

# Government of Switzerland's 2023 Annual Report

For the Voluntary Principles on Security and Human Rights Initiative

## Commitment to the Voluntary Principles on Security and Human Rights

### 1. Public statement of commitment or endorsement of the Voluntary Principles, engagement in the Voluntary Principles Initiative, and transparency.

Switzerland remains firmly committed to the Voluntary Principles on Security and Human Rights (VP), as outlined in the action plan submitted upon joining the VP Initiative (VPI) as a participant government in September 2011. This commitment encompasses:

- **Promoting the Voluntary Principles:** Actively engaging with Swiss extractive companies and collaborating with relevant governments to advance the adoption and implementation of the VP.
- **Supporting in-country processes:** Leveraging Swiss embassies to prioritize and facilitate local initiatives related to the VP.
- **Encouraging corporate implementation:** Assisting companies in integrating the VP into their operations and practices.
- **Fostering strategic synergies:** Aligning the VP with the International Code of Conduct for Private Security Service Providers (ICoC), as well as Switzerland's strategy for implementing the UN Guiding Principles on Business and Human Rights (UNGPs).

Through these efforts, Switzerland underscores its dedication to upholding and advancing security and human rights in alignment with international standards.

### 2. Statement of commitment to implement National Plan(s) (where applicable) and progress on its implementation

#### Switzerland's Commitment to the Voluntary Principles on Security and Human Rights: December 2023 Update

Switzerland continues to demonstrate unwavering commitment to the Voluntary Principles on Security and Human Rights (VP), reaffirming its dedication to promoting security and human rights across sectors. Notably, in 2023, Switzerland re-joined the Steering Committee of the Voluntary Principles Initiative (VPI), reflecting its leadership in advancing the VP globally.

This commitment is rooted in a series of actions and strategies:

- **Integration into National Policies:**

The VP were first incorporated into the Swiss National Action Plan on Business and Human Rights (NAP), adopted by the Federal Council on December 9, 2016. This commitment was further

reinforced on January 15, 2020, when the Federal Council updated the NAP for the period 2020–2023. The updated plan included security and human rights as a key priority, with specific measures:

- **Measure 2:** Security and human rights.
- **Measure 5:** Multistakeholder initiatives.
- **Measure 35:** Grievance mechanisms.

A dedicated website for the NAP provides additional resources and includes a link to the Voluntary Principles Association.

- **Guidelines and Strategic Reports:**

In June 2021, the Federal Department of Foreign Affairs launched the **Human Rights Guidelines for 2021–2024**, strongly endorsing the VPI and VP implementation. These guidelines replaced the earlier Human Rights Strategy 2016–2019.

- In 2018, Switzerland issued a **sector-specific guidance** on implementing the UN Guiding Principles on Business and Human Rights (UNGPs) within the commodity trading sector. This guidance, available online at [www.commodity-trading.org](http://www.commodity-trading.org), references the VP.
- Additionally, in November 2018, the Federal Council published the report "**The Swiss Commodities Sector: Current Situation and Outlook**," which included recommendations for supporting the VPI. A 2021 progress report highlighted Switzerland's VP implementation efforts.

- **International Advocacy and Implementation Support:**

Switzerland has actively supported VP implementation through public statements, bilateral consultations, and policy dialogues with various countries, including Brazil, Mozambique, Senegal, Nigeria, Liberia, China, Peru, Colombia, France, and Germany.

- **Leadership in the Steering Committee:**

Switzerland first rejoined the Steering Committee in March 2018 and chaired it in 2019. Although it stepped down in 2022, Switzerland fulfilled its goal of rejoining the committee in 2023, further strengthening its influence and commitment to the initiative.

Through these actions, Switzerland reaffirms its dedication to promoting the VP, supporting their implementation by companies, and aligning them with broader international frameworks such as the UN Guiding Principles on Business and Human Rights and the International Code of Conduct for Private Security Service Providers (ICoC). This ongoing commitment underscores Switzerland's leadership in advancing security and human rights globally.

## **DOMESTIC POLICIES, LAWS, AND REGULATIONS**

### **3. As related to the Voluntary Principles, describe relevant policies, legislation, procedures, and/or guidelines relevant to promoting and protecting human rights, consistent with international human rights obligations.**

Switzerland has continued to advance its regulatory framework on responsible business conduct (RBC) through 2023, reinforcing its alignment with international standards and addressing evolving global challenges. The latest developments reflect Switzerland's ongoing commitment to sustainability, human rights, and ethical business practices.

#### **1. Strengthening Due Diligence and Reporting Obligations**

- **Conflict Minerals and Child Labor:** Since January 2022, Swiss companies have been subject to new legal obligations requiring due diligence and reporting on conflict minerals and child labor. These rules, implemented for the 2023 financial year with first reports expected in 2024, mandate robust supply chain management systems to ensure transparency and compliance.
- **Non-Financial Reporting:** As of 2023, large public companies, banks, and insurance firms with over 500 employees must publicly report on non-financial issues, including environmental, social, labor, human rights, and anti-corruption efforts. This measure enhances corporate accountability and transparency in addressing sustainability challenges.

