Corporate Impacts
and the Role of Business
in the Global Peace Agenda

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About the Authors

Anita Ernstorfer is the Founder and Owner of Untangle (LLC), focusing on a systems thinking approach to social change in complex contexts. She was the Director of CDA's Peacebuilding Effectiveness Practice until February 2019, and contributed to CDA's Business and Peace collaborative learning project as part of that role. Based on 18 years of international experience across five continents, Anita works with international peacebuilding, development and humanitarian actors as well as private foundations to enhance the effectiveness and accountability of their work, policies and funding decisions in complex settings. This includes applied research, advisory and accompaniment, training, evaluative processes, and facilitation of multi-stakeholder engagements. Previously, Anita also worked as a peacebuilding and conflict prevention adviser with UNDP and UNICEF, and as a program manager with GIZ. Anita combines substantive expertise in the peace and conflict field with a background in advising organizations on strategy and portfolio development, applying user-friendly practical tools. Anita has developed new approaches and tools for participatory program design, monitoring and evaluation in the peacebuilding field. She is particularly interested in working with funders and operational actors to enhance collective impacts and ensure that international efforts maximize their positive potential and minimize unintended negative impacts on the local context. Anita operates in English, Spanish, and German, and holds a Master of Arts degree in Political Science and Spanish Philology.

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Executive Summary

In light of the most recent and renewed discussions about the societal responsibilities of companies beyond "doing business",[1] the question of what companies should and can do to advance development more broadly is more pertinent than ever. The contributions companies can make (and are interested in making) toward addressing social issues – through Corporate Social Responsibility (CSR) activities, for instance – are relatively obvious. But the picture is more complex in relation to the role of the private sector in **preventing and transforming violence and promoting peace in fragile and transitional settings.**

International attention to this nexus has been increasing thanks in part to initiatives such as the UN Global Compact's Business and Peace Platform and processes related to the Sustainable Development Goals (SDGs), in particular SDG 16 on peace, justice, and strong institutions. However, **evidence on the role of companies with respect to violence prevention and peace consolidation remains limited.** CDA's Business and Peace collaborative learning project was a systematic effort to collect insights and lessons about the particular contributions companies can make in conflict-affected contexts.[2]

This paper focuses on the question of **impact** – how we can assess business contributions to peace as well as whether and how we can apply 20 years of learning about effective peacebuilding to understanding the role of the private sector in peace efforts. The paper tests some of the established approaches for monitoring and evaluating peacebuilding effectiveness, asking whether and how those approaches might apply to businesses. These insights are enriched by practical findings from CDA's Business and Peace collaborative learning project case studies and further research done through this multi-year learning initiative.

The paper puts forward some important conceptual distinctions between companies' direct, intentional efforts to contribute to peace and their incidental contributions, as well as the difference between working in a conflict sensitive manner and proactively contributing to peace. Key peacebuilding effectiveness dimensions (e.g., distinguishing between program or operational effectiveness and context or peace effectiveness) are introduced as a framework for further consideration and are combined with a few key lessons from the peacebuilding field that seem most relevant to understanding business contributions in this space, such as understanding different levels of change, "peace-writ-little" versus "Peace-Writ-Large", complex systems, and collective action approaches.

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[1] See The Economist, "What are companies for," *The Economist*, August 22, 2019, https://www.economist.com/leaders/2019/08/22/what-companies-are-for, on recent deliberations by the Business Roundtable and other fora.

[2] For relevant case studies and analysis related to this project please, see https://www.cdacollaborative.org/cdaproject/business-and-peace/.

On the basis of the evidence collected, we conclude that companies' intentional actions to reduce conflict or strengthen peace should be subject to the same frameworks used to assess results and impacts in the peacebuilding field.

In addition to what we know from peacebuilding practice, the following points emerge from the evidence as particularly relevant for understanding the impacts of companies:

- **All of a company's activities** – routine operational activities as well as deliberate efforts to effect positive change – can have positive and negative impacts on conflict dynamics.
- **Complex conflict systems analysis** is a useful entry point to understand both intended and unintended impacts as well as dynamic relationships between companies and other stakeholders (e.g., governments, civil society, peacebuilding organizations);
- **Collective and multi-stakeholder approaches**, in which companies work together with other actors (e.g., government, civil society, other peacebuilding actors) in deliberate efforts to contribute to peace, appear to be the most effective; and
- **How a company operates** – how it engages actors in its environment, stakeholders, and the overall context – is as important for good outcomes as what the company does to impact peace.

The paper also reviews the relevance of existing international standards, guidelines and frameworks for both driving and assessing business contributions to peace. While there may be some incidental overlap between international frameworks/reporting mechanisms and the broader peace agenda, **none of the existing standards are scoped in a way that is conducive to effecting or measuring outcomes that are relevant to peacebuilding**.

Despite all the buzz around the role of the private sector in peacebuilding, **many companies struggle with the implementation of basic conflict sensitivity principles**. While companies are generally aware of the need to avoid unintended negative impacts in the (conflict) contexts in which they operate, the operationalization and monitoring of conflict-sensitivity principles (i.e., minimizing negative impacts on the conflict dynamics itself) is often non-existent or patchy in corporate operations. The private sector, however, is not alone; this is also common among many development and peacebuilding organizations.

A rigorous approach to evaluating peacebuilding impacts may add a certain degree of complexity to understanding corporate operations, but it is worthwhile and necessary in order to grasp businesses' contributions to peace. Companies of different scales, sizes, and reaches can make very valuable contributions to peace efforts, especially when working alongside civil society and governmental actors; there is value in knowing whether or not specific approaches are effective. For this purpose, evidence-based approaches are necessary. Credible efforts to assess companies' contributions to peace must capture linkages between corporate activities and their impacts on peace in the wider context – "outcomes" as opposed to "outputs" – otherwise they may obscure more than they reveal about companies' impacts.

The principles and conceptual distinctions developed over 20 years of learning and evidence gathering in the peacebuilding field point to a constructive way forward for efforts to discern companies' impacts upon peace. The experience of peacebuilders, and the evidence generated through our cases studies, indicate that these principles and distinctions are critical to understanding the private sector's interaction with conflict and peace.

Section 1: Purpose, Audience and Methodology

Purpose

This paper was drafted in the first phase of the Business and Peace collaborative learning project.[3] It is based on the findings of the project as well as findings from CDA's Reflecting on Peace Practice Program (RPP).[4] The paper outlines key considerations for understanding how company contributions to peace can be assessed through monitoring and evaluation practices; it should be read in conjunction with the key findings, recommendations, and outputs from the project, including the case studies and issue papers.[5]

Audience

The main audiences for this paper are policy makers and practitioners engaged in peacebuilding and/or working with the private sector in fragile and conflict-affected contexts. The paper is also relevant for design, monitoring, and evaluation experts and those commissioning private sector evaluations. The findings may also inform companies and their staff working in fragile and conflict-affected contexts as well as companies interested in understanding and monitoring the broader impacts of their operations on conflict systems.

