

BUSINESS & PEACE COLOMBIA CONSULTATION REPORT

Bogotá, Colombia – September 27, 2016

The Business and Peace Project

CDA Collaborative Learning Projects (CDA), Peace Research Institute Oslo (PRIO), and Africa Centre for Dispute Settlement, University of Stellenbosch (ACDS) are jointly implementing a collaborative learning project that explores effective peacebuilding by private sector actors.¹ The project is funded jointly by the Norwegian Ministry of Foreign Affairs and the Carnegie Corporation of New York, and has as its overall goal a more robust understanding of the constraints and opportunities for private sector contributions to peace. The project will also generate insights to shape policies and company initiatives that seek to contribute positively to peace. The project undertakes field-based case studies that examine the impacts of private sector actors in fragile and conflict-affected areas. The project will produce nine such case studies. Analysis of the cases, and of the preliminary findings, is taking place through a series of consultations with a broad range of subject matter and context experts.

The Colombia Consultation

CDA, PRIO, and ACDS (which did not participate in this event) convened a group of experts in Bogotá, Colombia, to analyze case studies and draw out their implications. The consultation was convened by PRIO on September 27, 2016. Participants included representatives from companies, universities, research institutions, NGOs, and private consultancies. They discussed cases from Colombia, which were shared in advance of the consultation. The work of Continental Gold in Colombia was presented orally during the consultation. Participants were also asked to share their experiences of working with or as a member of private sector enterprises during the Colombia transition to peace.

Key Feedback from the Consultation

The primary focus of the Colombia consultation was to discuss team research into the Federación Nacional de Cafeteros (FNC) coffee guild in Colombia, through analysis of its internationally funded 'Footprints of Peace' (Huellas de Paz, or FOP) project from 2011 to 2015, which tried to build local peace in some of Colombia's most violent areas.

Colombia and the Case of the FNC and FOP

- Important to differentiate the complaints of private firms in terms of belonging to an extractive branch and the effects on environmental outcomes than other kind of enterprises like the FNC. It will impact on expected outcome, and each will have unique virtues and difficulties.

¹ To learn more about the project, its recent developments and publications, visit:
<http://cdacollaborative.org/cdaproject/business-and-peace/>

- The peace process may have affected the outcome and process itself of implementation of FOP as the FNC's particularities rely on its a co-op organization. Its membership is based on a particular organization: local representation and local leadership.
- Regarding the analytical framework for the project, there is a need to better develop an analytical scale: at what scale? What comes first? Socially speaking: peace, reconciliation, but at what scale (micro-mezzo-macro). Which were the limits of it? Durability?
- Regarding assessment of impact on peacebuilding, it was asked to clearly show which activities create the biggest impact (social, economic, peace-inducing) For the FOP case, did impact match with the FNC goals? Was it truly a 'win-win' project for the FNC (in terms of profit and social reputation?)
- Session II discussion highlighted some other firms that can be studied: Éxito (former CEO at the peace table), it incorporated beneficiaries in the value-chain within collective initiatives; Oxy; Nestlé; Bavaria; Isagén. (note that we will be pursuing Nestle and Bavaria in early 2017)

The Case of Continental Gold

- Ms. Guaqueta used the example of illegal economies as one the biggest post-peace deal risks for businesses in peacebuilding. Criminal organizations and extortion are significant risks for extractives.
- As an example of 'managing good intentions', Continental Gold is developing a new project in Buriticá, which has had heavy FARC presence and current Clan Usuga (BACRIM) activity. Illegal economies were created by the news of Continental's expansion (outsiders started digging for gold), and Continental offered 1500 jobs for a municipality of 6000 that ballooned to over 15,000 from migrants seeking work – creating community conflicts. As is typical, Continental's responses were centered in risk dynamics.
- Continental's action fronts prioritized creating markets respectful of environment and social investment and partnering with social governmental agencies by promoting training capacities. They also attempted employing 'territorial peace' metrics: "we have found the importance of roundtables of development to legitimize a democratic space." Regarding local ownership: locals need to drive the process.
- Reconciliation: not in conflict *per se* but between the firm and locals. For firms, reconciliation needs to start at the local level, and firms should discuss new security models, a new role for the police, and appropriate policy frameworks. For example, illegal miners can be a work force to be trained, and frameworks from Canada and Colombia can show how to prioritize local labor. Continental Gold has mapped the skills that will drive hiring, but they haven't yet decided what to do about the influx of people or how to reduce the conflict that their announcement generated.
- Given that peace agreements can be quite limited in terms of what peripheral actors should do (including the private sector), there is confusion regarding how these topics are to be addressed at the firm level. Criminality is a main topic of the agreement because it a major risk for FARC; BACRIMS might be spoilers and have to be faced in a post-conflict scenario. However, businesses operating in such areas are generally left to their own devices as to *how* to combat such activity in the pursuit of durable peace.

