

3.4. Local procurement

A. Depending on the local context and capacities, international PSPs may not meet the same standards in all countries in which they operate.

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GOOD PRACTICES*

Develop policies, procedures, and guidelines defining the roles and responsibilities of private security providers (See Challenge 3.2.c.)

Check if the local branch of the PSP the company is working with is included in the membership of the International Code of Conduct for Private Security Services (ICoC) Association (ICoCA)⁸ or has made a commitment to another applicable standard developed by nationally or regionally recognised regulatory authorities, such as PSIRA⁹ or ANSI (PSC.1¹⁰), or relevant ISO standards

Develop a contract with the PSP and discuss it together to make sure the security provider understands its performance objectives (See Challenge 3.2.c.). The contract should:

- ▶ Reference company policy and procedures;
- ▶ Be informed by the VPs and ICoC;
- ▶ Include clear “clauses and performance requirements that ensure respect for relevant national law, international humanitarian law and human rights law” by the contracted PSP (MD Part 2: par. 14); and
- ▶ Reflect the findings of company due diligence and risk assessment activities.

Conduct a training needs analysis and ensure the required training is provided to private security guards assigned to the company’s operations (See Challenge 3.6.a.)

Meet regularly with the contracted PSP to address the following issues:

- Implementation of required functions consistent with company policies and contractual requirements regarding VPs, code of conduct for PSPs and international and national humanitarian and human rights requirements.
- Vetting of personnel, to the best of the PSP’s ability, including ongoing efforts to ensure knowledge of capacity and risks associated with hiring personnel from a particular location/ service background/ community/ethnic background. Where feasible, personnel records should be kept on file by the contractor and made available for inspection. (MIGA: IV-5)
- Training of all employees on all standards specified in the contract, including on the use of equipment, on an ongoing and as needed basis as indicated by due diligence and risk assessment activities.

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- Provision of defensive equipment, personal protective equipment, personal security equipment, appropriate weapons and firearms, and ammunition, by the PSP to its guards as required by the contract.
- Investigation of all allegations of human rights abuses, as well as of “all occasions when force or apprehension of a suspect has occurred to ensure this was done in accordance with company and contractor standards”. All such incidents should be reported to the company security manager and, where appropriate, to the local authorities. (MIGA: IV-5)
- Review of community and other stakeholders’ complaints to identify prevention or mitigation measures.
- “Confidentiality of information gathered in the course of duties”. (MIGA: IV-5)

Supervise the performance of PSPs through regular monitoring conducted either by the company security department or by an independent third party

- ▶ Use checklists and performance indicators shared with the contractor. (MIGA: IV-1) Tie these indicators “to specific outcomes, such as financial rewards or penalties for the contractor, or the cessation of the contract.” (SCG: 8) Potential performance indicators include (based on SCG: 8):
 - No-show rate;
 - Missed guard tours;
 - Missed supervisory visits;
 - Missed training, incomplete training or failure to pass training tests;
 - Internal and third party complaints;
 - Misuse of force/firearms, including accidental discharges of weapons;
 - Inappropriate interactions with community, public security, or other stakeholders;
 - Violations of agreed procedure;
 - Violations of international humanitarian law and human rights abuses;
 - Violations of international or national laws governing the private security industry;
 - Violations of company or industry code of conduct or ethics;
 - Failure to cooperate with client investigation, request for information or incident reporting requirements; and
 - Violations of the terms of the contract.
- ▶ Identify gaps in service delivery and examine options to fill gaps, including additional training and other support needs. (IGTs: 55)
- ▶ Check all complaints against the PSP reported through grievance or any other mechanisms and record all allegations of human rights abuses by private security.
- ▶ Ensure that such monitoring encompasses “detailed investigations into allegations of abusive or unlawful acts; the availability of disciplinary measures sufficient to prevent and deter; and procedures for reporting allegations to relevant local law enforcement authorities when appropriate.” (VPs: 6)

Work with host and home governments, other companies, civil society organisations and other relevant stakeholders, to agree on minimum standards for PSPs and monitoring mechanisms to supervise their conduct and performance

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B. Companies may have to procure services locally due to national legal or contractual requirements or as a commitment to help develop the local economy, even where local PSPs do not meet international standards.

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GOOD PRACTICES*

Ensure the risk assessment includes an analysis of the private security industry and specific companies' background, national labour laws, private security regulation and history of performance of local PSPs

- ▶ Identify trends in cases of human rights abuses in which local PSPs have been involved. NGOs can be of help in assembling such data.
- ▶ Elaborate a list of all PSPs that are known to have been involved in human rights abuses and violations of international humanitarian law and use it as part of the criteria for automatic exclusion in the evaluation process for the selection of a PSP. (See Challenge 3.2.a.)
- ▶ Evaluate risks and benefits of contracting a local PSP or, as an alternative, of hiring local guards as in-house security versus having external providers.
- ▶ Consider if a stakeholder engagement programme could help identify and address risks in ways that minimise the need for local PSPs.

Develop company policies on ethical conduct and human rights for all personnel, business partners and other parties directly linked to its operations, products or services, including contracted PSPs (See Challenge 3.2.c.)