Methodology

The paper is grounded in CDA's extensive knowledge of "what works and what does not" in peacebuilding, honed from over 20 years of engagement in the sector. CDA's contributions to the 2012 OECD/DAC Guidance on Evaluating Conflict Prevention and Peacebuilding were substantial; the criteria and levels of effectiveness defined in that guidance are derived from the work of RPP and are represented in this paper. This paper combines the insights of RPP with those of CDA's Responsible Business Practice Area, including the findings from the case studies,

issue papers, and consultation findings of the Business and Peace collaborative learning project. It also builds on a paper CDA produced in collaboration with the UN Global Compact in 2015, "Advancing the Sustainable Development Goals by Supporting Peace: How Business Can Contribute." To supplement CDA's knowledge of peacebuilding effectiveness and responsible business, eight key informant interviews were conducted with experts in the field of Corporate Social Responsibility (CSR), company-community relationships, and private sector evaluation.[6]

A Note on Terminology

For the purposes of this paper, "business contributions to peace" are the meaningful, positive impacts of private sector actors on conflict dynamics in the socio-political contexts in which their business activities take place. The paper will unpack the various dimensions of understanding "impacts on peace" (e.g., addressing key conflict drivers, taking a systems approach and working towards collective action).

The paper does not use the term "peace" to denote a teleological end state or a particular political settlement or solution, but rather to reference the aim of the dynamic processes of working to 1) prevent and transform direct and visible violence, civil war, latent tensions, structural and cultural violence, and 2) sustainably consolidate social cohesion and capacities for the resolution of social and political conflicts without violence.

Section 2: Introduction and Conceptual Framing

Our understanding of what constitutes effective peacebuilding and how peacebuilding efforts can be usefully monitored and evaluated has grown enormously over the past decade. During the same period, and largely in parallel, interest in the private sector's potential contributions to peace has also grown significantly.[7] Within contemporary discussions about the impacts of business on peace, a variety of assertions have been made about how those impacts take place, many of them based on implicit theories and frameworks rather than on evidence derived from real-world contexts.[8] The peacebuilding field has learned a lot about how impacts on peace occur and how efforts to build peace can be understood and evaluated. A consequence of the almost complete segregation of the literature on business and peace from peacebuilding theory and practice is that the former scarcely benefits from the hard-won lessons of latter.

This raises a threshold question: must or should business initiatives be monitored and evaluated differently from other peacebuilding efforts?

Responding to this question requires dividing business actions into two broad categories:

1. **direct** and **intentional** efforts by business to affect the dynamics of conflict and peace for the better (e.g., by providing material support to a peace process); and
2. **incidental** contributions to peace that business may make through its presence and operational activities (e.g., by generating employment) in fragile and conflict-affected contexts.

On the basis of our case studies and interviews, we find no reason to exclude the intentional business actions from the design, monitoring, and evaluation frameworks used in other peacebuilding efforts. Key approaches and methodologies – such as conflict analysis, systems approaches to understanding complex conflict dynamics, theories of change, clear articulation of objectives, impact assessment frameworks, and sound multi-stakeholder peacebuilding processes – can readily explain the connections between company activities and demonstrable peace outcomes. When used as design and planning principles, they may also substantially improve both practice and outcomes.

With respect to incidental peace impacts resulting from routine business activities, CDA's extensive experience working with companies[9] suggests that, in contexts of fragility and conflict, company impacts on conflict dynamics that are not managed proactively are almost always negative, irrespective of intention – good, bad, or neutral – on the part of the company.

Approaches to managing the unintended negative impacts of routine business operations have been relatively well understood since 2005,[10] if not earlier. Yet today, a vanishingly small number of companies undertake deliberate efforts to implement **conflict sensitive business operations**. Of those, most struggle to integrate conflict sensitivity effectively into routine business activities. As a consequence, the preponderance of corporate operations in fragile and conflict-affected contexts do not effectively manage their unintended impacts on conflict and peace.

Figure 1 illustrates the spectrum of companies' engagement (as well as other actors) with and in conflict contexts.[11] Most large companies practice some form of risk management (i.e., on the left of the spectrum) as a way of dealing with hazards, including conflict, in the external context. Advocates for a business role in peacebuilding encourage companies to directly address conflict drivers (i.e., on the right of the spectrum). Yet, as noted previously, many companies

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[7] See Brian Ganson, *Business and Peace: A Need for New Questions and Systems Perspectives* (CDA Collaborative Learning, Peace Research Institute Oslo, the Africa Centre for Dispute Settlement at the University of Stellenbosch Business School, January 2017).

[8] See Ganson, *Business and Peace*.

[9] Through the Corporate Engagement Program and subsequently the Responsible Business Practice Area, CDA has performed more than 50 operational-level assessments of more than 40 corporate projects in industries such as mining, oil and gas, agriculture, beverage, hydropower, and construction.

[10] See International Alert, *Conflict Sensitive Business Practice: Guidance for Extractive Industries* (London: International Alert, March 2005).

[11] Ernstorfer et al, *Advancing the Sustainable Development Goals by Supporting Peace*, 5.

do not attempt to implement conflict sensitive business operations (i.e., in the middle of the spectrum) and those that do struggle to do so effectively. Much of the business and peace discourse does not acknowledge the fact that conflict-sensitive practices, which are foundational to the effective management of impacts in situation of conflict and fragility, represent a challenge for companies. Many companies engage in CSR activities or social investment initiatives aimed at "doing good" in ways that exceed their core operational and profit-making mandates. In fragile and conflict-affected contexts, investing in a social development project or building a school might be important for the overall development of a region or a country, but efforts to "do good" that are strikingly successful in their own terms cannot be assumed to have positive impacts on peace and conflict. In fact, there is strong evidence that such efforts sometimes trigger or escalate conflict. As such, CSR activities or social investment initiatives must be evaluated for their impacts on peace on a case-by-case basis.

In light of this existing knowledge, relevant questions about monitoring and evaluation of company impacts on peace include:

- How might we gather evidence about the impact of corporate operations on contexts of conflict?
- What relevant evidence might already exist, thanks to companies' efforts to assess their own social impacts?

Sections 3 and 4 provide an overview of key lessons from peacebuilding practice and impacts on "Peace Writ Large" and analyzes those against current business practices. Of particular interest are reporting practices and methods for gathering and analyzing evidence of social impacts.

Spectrum of Engagement

Risk management

Understand impact of the context on strategies, operations and programs, and minimize risks for the company / organization and staff

Conflict sensitivity / Do No Harm

Understand impact of operations on the context and act upon that understanding

Minimize unintended negative impacts of operations & programs on context

Enhance positive impacts where possible

Address drivers of conflict / support peace

Deliberately understand, address and engage key drivers of conflict in a given context

