’ for a Pilot Group.

#### 5.4. HOW SHOULD THE PILOT GROUP BE CHAIRED AND COORDINATED?

There was broad consensus among respondents in favour of establishing a Pilot Group in Myanmar that the interim coordination of the Initiative should be undertaken by the Myanmar Centre for Responsible Business (MCRB) which receives core funding from four VPI members (United Kingdom, The Netherlands, Norway, Switzerland) and has conducted sector-wide impact assessments (SWIAs) on oil and gas, and mining (see references in Annex 4), which recommended use of the VPI to address security and human rights risks.

There was also a recommendation to commence Pilot Group activities (until end 2019) with MCRB as Interim Coordinator, to enable an assessment of their value and local interest, before taking the decision to establish a formal Secretariat.

In view of the need to consider risks around expanding participation by sector or non-VPI companies, it was suggested that an initial Steering Committee of interested/willing in-country VPIs members be established to steer the activities of the Pilot Group.

The UK Embassy indicated its willingness to continue serving as the VPSHR Chair in Myanmar (at Global level the United Kingdom will serve as the Government Chair until the 2019 Annual Plenary Meeting). TOTAL's work to drive the VPSHR forward in Myanmar was widely recognised, and there was consensus that Total, which currently has the greatest operational presence, would be ideal as a company Co-Chair of the Pilot Group.

In relation to funding of activities in 2018/2019, most company respondents expressed a willingness to contribute to specific activities, to supplement the coordination costs which MCRB agreed to take on based on its core funding from donors (subject to that being renewed in 2019).

Some Embassy and company respondents expressed willingness in principle to contribute to funding for a Secretariat if one was established, either through funds administered locally or through contributions from headquarters.

## 6. RECOMMENDATIONS AND PROPOSED NEXT STEPS

---

### 6.1. RECOMMENDATIONS

Based on the scoping study findings and expert opinion, and the Terms of Reference for the ICIPG in Annex 1 the following recommendations are given to the group of VPSHR members and observers in Myanmar:

1. Establish an ICIPG ('Pilot Group') in Myanmar, to be led by a core group or Steering Committee initially consisting of interested in-country VIP members, and co-chaired by the UK Embassy and TOTAL. This should establish the necessary governance and process, inter alia considering the pros and cons of expansion of the Steering Committee membership to interested non-VPI members, in view of concerns about dilution/reputation risks (See Box 3)
2. Define a light Pilot Group schedule and agenda of initiatives until the end of 2019 (see 5.3 for outline activities), drawing on lessons from Peru and Ghana. Use this schedule to incrementally, learn, and hone in on value added areas, avoiding a 'talking shop', and foster a sense of collective ownership
3. Invite national and regional companies from key sectors and with significant onshore footprints to participate in relevant ICIPG activities, but do not formally associate non-VPSHR companies as Members or require financial contributions e.g. to a Secretariat.
4. Request the MCRB to serve as an Interim Coordinator for the Pilot Group until the end of 2019. Consider in H2 2019 if a Secretariat is required and if so, how it should be established and funded.

### 6.2. PROPOSED NEXT STEPS

It is suggested that the MCRB should convene a meeting of VPI members in Q2, to create the Steering Committee, proposed to be co-chaired by the UK Embassy, and TOTAL and that this Steering Committee should:

- Discuss this report and approve, or amend the recommendations, and forward this to the VPI Implementation Group;
- Discuss initial proposals on governance, processes and participation (based on this report, and a proposal by MCRB); and
- Discuss a list of priority activities for 2018, participants, and associated costs (see Annex 3 for initial suggestions prepared in discussion with MCRB).

ENDS

## ANNEXES

---

### ANNEX 1: TERMS OF REFERENCE FOR IN-COUNTRY IMPLEMENTATION PILOT GROUPS

This document is intended to provide initial guidance to the In-Country Implementation Pilot Groups. The Voluntary Principles Initiative (“VPI”) has selected the following countries for the initial in-country pilots: Burma, Nigeria, and Ghana. The VPI expects the activities and the governance structures of the In-Country Implementation Pilot Groups will evolve over time. The Chair/Co-Chair of each group should feel free to contact the VPI Secretariat at any time to discuss questions or ideas with regard to potential objectives, activities, and/or governance issues.

