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## Contracting private security providers

Humanitarian aid agencies often operate in high-risk environments with a range of threats. In certain contexts, they may need to adopt a protective security strategy and contract private security providers (PSPs) to manage risks to their personnel, operations, assets or the communities with which they work. The decision to use PSPs should be informed by the organisation's policies and guidelines. Once the decision is taken, it is critical that the humanitarian agency has processes in place to select and manage PSPs that operate to internationally recognised standards.

### What is a PSP?

**Private Security Providers:** 'Any company [...] whose business activities include the provision of security services either on its own behalf or on behalf of another, irrespective of how such company describes itself.'

► *From 'The International Code of Conduct for Private Security Service Providers' (2010).*

Services provided by PSPs might include support for risk management, static and mobile security, guarding, consultancy and cyber security. Although non-governmental organisations (NGOs) use these services less often than private sector organisations, some PSPs also offer close protection or canine security.

### Step 1: Determine the organisation's needs for a private security provider

Any decision to use private security providers for the protection of your personnel and property must be well thought-out and consistent with institutional policies and guidelines.



**Organisations need clear policies on the use of PSPs, endorsed at the highest level of the organisation and by the security risk management (SRM) structure. Policies should be internal to the organisation and supported by external reference documents (such as the International Code of Conduct for Private Security Service Providers).**

Each organisation should determine where, how and when to use private security services depending on the risks they face. Before choosing a PSP, you should understand:

- what services you need from them;
- your risk appetite for operating in complex environments;
- the legal context and the local operating environment;
- any reputational or perception-based issues associated with the use of a PSP;
- the financial implications of contracting a PSP; and
- the exit strategy for terminating the relationship.

▶ See module 2 – Actor mapping and context analysis

▶ See module 3 – Risk assessment tool

The risk assessment should help with determining the types of services you require. PSPs can support an organisation's security by providing contextual awareness, threat assessments and regular security updates. They may also help with training or provide specialised support during crises and evacuations. PSPs can offer other services, such as remote technology/ alarm systems, guarding, static or mobile security, vehicle tracking as well as unarmed or armed security.



**Armed services in aid operations should only be used as a last resort option when no alternative solution is available.**

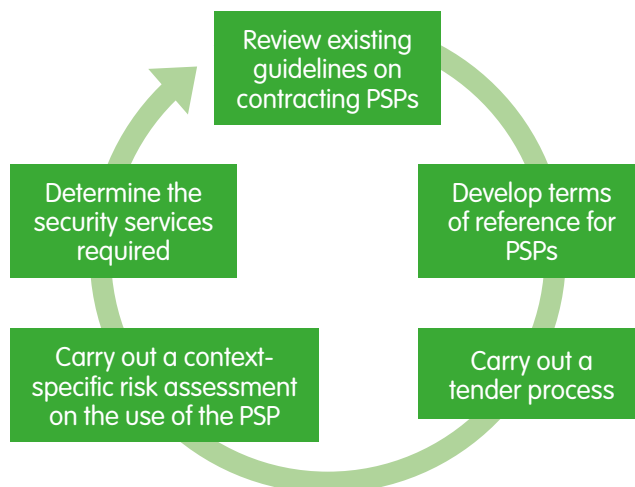
**In circumstances where armed services seem necessary, NGOs should carefully consider the balance between security risks and programme criticality.**

▶ See EISF briefing paper 'Engaging private security providers: a guideline for non-governmental organisations'



**If your organisation does not have the in-house expertise necessary to conduct a review of the security services required or to adequately monitor a contract with a PSP, you should consider seeking advice from ICoCA or other subject matter experts.**

## Step 2: Develop strong procurement processes



Once the decision has been taken to contract a PSP, the next stage of the process is ensuring that your organisation has an appropriate procurement process in place. Contracting PSPs should be treated in the same way as using any other service required to enable the humanitarian agency to effectively carry out its activities.



### Key questions to consider:

1. Is your organisation's procurement process clear, up-to-date and rigorous?
2. Does it need to be adapted to cater for the procuring of private security providers?
3. Is there anyone in-house with the necessary expertise to evaluate the competence and profile of potential security providers?
4. Has your organisation secured the necessary budget?
5. Are there any donor and implementing partner restrictions or requirements?
6. Are the board, donors and any other key stakeholders comfortable with the engagement of a PSP?
7. If you are considering using armed services, is this a last resort measure? Have you carefully evaluated the balance of security risks against the criticality of your programme?



### Checklist: Developing a strong procurement process

1. Review existing procurement processes and documents and adapt them to the selection and contracting of PSPs
2. Identify a procurement focal point with relevant expertise, either in-house or an external consultant
3. Understand who is accountable for the procurement of PSP services (senior management, leadership, etc.)
4. Ensure that a sufficient budget has been allocated
5. Develop a 'Request for Proposals' adapted to the organisation's needs with a clear budget, deliverables, selection criteria and scoring system, deadlines and instructions for proposal submissions
6. Establish an in-house process for reviewing and selecting proposals
7. Establish clear contractual terms, including key performance indicators, regular reviews and termination clauses

### Step 3: Due diligence in selecting a provider

Humanitarian organisations should have strong due diligence and selection processes based on objective and verifiable criteria. The selection process should cross-check diverse sources of information to verify that any information provided by PSPs is accurate. This should include: checking all certificates and licences, researching open-source information about the company and contacting ICoCA and other stakeholders, such as the PSP's clients, to understand their experience of working with them.