Maximize contribution to peace and stability through operations, programs, and partnerships.
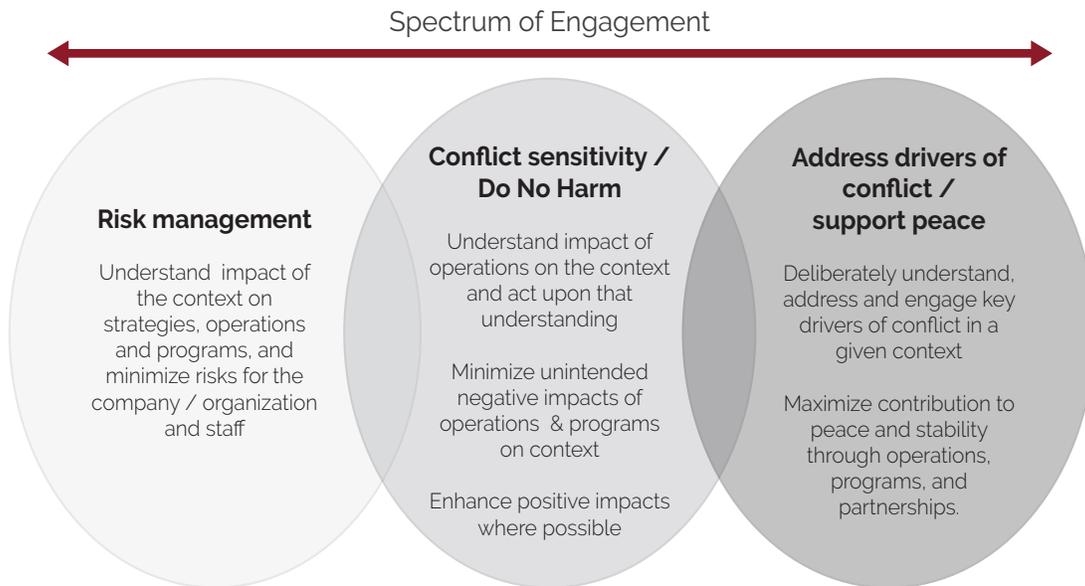
Figure 1: Spectrum of engagement with conflict-affected contexts

Section 3: How do key lessons from peacebuilding relevance and effectiveness apply to corporate actors?

There are relatively few resources that provide evidence linking specific peace outcomes to the activities of companies. Companies themselves perform and commission very little in the way of formal design and evaluative work to capture and assess their impacts on the broader socio-political situation in their operational contexts. Measuring peace impacts is even more complex and even less frequently practiced within the private sector. This is hardly surprising and should, for legitimate reasons, not be seen as remiss. Notwithstanding the often highly aspirational assertions by aid and policy actors that companies are peace actors, few, if any, companies include positive peace impacts as a component of their mandates, missions, or licensing or shareholder agreements. Many companies are unsure how they might benefit from measuring their impacts on peace. In light of this, it is little wonder that the literature on business and peace offers meager direct evidence. Yet, at the same time, there is an ongoing policy push to demonstrate corporate impacts on peace as per the SDGs and SDG 16 in particular.

Over the past 15-20 years, peacebuilding practitioners have developed tools and insights that might enable us to better understand whether and how corporate operations or initiatives positively impact peace. This section explores how these tools and insights can be applied to the monitoring and evaluation of corporate impacts upon peace, building on findings from CDA's RPP Program.

Conditions for success

Monitoring and evaluating a company's impacts on peace entails measuring program effectiveness, peace effectiveness, and conflict sensitivity (see Figure 2).

- **Program effectiveness** (or "operational effectiveness") is the performance of an actor against its own targets and goals. For example, an effective job and skill training initiative would lead to large numbers of technically proficient former trainees.
- **Peace or context effectiveness** is the contribution an actor makes to changes in the key drivers of conflict

in the encompassing context. To continue with the same example, the fact that there are large number of technically proficient former trainees results in reductions in violence, declining recruitment by armed groups, declining salience of grievances relating to economic inequity, or similar outcomes. These would be revealed through a conflict analysis.

- **Unintended impacts**: Given the rapidly changing conditions in conflict-affected contexts, to understand an actor's impacts upon peace, it is also critical to monitor and evaluate the unintended outcomes of an actor's activities from a conflict-sensitivity perspective. For example, if efforts to reduce unemployment levels resulted in increasing opportunities for socially dominant groups but not for marginal or disenfranchised groups, the efforts might inadvertently deepen conflict between those groups, rather than alleviating it.

The following excerpt illustrates how a conflict sensitive approach must take into account the nuances of the context and broader conflict dynamics. Simply addressing a conflict driver (e.g., unemployment) writ large may not lead to peace outcomes as expected.

"[…] if unequal access to job opportunities and unemployment is a key driver of conflict in a given situation, it might well be that companies trying to provide equal access to jobs and investing in training and mentoring stand a good chance of making a significant contribution to peace in that context. Yet even in this case, whether employment generation by the company affects peace (or not) will depend on the types of inequalities in the society, existing skill sets and gaps, an understanding of which societal groups might have been favored over others in the past and for what reason, an understanding of what constitutes socially desirable employment, and what the incentives are for certain groups to take up specific kinds of employment. In this connection, many post-conflict youth employment programs "miss the mark" in terms of positive contributions peace, because unemployment is

Program/operational effectiveness	Peace/context effectiveness	Conflict sensitivity
Performance against targets/goals	Changes in key drivers of conflict	Understanding unintended (negative) impacts of program/operation on conflict context
EXAMPLE: An effective job and skill training initiative would lead to large numbers of technically proficient former trainees.	EXAMPLE: Declining recruitment by armed groups, less economic inequalities and reduction in violence based on more people applying their new skills in available jobs (provided jobs are available). This is relevant from a peace-building perspective if unequal access to jobs is a driver of conflict (as informed by a conflict analysis).	EXAMPLE: If efforts to reduce unemployment levels resulted in increasing opportunities for socially dominant groups but not for marginalized or disenfranchised groups, the efforts might inadvertently deepen conflict between those groups, rather than alleviating it.

Figure 2: Key terminology for monitoring and evaluating impacts on peace

not a key driver of conflict in the first place, or because core concerns motivating youth to turn to violence—such as respect, status, or justice—are not addressed."[12]

The application of RPP and the findings of the Business and Peace collaborative learning project indicate that most successful peace efforts have the following characteristics in common:

1. They are accountable to **Peace Writ Large** (broader, societal-level peace) as opposed to **peace writ little** (localized or sector-specific positive change);
2. They rely on **conflict analysis**. Good conflict analysis should, at a minimum:
   a. identify **key factors** and **key actors** vis-à-vis peace/conflict so that those implementing specific efforts know if key conflict factors are being addressed;
   b. identify the **relationships** and **dynamics** among those factors and actors; and
   c. clarify **points of possible intervention.**

3. They link conflict analysis to programmatic activities and to Peace Writ Large through a strong **theory of change;**
4. They have outcomes at the **socio-political level** (not only at the individual-level);
5. Their work with **"more people"** is linked to work with **"key people"** and vice versa; and
6. They engage the **hard-to-reach** (i.e., individuals and groups that are not easy to access, such as illegal armed groups or senior staff of the military).

The Business and Peace case studies suggest that several additional elements are relevant for companies to have positive impacts on peace:

1. The company manages all of its impacts on conflict dynamics (e.g., the impacts of the company's deliberate peace efforts as well as those of its operational activities);
2. The company's efforts to create linkages between discrete activities at different levels (e.g. local and national or society-wide);

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[12] Ernstorfer et al, *Advancing the Sustainable Development Goals by Supporting Peace*, 29

[13] See Mary B. Anderson and Lara Olson, with Kristin Doughty, *Confronting War: Critical Lessons for Peace Practitioners* (Cambridge, MA: CDA Collaborative Learning Projects, 2003), and Diana Chigas and Peter Woodrow, "Envisioning and Pursuing Peace Writ Large," in *Peacebuilding at a Crossroads? Dilemmas and Paths for Another Generation*, ed. Beatrix Schmelzle, and Martina Fischer (Berlin: Berghof Research Center for Constructive Conflict Management, 2009.

