



Government of Australia

Voluntary Principles Initiative on Security and Human Rights Annual Report 2023

A. Commitment to the Voluntary Principles

The Australian Government believes the protection and promotion of human rights are vital to global efforts to achieve lasting peace and security, and freedom and dignity for all. Australia's commitment to human rights is an underlying principle of Australia's engagement with the international community.

As a nation endowed with natural resources and home to some of the world's largest mining companies, Australia is committed to an open, ethical and sustainable global extractives industry. It is this commitment that drives our engagement in the Voluntary Principles on Security and Human Rights Initiative (VPI).

The Department of Foreign Affairs and Trade (DFAT) represents Australia within the VPI.

Four Australian-based companies are also VPI members.

B. Policies, Laws and Regulations

The Australian Government expects businesses to adhere to human rights and responsible business standards at home and abroad.

Mechanisms through which the Australian Government advocates for, and enforces, these standards include:

- The United Nations Guiding Principles on Business and Human Rights, which provides an important framework for enhancing standards and practices by states and businesses;
- Australia's landmark *Modern Slavery Act 2018*, which requires businesses to report annually on their actions to address modern slavery, including in supply chains;
- Australia's leadership within the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime – which we co-Chair with Indonesia;
- our commitment to various international voluntary initiatives, codes of conduct and guidelines, including the Kimberley Process Certification Scheme, the OECD's Guidelines for Multinational Enterprises on Responsible Business Conduct (OECD RBC Guidelines) and related OECD due diligence guidance including sector specific guidance for the extractives sector, the International Code of Conduct for Private Security Service Providers, and the Voluntary Principles; and
- the Australian National Contact Point for Responsible Business Conduct (AusNCP), which promotes responsible business conduct standards under the OECD RBC Guidelines and provides conciliation services to resolve complaints against multinational businesses operating in Australia and Australian multinationals operating overseas.

In relation to the latter of these, AusNCP closed six complaints in 2023, four of which related to the extractive industries. AusNCP final statement for one of these complaints relating to a proposed mining project recommended both parties to the complaint consider and make use of the VPI toolkit if dealing with issues relating to the role and use of security personnel.ⁱ This provides a practical example of how Australia is making use of the Voluntary Principles in a real-world situation.

C. Promotion and Implementation

Activity specific to the VPI

Australia became a full Member of the VPI in 2016 and chaired the initiative for the first time in 2020/21.

At country-level, officials from Australian diplomatic missions participated in VPI In-Country Working Groups. Australia also takes opportunities to advocate to other potentially interested Governments to consider joining the initiative. The Australian Government also encourages Australian extractive companies to adopt and adhere to relevant codes of practice relating to human rights, including the Voluntary Principles.

In November 2023, Australia completed its first Verification Presentation on its implementation of the Voluntary Principles.

Related activity through the Australian aid program

The Australian Government has a long history of working with partner governments, multilateral and non-government organisations, universities and the private sector to maximise the development potential of the extractives sector. Our support enhances the capacity of governments in resource-rich developing countries in the Indo-Pacific region to make the most of their natural resources, and ensure benefits flow on to communities.

The Australian Government funds several programs aimed at assisting partner countries in strengthening their responsible natural resource governance. These include the:

- Extractive Industries Transparency Initiative; and
- International Monetary Fund Managing Natural Resources Wealth Trust Fund.

The Australian Government also partners with the Global Compact Network of Australia in its efforts to support Australian companies in implementing the Network's ten universal principles on human rights, labour, the environment and anti-corruption. Australia is also an advocate for the Global Reporting Initiative's Sustainability Reporting Standards.

D. Lessons Learned

Australia considers that promotion of the VPI would benefit from regional forums and meetings. Such meetings would facilitate the full participation of members and countries from the Indo-Pacific region and support the sharing of information and best practices within similar country contexts.

ⁱ <https://ausncp.gov.au/complaints/complaint-29>