#### ICoCA

The International Code of Conduct for Private Security Service Providers' Association (ICoCA) is a multi-stakeholder initiative formed in 2013 to ensure that providers of private security services respect human rights and humanitarian law. It serves as the governance and oversight mechanism of the International Code of Conduct for Private Security Service Providers (the Code), which includes a commitment to good governance, respect for human rights and international humanitarian law and a high standard of professional conduct.

ICoCA's mission is to raise private security industry standards and practices and to engage with key stakeholders to achieve widespread adherence to the Code globally.

| Criteria for selecting a PSP        |  |
|-------------------------------------|--|
| <b>Services</b>                     | Do they provide the types of services you are looking for?   |
| <b>Roles and responsibilities</b>   | Are there clear lines of responsibility and a point of contact who is available 24/7?  |
| <b>Experience and practices</b>     | <p>Does the PSP have recorded experience in this area? Can they demonstrate a thorough understanding of the operating environment?</p> <p>Do they have previous experience with, and references from, organisations in the humanitarian sector?</p> <p>Have they carried out a general risk assessment for the specific environment in which they operate and/or a human rights risk and impact assessment?</p>                                  |
| <b>Law, licence and regulations</b> | <p>What are the legal requirements for a PSP, with or without arms, to operate in this area?</p> <p>Does the PSP meet all regulatory and licensing requirements (including on the use of force)? What are the immigration and employment regulations for operating in this area?</p> <p>Do they have the appropriate certification(s); for example, are they certified to security operations management system standards such as ISO 18788?</p> |
| <b>ICoCA</b>                        | <p>Is the security provider affiliated with ICoCA? More specifically, is the provider a Certified Member, Member or Affiliate of ICoCA?</p> <p>▶ See the ICoCA website for further information on these categories.</p>  |
| <b>Organisational structure</b>     | <p>What is the overview of the organisational and ownership structure of the company: who owns the company? Is the company part of a group and are they controlled by a parent company? Does the company own and use subsidiaries? Is the company owned by, or does it have known affiliations with, illegal or questionable individuals or groups?</p> <p>Does the company use subcontractors? If so, who are they?</p>                         |
| <b>Policies and procedures</b>      | <p>Does the PSP have adequate and necessary insurance cover (in terms of environment, services and amount)? Does the company have appropriate SOPs?</p> <p>Do they have clear internal procedures and corporate social responsibility policies? Are these policies publicly available or accessible to (prospective) clients?</p>  |
| <b>Reputation</b>                   | <p>Is the PSP able to obtain references from other organisations or stakeholders in the humanitarian sector (locally and globally)? What is the operational record of the company and any subcontractors it uses?</p> <p>Have there been any reputational issues or legal proceedings involving the provider and, if so, how did they manage them?</p>   |
| <b>Risk management</b>              | <p>What are the risks associated with employing this security provider?</p> <p>What mitigation measures could you take and what would your exit strategy be?</p>   |

| Additional verifications (for PSPs not affiliated with ICoCA) |  |
|---|--|
| <b>Certification</b>  | <p>Have certification(s) to relevant industry standards been issued by an independent accredited certification body?</p> <p>▶ <i>The list of Members and Affiliates approved by ICoCA is available online at <a href="http://www.icoca.ch">www.icoca.ch</a></i></p>  |
| <b>Subcontracting</b>   | <p>If the company uses subcontractors, how are they selected and how are they overseen?</p>  |
| <b>Recruitment and Training</b>                               | <p>How does the company select its security personnel and ensure that they are fit to provide the services on offer?</p> <p>Are security personnel on rotation or will they be consistent? How will replacement personnel be sourced when primary staff are unable to work? How will you be notified of any changes?</p> <p>How, and how often, are staff trained?</p>                               |
| <b>Working environment</b>                                    | <p>Does the company have a health and safety process and/or policy in place?</p> <p>What are the labour conditions of the company's staff (pay, working hours, provision of equipment, etc.)?</p> <p>Is the payment of a living wage for national staff in a stable currency and can staff access a support structure? Are staff allowed to take on additional work outside of the organisation?</p> |
| <b>Rules on the Use of Force (RUF)</b>                        | <p>Where armed services are to be contracted, does the company have clear Rules on the Use of Force (RUF) and are staff regularly trained on them?</p>   |

## Step 4: Monitoring of the PSP performance

Once a preferred company has been selected, a contract should be agreed, along with key performance indicators, operational contingency arrangements and a monitoring framework to oversee contract delivery at regular time intervals.