3. The company and other actors (e.g., state agencies and offices, communities and their institutions, rebel or opposition groups or movements) engage each other and play complementary roles; and

4. The company is as attentive to the "how" as it is to the "what."

These aspects will be further unpacked in the following sections, with a focus on particular implications for the business and peace discourse.

Accountability to Peace Writ Large

Being "accountable to Peace Writ Large" means understanding key factors that drive conflict at a society-wide level and designing initiatives in such a manner as to address some or all of those drivers. Accountability to Peace Write Large is important to ensure that peacebuilding efforts have sustainable, long-term, socio-political impacts. There are many worthwhile smaller-scale, project-wide, or sector-specific peacebuilding efforts that have effects on local level dynamics of conflict (i.e., peace writ little), but evidence indicates that these do not have discernible impacts upon peace if they are not, ultimately, accountable to Peace Writ Large.[13]

Understanding key drivers of conflict in the Philippines

Unifrutti Tropical – Philippines, Inc. (UTPI), a medium-sized agriculture company, successfully reduced violence and fundamentally shifted localized conflict dynamics through the successful implementation of a jobs creation program in Paglas, the community at its primary operations site. A critical factor in the success of this initiative is that UTPI recognized the level of income and access to livelihoods as key drivers of conflict at the local level. Based on its experience in Paglas, UTPI assumed that it could have a similar impact at other operations sites in the Autonomous Region of Muslim Mindanao (ARMM). When this assumption was tested in Wao, a community 150 kilometers away from Paglas, the outcome was dramatically different, primarily because access to livelihoods is less of a concern and not a key driver of conflict in Wao. Therefore, while UTPI's intervention had positive impacts on economic development in Wao, it did not influence the conflict dynamics at the local level. Furthermore, although UTPI's initiatives had positive outcomes in both Wao and Paglas, those localized impacts had little to no connection to the macro level conflict drivers that are core to the Philippines conflict in Mindanao.

3.1 ADDRESSING KEY DRIVERS OF CONFLICT

A key relevance criterion[14] from a peacebuilding perspective is whether an initiative addresses any of the **key drivers of conflict**[15] that are identified through a multi-stakeholder conflict analysis. Initiatives must also take into account the fact that key drivers of conflict are often deeply nuanced and how key drivers are addressed can shape overall contributions to peace.

Our case study research in the Philippines further emphasizes the importance of tailoring initiatives to address key drivers of conflict (see box above).[16]

3.2 "WHOLE-OF-COMPANY" APPROACHES

An important point of distinction between companies and peacebuilding organizations is their respective mandates. Companies are organized for the purpose of making profits by engaging in their core business activity, whereas peacebuilding entities organize activities based on how they expect those activities to impact peace and conflict. This is particularly important given how companies' routine business activities can have an impact on peace and conflict, often without any intentionality vis-à-vis conflict dynamics. While companies may engage in specific activities that are deliberately intended to shape peace outcomes, the impacts of those activities on peace and drivers of conflict

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[14] Relevance is one of the OECD/DAC evaluation criteria, next to efficiency, impact, effectiveness, and sustainability. For conflict prevention and peacebuilding, additionally, coherence and conflict-sensitivity are considered as key criteria.

[15] A key driver of conflict is a factor without which the overall situation would be significantly different and/or the conflict would not exist.

[16] See Sarah Cechvala and Mia Corpus, *"The best fertilizer of the land is the footprints of its leaders." Business and Peace Case Study: Unifrutti-Tropical Philippines Inc. – La Frutera Operation* (Cam-bridge, MA: CDA Collaborative Learning Projects, 2017)..

co-exist with the impacts of the company's other activities, irrespective of how they are intended. A "whole-of-company approach" entails understanding all of a company's impacts on conflict and peace, whether positive or negative, intended or unintended.

This observation underscores the importance of **conflict sensitive approaches** to business operations, as a means for companies to manage the unintended impacts of their business activities, even as they engage in specific activities intended to impact peace. Our case study of ISAGEN in Colombia, for instance, demonstrates the degree of care with which ISAGEN managed its engagement with local communities (see box to the right).

3.3 LINKAGES BETWEEN DISCRETE ACTIVITIES

Peace-Writ-Large and peace-writ-little

The peacebuilding field has learned significant lessons in relation to the importance of working at different levels of society to achieve sustainable impact. On the one hand, the focus on local-level peacebuilding activities has expanded in recent years; on the other hand, pressure on peacebuilding organizations to demonstrate the effectiveness of both local and national efforts has increased.

This raises a critical question: how, and under what conditions, do local-level ("grassroots-level") or sector-specific "peace writ little" (pwl) engagements contribute to broader society-level peace or "Peace Writ Large" (PWL)? This is directly relevant to the Business and Peace case studies, which found substantial cleavages between corporate impacts at the local or operational-level and at the macro or society-wide level. In particular, the case studies clearly demonstrate that it is possible for companies to have positive impacts at the local level without having any discernable effect on macro-level or society-wide peace and conflict.

RPP found that different kinds of linkages are important for pwl interventions to have an impact on PWL:
- Linkages between local and national dynamics and interventions;
- Linkages between "more people" and "key people" (where "more people" means the general population

Conflict sensitive approaches in Colombia

A comprehensive impact and benefits agreement was painstakingly negotiated between ISAGEN and local communities in the Las Hermosas Canyon over a two-year period before ISAGEN started any of the project's works. When works got underway, ISAGEN adopted specific operational practices that were consistent with its agreements with communities. The strength of this relationship with communities allowed ISAGEN to continue to act as a trusted interlocutor of those communities even as military operations commenced in the Canyon and relations between the community and the Colombian military deteriorated.

ISAGEN was instrumental in creating the *mesa de transparencia*, which fulfilled a key peacebuilding function in Tolima in rebuilding relationships between the military and communities in the Canyon (a direct peacebuilding result), but ISAGEN was also able to manage its own operations in a manner that did not at the same time fuel conflict among its local stakeholders (a key conflict sensitivity result). In this case, ISAGEN's ability to maintain its credibility with local communities resulted from its conflict-sensitive approach. It was also a critical factor that enabled the *mesa de transparencia* to succeed as an approach to conflict transformation.

and "key people" means people who exert major influence – positive or negative – on conflict or peace); and
- Linkages between individual-level change and socio-political change.[17]

Individual and socio-political change

Individual/personal change refers to attitudes, perceptions, behaviors, skills, and interpersonal relations, whereas socio-political change includes relations among social groups, public opinion, social norms, social institutions, and deeper elements embedded in social and economic structures and culture.

[17] For a fuller description of pwl-PWL linkages see Anita Ernstorfer, Diana Chigas, and Hannah Vaughan-Lee, "From Little to Large: When does Peacebuilding Add up," *Journal for Peacebuilding and Development* 10, no. 1 (2015).