#### Objectives of the In-Country Implementation Pilot Groups

The overarching objective of the Pilot Groups is to facilitate effective implementation of the Voluntary Principles on Security and Human Rights (“the Voluntary Principles”) at the local level. Specific objectives of the groups include:

- Assessing group members’ familiarity with the Voluntary Principles and experience with Voluntary Principles implementation;
- Sharing best practices, fostering communication, and raising awareness related to local security and human rights environments;
- Enhancing collaboration between government representatives, NGOs, companies, and other local stakeholders;
- Identifying and responding to local in-country challenges related to implementation of the Voluntary Principles and working to identify joint solutions to those challenges;
- Strengthening participation by local host governments (formally or informally), with a focus on host government security stakeholders;
- Supporting the efforts of Participants in the Voluntary Principles Initiative to operate consistently with each Pillar’s defined roles and responsibilities; and
- Assessing and sharing progress achieved, lessons learned, and best practices with other in-country Implementation Pilot Groups and Participants in the Voluntary Principles Initiative.

#### Activities

The In-Country Implementation Pilot Groups should seek to facilitate activities that promote in-country implementation of the Voluntary Principles on Security and Human Rights (the “Voluntary Principles”) and that address local security and human rights challenges. These activities could include, but need not be limited to:

- Facilitating formal and informal discussions regarding the local security and human rights context, including identifying challenges and opportunities to address concerns;
- Organizing in-country roundtables to share best practices and identify lessons learned with regard to in-country Voluntary Principles implementation;
- Complementing Initiative-level verification processes by enhancing visibility of implementation efforts and security and human rights risks specific to the country;
- Promoting the Voluntary Principles in engagements with relevant local stakeholders;
- Supporting local, regional and/or national human rights assessments and monitoring of security and human rights concerns;

- Conducting assessments of the familiarity of local stakeholders with the Voluntary Principles and identifying opportunities to share expertise;
- Developing training materials for members of the Pilot Group as well as private and public security forces; and
- Serving as an in-country resource for local stakeholders interested in the Voluntary Principles and/or the Voluntary Principles Initiative.

Over time, the VPI expects that the work of the pilot groups will evolve so as to be increasingly responsive to local country needs.

### **Governance and Structure of the In-Country Pilot Groups**

**Chair/Co-Chairs:** Each In-Country Implementation Pilot Group will have a Chair or Co-Chairs. The Chair is expected to be a Participant in the VPI's Government Pillar. If there are Co-Chairs, at least one should be a Participant in the Government Pillar. Group members who are not Participants in the VPI are not eligible to be Chair/Co-Chair.

**Local Steering Committees:** As the size, capacity, and needs of the In-Country Implementation Pilot Groups increases, the Chair or Co-Chairs may wish to facilitate the development of an in-country Steering Committee. The Committee should include Participants from each of the three Pillars of the VPI.

**General Responsibilities:** The Chair or Co-Chairs should work with the local Secretariat, if one has been established, and the membership of the In-Country Implementation Pilot Groups to develop specific in-country priorities, work plans, and meeting schedules. The Chair should also host group meetings, or work with the local secretariat to identify an entity that can host meetings.

**Secretariat:** Some level of in-country Secretariat support will be necessary to facilitate the work of the In-Country Implementation Pilot Groups. At this time, such support is expected to be provided by a member of the in-country group who is also a member of the VPI. The Chair or CoChairs of the In-Country Implementation Group should seek to identify an entity that can provide Secretariat services, with the possibility that this role may be filled by the Chair or Co-Chairs.

**General Responsibilities:** The Secretariat should prepare meeting invitations, agendas and minutes, and also serve as the primary liaison to the Voluntary Principles Initiative through communications with the VPI's Secretariat and Steering Committee.

**Costs:** Each year, the Secretariat should determine what costs may be associated with the operation of In-Country Implementation Pilot Group. An estimate of these costs should be provided to the VPI Secretariat and Steering Committee by the end of each calendar year in order to facilitate discussion about potential funding options.

**Reporting:** Each year, the Secretariat should prepare a short report to the VPI Secretariat and the Steering Committee providing an overview of the In-Country Implementation Pilot Group's activities during the previous year. This report should be submitted by the end of each calendar year. The Secretariat is expected to provide the first written report by December 31, 2017. Representatives of the In-Country Implementation Pilot Groups will also be asked to provide an oral update of their efforts to date at the 2017 Annual Plenary Meeting.