### A contract should include:

- ✓ A description of the company services and delivery arrangements (including replacement procedures when usual staff are unavailable)
- ✓ Expectations for how services should be delivered and expected standards of conduct (use of uniforms, identification badges, respectful behaviour, values, principles, etc.)
- ✓ Client and company focal points responsible for overseeing contract delivery and activities
- ✓ A duty to report any complaints and incidents related to the contract delivery to the client
- ✓ Safeguarding, grievance and whistleblowing procedures

- ✓ Clauses indicating that, if subcontractors are used, the prime contractor remains responsible for their conduct and compliance with agreed standards
- ✓ Rules for termination of the contract in the event of company or client misconduct
- ✓ Rules outlining where liability lies in the event of an incident involving the PSP, in which they are either harmed or cause harm
- ✓ If the services include the potential use of force, any specific Rules of the Use of Force (RUF) agreed between the company and its client
- ✓ Weapon and ammunition specifications, safety procedures and storage procedures

**A monitoring framework should include:**

- ✓ Agreement on regular meetings between both focal points to discuss the status of the contract delivery, newly identified risks, any necessary adjustments and any incidents or complaints received
- ✓ Agreement on the induction and routine training of company personnel that meets the standards and requirements of the NGO – this may include the client visiting training sites and courses
- ✓ Criteria for overseeing the conduct of subcontractors where applicable, either on the part of the client or of the prime contractor
- ✓ An explanation of reporting procedures for staff, clients, and subcontractor misconduct, including:
  - ✓ reporting channels;
  - ✓ individuals and/or roles, including the responsibilities of client and company complaints handlers;
  - ✓ the reporting process, from acknowledging receipt of the complaint, to defining the nature of the complaint, to finding a fair and effective resolution, including potential referral to other grievance mechanisms and competent authorities; and,
  - ✓ how a fair and independent investigation will be conducted and how assistance and protection will be provided to any victims.
- ✓ If both the company and the client have grievance mechanisms in place, include a clear agreement on coordination and responsibilities.



**As part of your relationship with a PSP, it is essential to ensure that misconduct and other grievances are adequately reported and followed up on. Members and Affiliates of ICoCA are required to have in place a fair and accessible grievance mechanism which offers effective remedies. Information about a company's grievance mechanism is published on every Affiliate and Member company website and different channels to submit complaints are offered to the public and company personnel. Member and Affiliate companies are expected to be able to effectively handle complaints involving alleged human rights abuses and to have established healthy relationships with communities in their area of operations.**

### External support - ICoCA monitoring and capacity building

You can use ICoCA to ensure that the provider is operating responsibly and following internationally-recognised standards. The Association monitors its Member and Affiliate companies through remote monitoring, an annual company self-assessment (CSA), field visits and its civil society network in-country. Guided by purposely developed indicators, ICoCA evaluates the information collected to assess the performance of its Members and Affiliates against the requirements of the Code. Where the Association identifies potential areas of improvement, it offers Members and Affiliates individualised support and guidance.

If your organisation hires an ICoCA Member or Affiliate, reach out to the Association and use its capacity building and monitoring capability.

### Step 5: Relationship with company & security guards

When contracting a PSP, the organisation should expect that the security personnel respond to any identified threat efficiently, lawfully and in line with the organisation's mandate.

PSP staff should be aware that their conduct reflects on the organisation that they are protecting. When providing static security or access control, security personnel act as the gatekeepers and often constitute the first point of contact with external visitors and the host community. As such, their actions and attitudes can impact the image of the humanitarian agency.

► *See module 8 – Security of facilities*

PSP staff should be provided with an orientation on the humanitarian agency's values and standards, along with guidance on their interaction with



agency staff and external parties. Any concerns, including unprofessional conduct, wrongdoing or more serious abuses, should be addressed immediately. It is essential that security personnel are properly inducted on the relevant operations of the humanitarian agency and that there is clear communication between both parties. The organisation should provide appropriate working conditions and ensure that contracted staff are treated with respect.



### **Checklist: Security protocols and briefings**

- ✓ Develop induction and training programmes for all assigned security personnel to explain your organisation's principles and mandate
- ✓ Educate your staff about the roles and responsibilities of the security personnel
- ✓ Ensure that all staff understand, and are trained to respond to, security and safety incidents, alarms, etc.
- ✓ Facilitate regular security briefings, run by the PSP, for your staff
- ✓ Should armed guards be used, identify areas on premises where (i) weapons are/are not permitted and (ii) firearms are to be loaded and unloaded and secured



### **Checklist: Working environment**

- ✓ Establish clear procedures for meals, access to restrooms, and shift hours
- ✓ Ensure that your staff, security personnel and the local community have access to grievance and whistle-blower procedures
- ✓ Establish confidential reporting mechanisms for PSP personnel to report inappropriate or unlawful conduct by the organisation
- ✓ Implement accessible and appropriate policies and procedures on reporting sexual exploitation and abuse, gender-based violence and any forms of discrimination and harassment
- ✓ Invite ICoCA to carry out third party independent monitoring of company activities and processes