Evidence from peacebuilding practice shows that programs focusing on change at the individual/personal level without transposing into change at the socio-political level have no discernible effect on peace. It is also important to link socio-political change back to individual-level change to ensure that the socio-political change is meaningful and sustainable. For example, a national policy on peacebuilding (the adoption of which represents a significant socio-political change) will only have impacts at the individual/personal level if there is a clear policy commitment and strategy for practical roll-out and implementation at all levels of society and relevant sectors (e.g., rule of law or education reform).

Individual/ Personal Change	Healing/recovery Perceptions Attitudes Skills Knowledge Behavior Individual relationships
Socio-political Change	Group behavior/relationships Public opinion Social norms Institutional change Structural + cultural change

"More People" approaches must engage "Key People" and vice versa

Effective peacebuilding programs also link work with "More People"—i.e., people at many levels of society and in many sectors—to "Key People," people or groups that have the power or influence to decide for or against progress towards peace. Work that influences "More People" or "Key People" but does not connect or link the two will have limited impact.

More People	Key People
Peace needs support and participation of the general population.	Peace cannot be achieved without involvement of certain people with major influence (positive or negative) on the peace and conflict situation.

Linking individual and socio-political change in South Africa

The Consultative Business Movement (CBM) in South Africa was a multi-stakeholder network developed and financed by executives from a small number of companies in apartheid-era South Africa who were interested in a peaceful transition to democracy. With the South African Council of Churches and civil society organizations, the CBM developed and facilitated the process that led to the National Peace Accord in 1991, a key turning point in the peace process. The CBM acted as a secretariat to the constitutional negotiation process that followed, and in 1994 managed and supported mediation efforts that eventually led to agreement among the parties to hold elections as scheduled. It helped resolve deadlocks in the process by bringing local and international experts to discuss the issues with both sides and help them to develop options. It therefore engaged "key people" (i.e., political party representatives) in a process that ultimately lead to socio-political change and benefitted "more people" – the broader population – through elections, at least indirectly.[18]

3.4 SYSTEMS APPROACHES

There is an increasing commitment in the peacebuilding community to apply systems approaches to conflict analysis, peacebuilding strategy, and program design at the portfolio and program level and also for country-level strategic planning that directly involves a variety of stakeholders. This reflects a realization that conflict-prone environments can only be understood as complex systems of interconnected relationships between actors, institutions, a variety of different conflict factors, and power relations. A systems approach to understanding conflict dynamics helps to prioritize and focus on the most important dynamics that fuel tensions in a given context. Systems-based conflict analyses can also be easily updated and can provide a macro-level conflict baseline of the overall context.

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[18] See analyses of the role of businesses South Africa's democratic transition process, such as Brian Ganson, *Business in the transition to democracy in South Africa: Historical and contemporary perspectives* (CDA Collaborative Learning Projects, Peace Research Institute Oslo, the Africa Centre for Dispute Settlement at the University of Stellenbosch Business School, March 2017)and The Portland Trust, *The Role of Business in Peacemaking: Lessons from Cyprus, Northern Ireland, South Africa, and the Caucasus* (London: The Portland Trust, 2013).

Systems thinking is a way of conceptualizing and analyzing interconnections among structures, behaviors and relationships that can help us identify the underlying causes of conflict and uncover opportunities for creating positive change. This is immediately useful for those who wish to intervene in and affect conflict systems, whose persistence and stubborn resistance to positive change can inspire despair in even the most sanguine of peacemakers.

Complex systems can be highly resistant to change; they function very effectively, for better or for worse, to sustain the results that they currently produce. Conflict systems generate negative results for most people caught up in them. Shifting conflict systems toward more positive outcomes for the greatest possible number of people is the aim of peacebuilding.[19]

Systems analysis is based on an understanding of causal connections between conflict factors and helps to understand reinforcing and balancing dynamics in conflict systems. A systems approach has the potential to help bridge the gap between analysis and programming by including within the analysis **points of leverage** and approaches for **changing the system**. This is particularly helpful for planning strategies and programs at macro-levels with diverse teams of policy makers and practitioners and also helps to push toward greater collective impact beyond those of discrete projects.

Like all other actors in fragile and conflict-affected contexts, companies become part of the larger (conflict) systems in which they operate. When a company enters a conflict context, its impacts on conflict dynamics can never be neutral. Rather, it will have positive or negative effects or, more commonly, both. This is true of other actors as well, not only of companies. For these reasons, it is very difficult for any stakeholder, companies included, to understand their particular role in relation to existing conflict factors and dynamics – including possible unintended impacts on the conflict system – without understanding the overall context and conflict system.

A systems approach also both explains and demonstrates the limited impact of discrete activities on the broader conflict system in the absence of strategic connections to efforts in other sectors, regions, and sub-regions.

"A 'trickle up' theory of impact – that if enough people engage in enough positive activity, peace can emerge – is implicit in the business and peace literature's menu of presumably peace-positive activities; 'contributions to peace', often within a limited sphere, are treated as drops in the bucket that will somehow add up to systemic change. This assumption has been challenged in peacebuilding circles for some time – it turns out that small efforts are more often than not overwhelmed by broader systems dynamics."[20]

Mapping conflict systems, as well as the expected and actual impacts of companies and business associations on the conflict context, can provide a more systematic understanding of the role of companies in conflict settings and their impacts on conflict drivers. For example, Figure 3 from our Philippines case study illustrates the conflict drivers, UTPI's actions, and UTPI's assumptions about positive change on the context (see next page).[21]

The systems map is a practical portrayal of the interrelationships between conflict actors and factors for peace and conflict at different levels of society. It also suggests the complexity of these relationships. The most significant element of the conflict analysis, however, is the narrative, which explains the map and can be found in the case study itself.

Such an analysis could be used in several ways:
- As a macro-level baseline to assess the impact of various stakeholders (e.g., companies, governments, civil society) on the conflict context;
- To track changes in the context over time;
- To provide an indication of how programs and strategies might be best oriented and/or adapted to

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[19] See CDA Collaborative Learning Projects, *Designing Strategic Initiatives to Impact Conflict Systems: Systems Approaches to Peacebuilding* (Cambridge, MA: CDA Collaborative Learning Projects, 2016), https://www.cdacollaborative.org/wp-content/uploads/2016/12/Designing-Strategic-Initiatives-to-Impact-Conflict-Systems-Systems-Approaches-to-Peacebuilding-Final.pdf. For a practical example of what a conflict systems analysis looks like, see ARK Group DMCC, *The Syrian conflict: A systems conflict analysis* (ARK Group DMCC, February 2016), https://www.cdacollaborative.org/wp-content/uploads/2016/03/The-Syrian-conflict-A-systems-conflict-analysis.pdf.

[20] Ganson, *Business and Peace*, 10.