**Membership:** All Participants in the VPI who have operations and/or a presence in the pilot countries are expected to participate in the In-Country Implementation Pilot Groups. Participants who are unable to participate should notify the VPI Secretariat.

Other relevant and appropriate stakeholders, who need not be Participants in the VPI, may also be identified and invited to participate in the In-Country Implementation Pilot Groups. The Chair/Co-Chair should work with the Secretariat to identify local non-Participant stakeholders who should be encouraged to participate. Non-Participants should submit a letter of intent to be reviewed by the membership of the In-country Implementation Pilot Group before participation is approved.

Non-Participants must be nominated by a current VPI Participant. In general, interested stakeholders seeking to join an In-Country Implementation Pilot Groups should have specific expertise regarding local security and human rights challenges in connection with extractive sector activity.

Membership should be granted to institutions not to individuals. Non-Participant members are expected to engage regularly in meetings and activities of the Pilot Group and contribute/collaborate in good faith. Failure to do either may result in termination of membership.

**Meetings:** At the outset, members of the In-Country Implementation Pilot Groups should endeavor to meet at least quarterly. Meetings may be held more frequently as necessary to address identified priorities and work plans. The local Secretariat should submit copies of the minutes of all meetings to the VPI Secretariat.

**Decision-making:** The In-Country Implementation Pilot Groups should seek to make all decisions by consensus. If consensus is not possible, matters may be decided by a formal vote. Each Pilot Group should establish its own voting guidelines, including whether non-Participants have the right to vote and whether affirmative decisions will require a simple majority or, alternatively, whether a certain level of support from each Pillar will be required for a decision to be approved.

**Confidentiality:** All proceedings of the In-Country Implementation Pilot Groups are to be conducted on a non-attribution and non-quotation basis and no distribution of documents outside of the Groups or the VPI is permitted except as required by valid legal process or otherwise required by law.

## ANNEX 2: ORGANISATIONS CONSULTED/ATTENDING REFLECTION WORKSHOP

\*VPI member

### International oil and gas companies

Chevron\*  
Woodside Energy\*  
Total Myanmar\*  
Shell\*  
ENI

### International mining companies

PanAust\*

### Other companies

#### Myanmar energy/services companies:

SMART Group of Companies  
Parami  
Lion Energy

#### Security services companies:

IDG Myanmar (security services)  
Exera (security services)

#### Other:

ERM (EIA consultants)

### Embassies

Embassy of Canada\*  
Netherlands Embassy\*  
Embassy of Switzerland\*  
Embassy of the United Kingdom\*  
Embassy of the United States of America\*

### NGOs and local civil society

International Alert\*  
Search for Common Ground\*  
Earthrights International  
Spectrum  
Oxfam  
Natural Resources Governance Institute (NRGI)  
Myanmar Alliance for Transparency and Accountability (MATA)

### Industry Associations

Myanmar Federation of Mining Associations (MFMA)

### Multilateral Agencies

World Bank/IFC  
United Nations High Commissioner for Refugees

### Other Organisations

Myanmar National Human Rights Commission  
Extractive Industries Transparency Initiative (EITI)  
Voluntary Principles Initiative (FoleyHoag LLP)\*  
Institute of Human Rights and Business\*

The following stakeholders were contacted, but for various reasons it was not possible to schedule a meeting:

- **Companies:** Petronas, PTTEP, Daewoo, Wanbao
- **Embassies:** Australian Embassy\*, Norwegian Embassy\*, French Embassy
- **Myanmar Government:** Myanmar Oil and Gas Enterprise, Environmental Conservational Departments, Mining Departments
- **NGOs:** PACT\*



### **ANNEX 3: PROPOSED ACTIVITIES FOR 2018-2019**

The list of proposed activities below was agreed at the first Steering Group meeting, to be adapted in the light of stakeholder interest and resources.