- Building capacities is important, because the changing of behavior is important. But where are the spaces for dialogue, especially at the municipal/departmental level? Who gets to talk, is it to be democratic?

Reflections on “Contributing to Peace”

- What kind of “peace” we are referring to In this project? Discussion among participants reflected significant divisions about what counts as “peace” in Colombia, and therefore what impacts FOP had on peace. Very likely, it is possible to debate this issue interminably without ever reaching agreement, and other avenues of discussion may be more constructive and useful. In particular:
 - Is there a formal state of war in the context, as has been the case in Colombia? In such cases, efforts that make formal peace agreements more likely can be seen as promoting peace.
 - Not all formal peace agreements resolve the conflicts that underlie war, and some peace deals end organized violence without ending conflict. In Colombia one major driver of conflict is land.
 - Rather than asking “Did it result in more peace?”, the project might be better served by asking “How can we describe its outcomes?” This would enable assessment of how different initiatives address diverse facets of conflict (history, actors, immediacy of conflict, etc.), positive outcomes that have no evident connection to conflict, and impacts that generate or sustain conflict;
 - Such an approach encourages closer scrutiny of contextual and company-specific factors that condition company options and limitations, as well as a differentiation of divergent “spheres of impact” (e.g. formal peace agreements vs. greater community-level cohesion, for instance).
 - This in turn would offer more insight into the question of whether or not, and under what circumstances, B4P successes are replicable?; When assessing ‘success’ likelihood, how do we account for a prior-case (counter-factual information?);
 - Peace also relates to a range of other positive outcomes in spheres such as economic development, human rights, etc.; In terms of development, what kind of peace are we referring to? Do they merge into one single goal or are they different concepts?; What is the relationship between B4P and human rights?; Are companies in Colombia violating human rights?
- **Observations on Effectiveness** What kind of impact is to be addressed? And at which phase of intervention? It is likely that different kinds of interventions are useful and possible at different moments in a conflict. Needs to sustain peace are different in different phases: post-conflict, peace implementation. Lobbying in the government is also important. Looking at the different levels.
- Peace implementation needs local capacity. Some successful programs in Colombia include Programa de Desarrollo y Paz (Multi-stake holder Development and Peace Programme for local communities). First PDP was in reconciliation and economic survival; the catholic church has been actively involved in Magdalena Medio. Colombia has a long experience in designing and implementing peacebuilding projects, although there have been some bad experiences or “learning opportunities” with European aid.

- B4P projects in Colombia are generally sophisticated. For example, the “Roux” theory was focused on economic development first; counting skills in the local community assemblies, most of the first PDPs aimed at human capacities with this theory as a base; nonetheless economic outcome was difficult to reach as expected. Corporate community resilience programs are currently popular: ISAGEN and ECOPETROL are local examples of firms that employed such strategies
- Government involvement must reward political legitimacy. Suggestion to examine government and business tradeoffs between peacebuilding and development – are activities building on something which is already there or are they something totally new? And multi-stakeholder initiatives require different actors to work towards same goal by dividing roles. Can this lead to enough efficiency to be successful?
- Colombia’s Agency for Reintegration (ACR) is one of the strongest in the world and worthy of study. It’s the result of a lot of trial and error, it counts Individual demobilizations of 25.000 combatants. It supports vocational training, hiring ex-combatants (although a failure for Exito), and promotion for the above.

The Role of Policy Actors

- There is a Collective Action Problem in Colombia for the private sector. It lacks a core agenda, or a great initiative. As is, the core/bulk agenda of all firms have converged on one single initiative at a time. One attempt was Reconciliation Colombia, but at the end, they still didn’t really know what peace was about.
- At what level and in which sectors does the private sector perform the best? Reconciliation, crop substitution, an economic reintegration space for others in the market? Would the private sector more efficient focused on some specific fronts? Private firms have a deep need for comparative information.
- Neither public nor policymaker B4P discussion ever happened at a significant level. Most significant government actors and officials didn’t know how to cooperate with or mobilize the private sector. No leadership was offered, and most corporate actors let policymakers drive the (lack of) B4P agenda.
- The failure to organize the private sector for peace is suggestive of wider difficulties:
 - Establishing a global peacebuilding “agenda” for the private sector. Private sector actors are heterogeneous along a number of axes (local and multi-national, home-state, sectors and industries, operational needs and constraints, specific operational contexts, etc.), and therefore have widely divergent interests. They have few coordination mechanisms at a global level or in many host states. Colombian companies are among the most like-minded, coordinated and forward-thinking group of companies in any jurisdiction.
 - Entraining PS actors in the “international peace and development agenda” may therefore rely on incentives (see discussion of widely divergent interests, above) and an ability to make the business case to companies. Neither has yet been done successfully.