[21] Cechvala and Corpus, *"The best fertilizer of the land is the footprints of its leaders."*
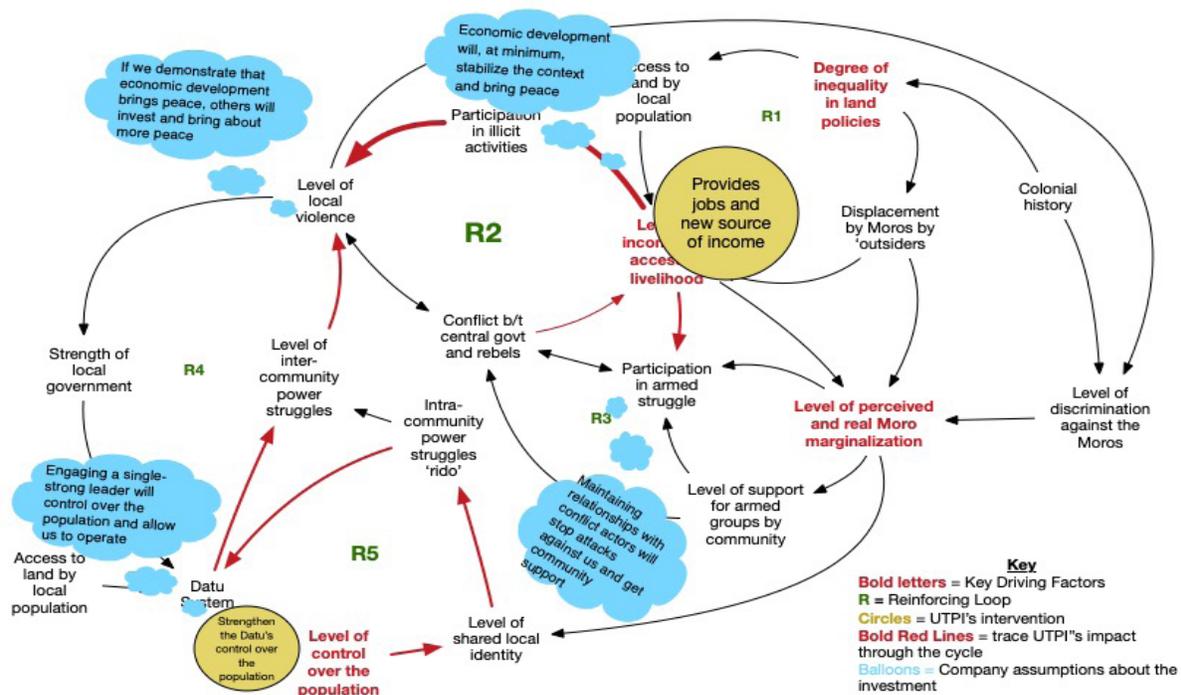
Figure 3: Philippines case study conflict systems map

reinforce positive dynamics in a conflict system and/or counterbalance negative dynamics;

- To identify unintended impacts and support creation of different engagement options; and
- To develop scenarios for engagement in quickly changing, volatile contexts based on an understanding of the interconnectedness of various conflict factors.

From a practical standpoint, systems analysis processes provide an entry point for peacebuilders and company representatives to work together to analyze complex conflict systems and identify where different external and internal actors interact with the system and their impacts. Systems maps provide a complexity-based view of how change does and does not happen in conflict contexts and illustrate why linear and additive models and theories of change are inadequate.

3.5 COLLECTIVE ACTION

In the peacebuilding field it is established wisdom that no single actor alone has the capacity to shift conflict drivers fundamentally or have a meaningful impact on Peace Writ Large (PWL). Systematic collaboration among various stakeholders can lead to a major contribution to peace, if those actors collectively address one or more of the key drivers of conflict and create deliberate synergies across their work. Similarly, the findings of the Business and Peace collaborative learning project suggest that it is not realistic to expect individual companies to achieve sustainable impacts on PWL on their own.[22]

Instead, effectiveness appears to derive from collaborative engagements among companies and other actors – government agencies, armed forces, multi-laterals, NGOs, other companies, and community organizations, depending on the case – playing complementary roles.

"Given the scale of conflict risk, it is clear that businesses by themselves will not be able to provide a magic solution for conflict and violence prevention in Kenya. Their constructive role in conflict mitigation and prevention will depend on identifying their comparative advantage within a multi-stakeholder coalition. The research and stakeholder consultation for this article suggest that this value added can be both direct and indirect. Business can play a direct role in conflict mitigation and peacebuilding because specific businesspeople still maintain strong relationships with politicians and can leverage their influence to [sic] prevention, especially at the national level. Business can play an indirect role in mitigating violence because of its access to capital. It can, therefore, indirectly contribute to violence prevention by financing activities of other actors who possess entry-points for localized prevention such as youth entrepreneurship activities."[23]

We know from monitoring and evaluation in the peacebuilding field that attributing peace impacts to individual actors is very hard, if not impossible. It is more realistic to measure contributions to larger peacebuilding changes to which several actors – local and international – contribute. This is even more the case for companies who do not have dedicated peace goals.

Avenues for collective action

Evidence from our case studies indicates that the effectiveness of private sector actors, as it relates to peace, stems from the ways they engage and interact with other actors. Across all 11 case studies, the most effective private sector actors played one or more of three key roles, all of which rely on other actors (e.g., government at local and national levels, other companies, social movements, communities, and sometimes organized opposition groups) at both the macro and the local level:

1. **Catalyst** for positive change in the relationships between other actors;
2. **Facilitator** of constructive activities by other actors that have an interest in peace; and
3. **Influencer** of actors who, by virtue of their official position or informal authority and legitimacy, can say "yes" or "no" to peace.[24]

The case studies further suggest that companies' effectiveness derives from their access to forms of social, political, and economic capital that, if utilized thoughtfully, can be instrumental for peace. For example, private sector actors often have:

- Access to and networks among "key people" and "the hard to reach";
- Control over significant economic resources;
- Influence and convening power;
- The ability to confer legitimacy, or legitimacy and capacity, on other actors; and
- The ability to create channels for addressing grievances, particularly those of marginalized groups.[25]

Together, the roles and the resources are suggestive of how companies might be integrated into collective peace efforts and the value that they might add to those efforts.

Conditions and incentives for companies and peacebuilders to act collectively

Across the majority of cases, we also found that business has relatively little incentive, or incentive that is not outweighed by risks, to engage proactively to address conflict drivers in host societies. Many companies find it worthwhile and profitable to operate in conflict-affected contexts but see peace-related interventions as outside of their mandates and their expertise. The companies that we studied were conspicuous for their willingness to engage in deliberate efforts to mitigate conflict, while the overwhelming majority of their peers in the same operational settings did not engage. Conflict contexts are also often characterized by a high degree of political polarization and distrust between actors. In order to bring companies, or at least their social and political capital, into **peacebuilding coalitions**, it might be most useful to rely on the support of industry associations, such as chambers of commerce (i.e., a third party entity that is perceived as independent of the interests of any particular individual company).

In some cases, companies themselves establish such independent entities, so they can focus on core business activities while the entity engages in concerted social change activities. Such entities have the potential to

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[23] Jonathan Luke Austin and Achim Wennmann, *The Private Sector and Violence Prevention in Kenya, 2007-2013* (CDA Collaborative Learning Projects, Peace Research Institute Oslo, and the Africa Centre for Dispute Settlement, 2017), 12.

[24] These are individuals whom the Reflecting on Peace Practice Project referred to as "key people." See Anderson, Olson, and Doughty, *Confronting War*, 48.