#### **Q2 2018: Establish ICIPG (see 6.2)**

- Hold inaugural Steering Group meeting and:
  - Discuss this report and approve, or amend the recommendations
  - Forward this to the VPI Implementation Group
  - Discuss initial proposals on governance, processes and participation (based on this report, and a proposal by MCRB)
  - Discuss a list of priority activities for 2018, participants, and associated costs
  - Discuss priority sub-national regions for 2019
- Arrange follow-up dialogue between O&G companies who are VPI members and key stakeholders relating to Rakhine/offshore (follow-up to 2015/2016 discussions)

#### **Q3/Q4 2018: Workshops on oil and gas**

- Draft material in Burmese about the VPs to raise awareness in Yangon and Naypyidaw on the existence of the Pilot Group and its mandate, for key stakeholders and webpage (via MCRB website) and media
- Identify and translate/adapt most relevant resources/guidance
- Organize four ½ day expert awareness-raising workshops given by security experts from VPSHR members active in Myanmar:
  1. Other O&G operating in the country who are not VPSHR members, possibly in coordination with the Oil Producers and Operators Club (OPOC)
  2. Security companies
  3. An introduction for CSOs to the VPSHR (what they are and are not), with some attention to pipeline security
  4. Briefing on VPSHR for relevant officials in Naypyidaw (both O&G and mining)
- On-going awareness raising with mining companies at relevant mining meetings e.g. on EIA
- Map stakeholders including at subnational level

#### **Q4 2018: Awareness-raising, prepare Review of Year 1**

- On-going awareness raising with mining companies at relevant mining meetings e.g. on EIA
- ICIPG Steering Group meeting 2
  - Review workshops/awareness raising, including participation and stakeholders, including at subnational level
  - Prepare ICIPG annual report for submission (deadline 31.12.2018)
  - Finalize and agree on work plan for 2019

#### **2019: Capacity building and awareness activities at subnational level**

- Implement training and awareness activities in selected regions, for civil society organizations, corporations, and for government in x subnational levels (possibly reflecting EITI subnational pilots), adapting based on feedback
- Organise an event with the IFC on the VPSHR and IFC PS4 with a view to identify potential synergies and joint initiatives in Myanmar
- Prepare event reports and disseminate
- Two or three Steering Committee meetings
  - Consideration of expansion of other sectors
  - Identify opportunities sector and/or regional dialogue agenda on key VPSHR-related issues and challenges, and potential for capacity-building and/or multi-stakeholder discussion with a view to drawing out lessons learned and good practice
  - Evaluate progress to date and need for Secretariat
  - Submit 2019 Annual Review

## Annex 4: Selected References

[The Voluntary Principles on Security and Human Rights](#) (Voluntary Principles Initiative)

[The Voluntary Principles on Security and Human Rights: Implementation Guidance Tools](#) (Voluntary Principles Initiative)

[Myanmar Oil & Gas Sector-Wide Impact Assessment \(SWIA\)](#) (Myanmar Centre for Responsible Business)

[Myanmar Mining Sector-Wide Impact Assessment \(SWIA\)](#) (Myanmar Centre for Responsible Business)

[Use of Security Forces: Assessing and Managing Risks and Impacts](#) (International Finance Corporation)

[VPSHR National-Level Implementation](#) (International Alert and Fund for Peace)

## ANNEX 5: ABOUT ASIA CONFLICT AND SECURITY CONSULTING LTD.

Asia Conflict and Security (ACAS) Consulting Ltd. (Hong Kong) was set up in 2016 and is part of a family of three regionally-owned and managed consulting companies that work on the intersection of peace, development, and investment. Our sister companies are:

- Europe Conflict and Security Consulting Ltd. (United Kingdom), which covers Europe/Middle East and North Africa (MENA)
- Africa Conflict and Security Consulting Ltd. (Nigeria), which covers Sub-Sahara Africa

The origins of our group go back to 2003 and as a network today of over 50 experts, we have strong field, technical, and political networks in over 90 countries across the globe. We are mission-driven and boutique consultancies, with each focused on implementing impactful assignments in our respective regions.

Today we have:

- Over 55 clients, including governments, corporations, multilateral agencies, foundations, and non-governmental organisations
- Country experience in over 35 conflict-affected, fragile, or dispute-affected countries in Europe, Middle East, Africa, Asia, Pacific, and Central/Latin America
- Regional programming experience in West Africa, the Sahel, East Africa, Horn of Africa, North Africa, Europe, Asia and Pacific
- Over 70% of repeat clients, who contract us frequently and repeatedly over the years

We have a zero accident and incident rate from 15 years+ of implementing assignments in some of the toughest conflict-affected and fragile environments in the world.

For more information, visit us at [www.acasconsulting.com](http://www.acasconsulting.com) or write to our CEO, Amol Navangul, at [amol@acasconsulting.com](mailto:amol@acasconsulting.com).