- ▶ Share the company's security policies and procedures with relevant stakeholders, such as other companies, public security forces and local communities. Highlight information about "local hiring guidelines, prohibitions on the use of deadly force, and procedures for requesting police back-up." (MIGA: IV-1)

Consider the different posts required and define the desired profile for each job, taking into account factors such as:

- Level of education, training and experience required for the job, including whether it would be possible to address some of the training gaps to reach the desired level through additional training provided by the company. Local private security personnel with a lower level of education and training can assume basic guard duties while more extensively trained personnel can be used for other positions.
- Local language(s) skills.
- Knowledge of the local situation.
- Relations with the local community, including potential tensions between local communities and guards from different communities, ethnicities, religions, etc.
- Risks associated with each activity.

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Publish a Request for Proposals (RFP) and “evaluate bids in two stages; automatic exclusion on the basis of set criteria and the assessment of tenders according to award criteria” (SCG: 4) ([See Challenge 3.2.a.](#))

In situations where there is no PSP that complies with all the desired criteria, consider the following options:

- ▶ Assess whether there is any applicant that would be suitable provided they receive additional training or support to develop relevant policies and processes.
 - “Agree to a training programme with the provider together with milestones and timelines.” (IGTs: 57) ([See Challenge 3.6.a.](#))
 - Work with other companies to invest in training on human rights and humanitarian law (in situations of armed conflict) for local PSPs. (IGTs: 57)
 - Print the key points of the VPs, the code of conduct for PSPs and the rules for the use of force on plasticized “smart cards” issued to all private security personnel. The smart cards should be in the appropriate local language for ready reference and inspection. (MIGA IV-3)
 - Provide support to identify and manage human rights risks.
- ▶ In cases where some of the identified gaps cannot be addressed through additional training or support, consider whether the balance of risks versus benefits justifies the contracting of the PSP that submitted the strongest application. If yes, conduct enhanced due diligence to establish all feasible preventive and mitigation measures to address the identified human rights risks and potential impacts. ([See Challenge 3.1.a.](#))
- ▶ In situations where there is no eligible PSP operating in the area, but it is still desirable to have local guards, consider hiring local in-house security that would only start work after receiving all required training.
- ▶ Whenever there are doubts on local providers’ delivery capacity, consider the feasibility of hiring both international and local PSPs for different security functions.
- ▶ Consider other non-security jobs that could be offered to local community members.

Develop a contract with the PSP that includes clear “**clauses and performance requirements that ensure respect for relevant national law, international humanitarian law and human rights law**” by the contracted PSP. (MD Part 2: par. 14) Discuss these with the PSP to make sure the security provider understands its performance objectives. ([See Challenge 3.2.c.](#))

- ▶ If the PSP refuses to include a requirement to comply with the VPs and/or the company’s code of conduct for PSPs, consider the following options (IGTs: 57):
 - Negotiate a timeline for compliance and support a strategy to become compliant.
 - Withhold payments as established in the contract until the issue is satisfactorily addressed.
 - Condition ongoing relationship on performance and provide further, detailed guidance and training, together with regular performance review.
 - Terminate the relationship with the PSP.
- ▶ “Consider pricing and duration of a specific contract as a way to promote relevant international humanitarian law and human rights law. Relevant mechanisms may include:
 - Securities or bonds for contractual performance;

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- Financial rewards or penalties and incentives;
- Opportunities to compete for additional contracts”; (MD Part 2: par. 17)
- References provided to other clients.

Conduct a training needs analysis and ensure the required training is provided to private security guards assigned to the company’s operations (See Challenge 3.6.a.)

Meet regularly with the contracted PSP to address the following issues:

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- Training of all employees on all standards specified in the contract, including on the use of equipment, on an ongoing and as needed basis as indicated by due diligence and risk assessment activities.
- Provision of defensive equipment, personal protective equipment, personal security equipment, appropriate weapons and firearms, and ammunition, by the PSP to its guards as required by the contract.
- Investigation of all allegations of human rights abuses, as well as of “all occasions when force or apprehension of a suspect has occurred to ensure this was done in accordance with company and contractor standards”. All such incidents should be reported to the company security manager and, where appropriate, to the local authorities. (MIGA: IV-5)
- Review of community and other stakeholders’ complaints to identify prevention or mitigation measures.
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Supervise the performance of private security providers through regular monitoring conducted either by the company security department or by an independent third party.

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 - Inappropriate interactions with community, public security, or other stakeholders;
 - Violations of agreed procedure;
 - Violations of international humanitarian law and human rights abuses;
 - Violations of international or national laws governing the private security industry;

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- Violations of company or industry code of conduct or ethics;
 - Failure to cooperate with client investigation, request for information or incident reporting requirements; and
 - Violations of the terms of the contract.
- ▶ Identify gaps in service delivery and examine options to fill gaps, including additional training and other support needs. (IGTs: 55)
 - ▶ Check all complaints against the PSP reported through grievance or any other mechanisms and record all allegations of human rights abuses by private security.
 - ▶ Ensure that such monitoring encompasses “detailed investigations into allegations of abusive or unlawful acts; the availability of disciplinary measures sufficient to prevent and deter; and procedures for reporting allegations to relevant local law enforcement authorities when appropriate.” (VPs: 6)

Work with host and home governments, other companies, civil society organisations and other relevant stakeholders, to agree on minimum standards for PSPs and monitoring mechanisms to supervise their conduct and performance