[25] See Miller et al. *A Seat at the Table.*

engage in more sensitive issues more easily than individual companies, as was the case in for CBM in South Africa, Partnerships Initiative in the Niger Delta (PIND)[26] in Nigeria, and the Restoring Justice Initiative Association (RJIA) in Papua New Guinea.[27]

In collective peace efforts, clear lines of accountability – across governments, local and multi-national companies, and communities – are important. This is particularly the case where multi-national companies might not be there for the long run. Some organizations, such as the Consensus Building Institute,[28] have specialized specifically in facilitating multi-stakeholder stakeholder dialogues to address company-community-government relationships.

The peacebuilding community has been experimenting with different models for working toward collective or cumulative impacts among peacebuilding actors.[29] A future phase of this work could explore the deliberate inclusion of private sector actors and the conditions under which such approaches work in practice.

3.6 "HOW" IS AS IMPORTANT AS "WHAT"

"Peace is not an area for amateurs."[30]

Successful and impactful peacebuilding engagement requires a significant level of investment in processes: building relationships of trust with local stakeholders as well as between international partners, donors, and local partners, and strengthening the capacities and resilience of national institutions. Achieving peacebuilding impact requires that companies assess the larger socio-political contexts in which they operate and understand how their interactions and presence can impact these often-complex country systems. However, these are rarely key considerations for companies when planning their operations.

Our case studies suggest that **how** companies approach engagement with other actors is as important as the "program goals" of their peace and social impact efforts. In

Colombia, for instance, ISAGEN and Tipiel each spent two years engaging and building relationships with community members in the vicinity of their respective operations before breaking ground on their projects. Similarly, when CBM launched its activities, its sponsor companies had already built up relationships over the years with black labor movements and the government in South Africa. CBM's first step was to meet (illegally) with the African National Congress to seek approval for its proposed activities. Companies in our case studies demonstrated an awareness of the importance of a long-term approach and the need to invest in the "software" of relationships and alliances amongst a diverse range of actors.

3.7 PEACE-RELEVANT BENCHMARKS AT THE MACRO-LEVEL

One way to assess whether an initiative impacts the broader conflict system is to use the five **Building Blocks for peace** or **criteria of peacebuilding effectiveness**, which were developed based on findings from RPP.[31] These can be used, across a broad range of contexts and programming approaches, to assess whether a program is making a meaningful contribution to PWL. The five Building Blocks consider whether:

1. The effort results in the creation or reform of political institutions that handle grievances in situations where such grievances do, genuinely, drive the conflict.
2. The effort builds momentum for peace by causing participants and communities to develop their own peace initiatives in relation to critical elements of context analysis.
3. The effort prompts people to resist provocations and violence more frequently.
4. The effort results in an increase in people's security and in their sense of security.
5. The effort results in meaningful improvement in inter-group relations.[32]

[26] Foundation for Partnership Initiatives in the Niger Delta, http://pindfoundation.org/.

[27] Ernstorfer et al. *Advancing the Sustainable Development Goals by Supporting Peace*, 36.

[28] For more information on Consensus Building Institute's work, see https://www.cbi.org/facilitation-and-mediation/.

[29] See FSG's model for collective impact, https://www.fsg.org/publications/collective-impact. CDA has been developing a draft framework for collective impacts in peacebuilding, based on the FSG model, https://www.cdacollaborative.org/cdaproject/cumulative-impacts-peacebuilding-efforts/.

[30] Mary B. Anderson, "False promises and Premises?," in *Peace Through Commerce*, ed. Oliver, F. Williams (Notre Dame: Notre Dame Press, 2008), 125.

[31] CDA Collaborative Learning Projects, *Reflecting on Peace Practice (RPP) Basics. A Resource Manual,* (Cambridge, MA: CDA Collaborative Learning Projects, 2016).

The Building Blocks can be thought of as **intermediate-level benchmarks or indicators of success** applicable to a broad range of peace work. The Building Blocks can be used in program planning to ensure that specific program goals are linked to the long-term goal of PWL. They can also be used during program implementation to reflect on effectiveness and guide mid-course adjustments or as a basis for evaluation.

The Building Blocks are additive

The experience gathered through RPP suggests that the five Building Blocks are additive. In other words, peace efforts that achieve progress across a greater number of the Building Blocks are more effective than peace efforts that achieve progress across fewer of them. This speaks to the question of coherence among multiple efforts. Coherence among different actors and levels of engagement is one precondition for collective action.

In addition, regardless of which criteria are relevant, the validity of effectiveness depends on demonstrated contributions to stopping or changing one or more key driving factors of conflict. This is a condition of effectiveness for all peace efforts; they must have effects on people, issues, and dynamics that are key contributors to ongoing conflict, whether directly or indirectly. And, in order to accomplish this and to know that one has accomplished it, a conflict analysis is needed.

The Building Blocks were not specifically tested as part of the Business and Peace collaborative learning project. However, in each of the case studies, companies' initiatives met at least one of the criteria. The Building Blocks might also have value as a foundation for the development of indicators of peace impact, though they would have to be adapted to specific contexts.

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[32] For a more detailed description of these building blocks/criteria of effectiveness, see CDA Collaborative Learning Projects, Reflecting on Peace Practice (RPP)

Section 4: How companies define and assess impact

Companies can have a range of motivations for demonstrating to stakeholders that they are making positive social contributions, even if not necessarily related to peace. Companies that do so are usually those that 1) aspire to lead in a given context or "do good," 2) have been targeted during conflict, or 3) come under advocacy pressure (locally or internationally) for negative community impacts or omissions. But companies rarely, if ever, formulate their goals in terms of peace or impacts on the broader socio-political conflict context.

At an operational level, many companies are concerned with the specific conditions and dynamics within their areas of operation. These might include local inter- or intra-community conflicts, the company's "social license" to operate, issues affecting business continuity, and reputational and human rights risks. In many cases, these concerns are tied to efforts to create social good or shared value through social investment, philanthropic giving, or CSR projects. Even though some companies develop logical frameworks for their social investment programs, they generally do not monitor or evaluate the broader impacts of those programs on country contexts.

Moreover, in many cases, company monitoring is oriented towards quantitative outputs, rather than outcomes and impacts on the broader context. In the case of a public health initiative, for example, a company might be more likely to monitor the number of latrines constructed or the number of handwashing workshops conducted in schools rather than the incidence of disease or the improvements in quality of life resulting from a reduced disease burden in areas targeted by those initiatives. Quantitative metrics (e.g., "100 jobs created in county x") may be useful for CSR and shareholder reports, but they are not a reliable basis for measuring progress towards peace and broader socio-political change.

At the same time, there is growing awareness among companies that they need to think more about the impacts that arise from all aspects of their presence in a given context – not just project-level results of their social development or philanthropic work. In most cases, companies approach this issue through due diligence processes or political risk analysis, which is probably the closest to a conflict analysis in which peacebuilders would invest in similar contexts.

