

# Saferworld

## Conference on the Democratic Oversight on the Security Sector

Code of Conduct and Self-Regulation of the Private Security Industry

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by Jérôme Mellon

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### **Introduction** [slide 2]

Saferworld is a conflict prevention NGO based in London but with activities in Africa, Asia and Eastern and South Eastern Europe. We aim at preventing conflicts by helping governments address and tackle the issue of small arms proliferation, by assisting communities and villages in identifying local solutions to their local safety problems, and by finding innovative, conflict-sensitive and efficient approaches to security sector reform, which governments can implement to decrease tensions and prevent conflicts from arising. We firmly believe in the role of local organisations and NGOs and therefore, instead of opening Saferworld offices in the various areas where we work, we find local organisations interested in collaborating on the implementation of conflict prevention activities and we work with them in a mutually-beneficial partnership.

Through our work and these partnerships, we have also had the opportunity to get involved in the field of private security companies, and more precisely their regulation and best practices.

As Saferworld's Project Coordinator for South Eastern Europe based in Kosovo, I will briefly present you today the case of South Eastern Europe, the important triangular relationship between clients, private security companies and governments, before describing the Sarajevo Process, an initiative through which stakeholders from the Bosnia and Herzegovina Government, client groups and international organisations came together for the purpose of improving standards within the private security industry in Bosnia and Herzegovina.

### **The Case of South Eastern Europe** [slide 3]

In 1999, the Confederation of European Security Services, headed by Mr. Pissens who was with us yesterday, estimated that there were more than 500,000 guards working for 10,000 private security companies that specialise in the surveillance of industrial sites, offices, public buildings, stores and airports, in the transportation of money, and in the protection of individuals and homes in member states of the EU. Today, with the eastern expansion of the EU, that number may well have doubled, without taking into consideration illicit private security companies and their employees. Within South Eastern Europe, the industry has grown rapidly from very small beginnings in the early 1990s with the move away from communism. The countries of the region, most of which remain in transition, have often found it difficult to provide effective security for their citizens, not least following periods of violent conflict. Factors such as weak state institutions, ineffective or authoritarian policing, corrupt government practice and high crime rates have often combined to create a demand for private security provision. Coupled with the withdrawal of state security protection from newly privatised property, these factors have created the conditions for the substantial growth of the private security sector across the region. As a result, the South Eastern Europe region has probably seen one of the most rapid privatisations of security worldwide.

### **Private Security Companies in South Eastern Europe** [slide 4]

A study commissioned in 2005 and researched by Saferworld in collaboration with local civil society partners found that there are now around 200,000 private security guards working in the region. In general terms, the private security sector was found to be providing a welcome additional layer of security to that offered by state law enforcement agencies; one that client organisations clearly found valuable. Yet despite this fact, some problems were identified during the study, including:

- the professionalism of private security companies was found to vary widely across the region and was in some instances very poor;

- companies were found to have inappropriate affiliations, for example with political parties or criminal groups;
- many of the companies employ untrained staff; and
- many companies also engage in bad practices, which can have serious consequences when such bad practices relate to the use of force and firearms.

The study also found that standards were raised where companies had chosen to self-regulate by forming trade associations and agreeing codes of conduct, for example.

For their part, client organisations could probably do more as well. For example, contracts for the provision of private security services are often awarded on an informal basis, or on grounds of cost alone. Also, one client made the point that it was difficult to identify which private security companies were good and which were bad due to lack of information on these companies. In addition, the internal guidelines of the clients are not communicated to the private security industry which, at the end of the day, results in a general lack of information exchange between the two sides.

In other words, the standards by which private security companies operate are too low, while their clients don't seem to take their responsibility seriously.

### **The Triangular Relationship [slide 5]**

In the summer 2006, with financial support from SEESAC, Saferworld and the Centre for Security Studies in Bosnia and Herzegovina initiated the Sarajevo Process. The Bosnia and Herzegovina context was chosen mainly because:

- The Centre for Security Studies was very keen and interested in participating, bringing onboard its own network of local contacts;
- There is, in that country, a decentralised system of policing or law enforcement; and
- There was no national legislation on private security companies there and these companies actually shown an interest in establishing a confederation of private security companies in Bosnia and Herzegovina, originally to establish simple guidelines, but then, as local buy-in increased, they went into developing a Code of Conduct.