The relevance of international standards of corporate responsibility

A wide range of international frameworks, guidelines, and standards, as well as a set of standard assessments exist to help companies operate responsibly within number of domains. Broadly speaking, the body of international standards includes:

- Standards that apply universally, across industries (e.g., the UN Guiding Principles on Business and Human Rights);
- Standards for specific areas of corporate operations, such as supply chains, sourcing, or the management of security providers (e.g., the Voluntary Principles on Security and Human Rights);
- Standards that are specific to particular industries, such as the extractives or apparel industries (e.g., the International Council on Mining and Metals' 10 Principles or The Gold Standard);
- Guidance for operating in areas of conflict and fragility (e.g., the UN Global Compact's and Principle of Responsible Investment's *Guidance on Responsible Business in Conflict-Affected and High Risk Areas*);
- Standards and guidance that target specific social ills, such as bribery and corruption (e.g., the International Organization for Standardization Standard 37000); and
- Good practice benchmarks (e.g., the requirements of International Finance Corporation Performance Standard 1).

A detailed analysis of how the guidance and standards link to peace effects is beyond the scope of this paper. Nevertheless, the standards and assessments shape much of current company thinking on social impacts. Because of their centrality and orienting function, it is important to

understand how the standards and assessments converge with and diverge from practices that might discern companies' impacts on peace.

There are several obstacles to using these any of frameworks for managing and evaluating impacts on peace:

First, companies themselves indicate that they are grappling with how to prioritize the standards, how to implement them in specific operational contexts, and how to implement and report on multiple standards simultaneously in the context of a single operation. At any given corporate operation site, there are likely to be gaps, pragmatic compromises and uneven application.

Second, the principles and practice standards are, for the most part, focused on harm avoidance rather than on generating positive impacts, let alone having "peace relevant" impacts. The UNGP (UN Guiding Principles), for instance, scopes a responsibility to identify risks that corporate operations pose to the human rights of stakeholders and sets out a mitigation hierarchy consisting of prevention and mitigation of foreseeable impacts and remedy of actually occurring impacts. The Guiding Principles do not articulate a corporate responsibility for positive impacts on human rights (and certainly not on peace), which might entail such actions as advocating for stakeholders' rights to livelihoods or political participation.

Third, the standards and common assessment exercises (e.g., Environmental and Social Impact Assessments and Human Rights Impact Assessments) for the most part frame impacts as harms to individuals or social groups that occur as a consequence of actions committed or omitted by the company (e.g., loss of income, environmental pollution). On this basis, the assessment exercises clarify or articulate what companies can or are expected to do to ensure that they cause a minimum of harm. Yet impacts on peace and conflict are impacts on the relations between individuals, groups of people, or between groups of people and a company (e.g., perceptions of favoritism or illicit collusion with some groups at the expense of others). None of the conventional standards of practice or impact management is designed to identify or manage those impacts.

Fourth, most reporting on existing standards and frameworks relates to company activity vis-à-vis the standard or framework itself, without capturing the broader outcomes on socio-political issues. For example, adoption of a strong anti-corruption policy, with training and accountability mechanisms, by a company and throughout its supply chain could ensure that a company does not sustain or deepen corruption in the host society. To understand whether this effort is peace-promoting, however, one would need to understand how the company's efforts influence the prevalence of corruption more broadly and whether and how corruption is a driver of conflict.[33]

For these reasons, **complete and effective implementation of standards or guidance will not ensure that a company has contributed or is contributing to peace**. With that said, in some cases, there could be areas of convergence and overlap between the broader peace agenda and international frameworks and reporting mechanisms. This depends on the conflict drivers that exist within a given context. For example, if a company's adoption of anti-discrimination or anti-corruption policies serves as a model that catalyzes a broad debate in the host state or if the governance of natural resources, specifically revenue management, is a key driver of conflict of a given situation, then adherence to the Extractive Industries Transparency Initiative (EITI) could have an impact on the broader socio-political situation. However, in order to have any certainty that anti-discrimination practices or revenue management addresses a key driving factor of conflict and to understand how the company's actions affect conflict dynamics, the company would have to conduct a conflict analysis and monitor the relevant conflict drivers over time.

Most companies, however, struggle with implementing basic conflict-sensitivity principles and give little deliberate attention to their own impacts on peace. Conflict sensitivity is a useful starting point for companies to adopt practices that have positive impacts on peace and conflict, even though measuring conflict-sensitivity and peacebuilding impacts are distinct and are at different points along the "conflict spectrum."

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[33] Ernstorfer et al. *Advancing the Sustainable Development Goals by Supporting Peace*, 29.

Section 5: Conclusions

In 2014, Hoffmann wrote that "the current enthusiasm for the private sector's contribution to peace is based more on eagerness to do things differently than on a strong evidence base of success stories. The empirical evidence of how businesses have influenced state- and peacebuilding processes remains marginal and at best anecdotal."[34]

In the years since, little has changed. While it remains both possible and important to identify and analyze the impacts of individual and collective business activities on the broader socio-political contexts in which those activities occur, there are currently no widely practiced data collection or monitoring and evaluation activities that could provide reliable evidence about corporate impacts on peace.

Several efforts are currently underway that may change this, such as the development of indicators and a framework to monitor the outcomes of companies' implementation of the OECD's Due Diligence Guidance for Responsible Supply Chains of Minerals and efforts to evaluate the impacts of implementation of the Voluntary Principles on Security and Human Rights at corporate operations sites. There are also efforts underway to develop indicators that might capture companies' contributions to SDG 16 and, more specifically, to peace. What these endeavors may yield remains to be seen.

The fact that efforts to capture the peace outcomes of company activity are becoming more common itself suggests the centrality of "business and peace" in policy discussions among donor governments and international civil society. At stake are policy decisions, donor government funding allocations, and the landscape of international aid to fragile states. Note the currency of the idea of "de-risking" capital flows into areas of conflict and weak governance as articulated by Jim Yong Kim, the former head of the World Bank,[35] as well as the fact that bi-lateral aid agencies are inquiring about the circumstances under which they can be justified to use international assistance dollars to fund business development in (post-)conflict contexts.[36] Particular conceptualizations of corporate impacts, how they occur, and the nature of peace, conflict, and fragility are implicit in, but also fundamental to, policy ideas such as these.

The importance of getting it right with respect to corporate impacts on conflict and peace, and the consequences of getting it wrong, are significant. Yet given the lack of concrete evidence that speaks to outcomes, current policy discussions on business and peace remain largely speculative, rather than practical.

Efforts to assess business' contribution to peace must capture linkages between corporate activities and their impacts on peace in the wider context – "outcomes" as opposed to "outputs" – otherwise they may obscure more than they reveal about companies' impacts. A methodology that relies on assumptions drawn from correlated or hypothetical linkages will assuredly yield a misleading picture of corporate contributions to Peace Writ Large.

The principles and conceptual distinctions developed over 20 years of learning and evidence gathering in the peacebuilding field point to a constructive way forward for efforts to discern companies' impacts upon peace. The experience of peacebuilders, and the evidence generated through our cases studies, indicate that these principles and distinctions are critical to understanding the private sector's interaction with conflict and peace.

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[34] Anette Hoffmann, *From 'business as usual' to 'business for peace'? Unpacking the conflict-sensitivity narrative* (The Hague: Clingendael Institute, 2014), 4.
[35] See, for instance, Financial Inclusion not Exclusion: Managing De-Risking, October 7, 2016, https://live.worldbank.org/financial-inclusion-not-exclusion-managing-derisking.
[36] See, for example, Caroline Kruckow and Sylvia Servaes, *Business and Peace: Taking Stock* (FriEnt, 2019).

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