### **The Sarajevo Code of Conduct [slide 6]**

The Sarajevo Code of Conduct and the Sarajevo Client Guidelines were launched in September 2006.

The Sarajevo Code of Conduct contains a set of basic standards of professionalism and service delivery for application by all employers and employees in the private security industry. It covers a wide range of areas, including the selection and recruitment of workers, vocational training, health and safety at work, non-discrimination, and relations with clients, the police and other security companies. This set of basic principles derives from the needs of the various actors in the triangular relationship: the government, the industry and the clients.

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The Sarajevo Code of Conduct covers six main areas:

- Legality, which refers to the companies' compliance with the rule of law, and includes licensing and authorisation. This area was a need mainly identified by the government;
- Professionalism, which refers to the selection and recruitment of private security companies' staff, their training and professionalism, and the issues of bribes and conflicts of interest. This area was a need mainly identified by the clients.
- Working methods and conditions, which refers to the use of force and firearms, the salaries, health and work safety issues, as well as the organisation of the work. This area was a need mainly identified by the private security companies themselves.
- Transparency, accountability and oversight, which includes the disclosure of information and confidentiality of data, transparency and accountability of private security companies, as well as their oversight. This area was a need that all the actors within the triangular relationship identified as important.

- Cultural and political sensitivity, which includes impartiality and respect for differences, the importance of avoiding other affiliations such as political affiliations, and the awareness of gender issues and equal opportunities. This area was also seen as a priority by all of the three actors.
- Relationships with key actors, which includes the development of relevant and collaborative relationships with the police, clients, contractors and competitors, as well as the importance for private security companies to engage in social dialogue to promote best practices across the security sector. The three actors of the triangular relationship agreed also on this issue as important.

### **The Sarajevo Client Guidelines [slide 8]**

The Sarajevo Client Guidelines for the Procurement of Private Security Companies outline a three-stage voluntary procurement procedure that client organisations are advised to follow when contracting private security providers. According to the Sarajevo Client Guidelines, clients should not employ security contractors on cost alone, but should also take into account a range of other factors when making procurement decisions, such as standards of internal governance, quality of service, levels of training and adherence to national legislation, and a voluntary code of conduct. By complying with the Sarajevo Client Guidelines in full, clients will avoid many of the risks associated with employing low-cost security providers, which can include poor service delivery and the misuse of force.

### **Conclusion [slide 9]**

The Sarajevo Code of Conduct and Sarajevo Client Guidelines are mutually reinforcing documents. It is important to recognise that neither document is intended as a substitute for national legislation in this area, the effective implementation of which is the single most important guarantee of good practice. Rather, the purpose of the Sarajevo Process is to support the development and enforcement of formal regulation by engaging all relevant actors in a drive towards improved standards.

In conclusion, I may perhaps highlight three important points:

- It is essential to keep the triangle balanced and to include the clients' needs and concerns, both to make the process practicable and to use the power of the market to provide further incentive to raise standards;
- Private security companies themselves should implement the Code of Conduct, which would then lead to improved working conditions for their staff and to increased profit for those that adhere to high standards.
- The governments, as the third part of the triangle, need to facilitate the private-public partnership through efficient and practical legislation that allows for the industry to grow, while ensuring that standards and best practices are enforced to ensure the quality of the service that the companies provide to their clients and the safety of citizens.

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### **Please check against delivery**

#### **Sources**

Saferworld and CSS, *The Sarajevo Client Guidelines for the Procurement of Private Security Companies*, Belgrade: UNDP-SEESAC, 2006; Saferworld and CSS, *The Sarajevo Code of Conduct for Private Security Companies*, Belgrade: UNDP-SEESAC, 2006.

#### **Biography**

Currently based in Pristina, Kosovo, Jérôme Mellon is Project Co-ordinator for South Eastern Europe with the London-based international NGO Saferworld, which works and advocates for the prevention of conflicts and armed violence. He previously worked as Programme Analyst for Security Sector Development with UNDP Kosovo from 2004 to 2006, and before that as a litigation lawyer in Canada.