## 2. New Climate Disclosure Requirements

The Ordinance on Climate Disclosures, effective from January 2024, introduces mandatory reporting on climate-related financial risks for eligible organizations. These disclosures align with global frameworks, such as the Task Force on Climate-related Financial Disclosures (TCFD), ensuring that companies provide clear insights into how they manage climate risks and opportunities.

## 3. Alignment with International Standards

- **OECD Guidelines:** In 2023, the OECD updated its Guidelines for Multinational Enterprises on Responsible Business Conduct, incorporating new priorities such as environmental sustainability and the digital economy. Switzerland continues to champion these guidelines as a benchmark for responsible business practices.
- **Impact of European Regulations:** Developments in European directives on corporate sustainability reporting and due diligence have influenced Swiss companies operating in the EU market. Switzerland is taking steps to align with these evolving standards, ensuring its businesses remain competitive and compliant in international markets.

## 4. Federal Council's CSR Action Plan and Beyond

The Federal Council's CSR Action Plan for 2020–2023 concluded in 2023, emphasizing responsible business practices among Swiss companies. Key achievements included fostering favorable conditions for CSR, raising awareness, promoting responsible practices in developing countries, and increasing transparency. A final report on the action plan highlights Switzerland's progress and identifies areas for further improvement.

## 5. Broader Engagement and Leadership

Switzerland reaffirmed its commitment to responsible business conduct in 2023 through public statements, bilateral consultations, and policy dialogues with countries such as Brazil, Mozambique, Senegal, Nigeria, Liberia, China, Peru, Colombia, France, and Germany. Switzerland also rejoined the Steering Committee of the Voluntary Principles Initiative (VPI) in 2023, continuing its leadership role in promoting security and human rights.

Through these measures, Switzerland has demonstrated unwavering dedication to fostering responsible business conduct, reinforcing its position as a global leader in ethical and sustainable business practices. This continued progress ensures Swiss companies remain at the forefront of addressing global challenges in sustainability, human rights, and corporate accountability.

#### **4. Within the context of the Voluntary Principles and in accordance with national and international law, describe how the government takes appropriate steps to prevent, investigate, punish and redress human rights abuses within its territory and/or jurisdiction by third parties, including extractive companies and public and private security providers.**

Switzerland reaffirms its constitutional duty to protect human rights, as enshrined in Article 7 of the Federal Constitution, and continues to uphold its commitment by ratifying the major international human rights treaties. Recognizing the pivotal role of businesses, Switzerland promotes corporate responsibility to respect human rights and ensure access to remedies for violations. This commitment is supported by specific legislation, such as the Federal Act on Private Security Services Provided Abroad (PSSA), and targeted guidance for sectors like commodities and small and medium enterprises (SMEs).

#### **Legislative Framework and Access to Remedy**

Switzerland provides a robust framework for addressing human rights violations. Complaints are initially handled at the cantonal level, supported by federal judicial bodies, including the Federal Criminal Court and the Federal Supreme Court, Switzerland's highest judiciary authority. In rare cases, matters escalate to the European Court of Human Rights in Strasbourg.

The liability of employers is governed by Article 55 of the Swiss Civil Code, which establishes principles akin to vicarious liability in Common Law. It holds employers accountable for damages caused by employees unless due diligence to prevent such harm can be proven. This framework also underpins the liability of parent companies for human rights violations by their subsidiaries.

#### **Advancements in Mandatory Human Rights Due Diligence**

Switzerland has made significant strides in human rights due diligence. Laws mandating due diligence now cover key areas such as private security services provided abroad, child labor, and conflict minerals. These measures align with Switzerland's commitment to preventing human rights abuses both domestically and globally.

#### **Prevention and Promotion of Human Rights**

Switzerland's dedication to human rights is reflected in its domestic and international policies. Efforts span external human rights advocacy, economic and asylum policies, and the protection of vulnerable groups. The country benefits from a vibrant civil society and an independent, critical media that reports on cases involving Swiss businesses worldwide.

The Federal Council's decision in December 2019 to establish a National Human Rights Institution (NHRI) marked a milestone. Operational as of 2023, the NHRI works with cantonal authorities, provides expertise, and focuses on the prevention of human rights violations.

#### **Enhancing Access to Justice and Remedies**

Switzerland ensures access to remedy through both judicial and non-judicial mechanisms. Victims of human rights abuses, including those abroad, are supported by grievance mechanisms facilitated by the government. Businesses are also encouraged to establish grievance mechanisms as part of multistakeholder initiatives.

The Swiss OECD National Contact Point (NCP), housed within the State Secretariat for Economic Affairs

(SECO), plays a crucial role in mediating disputes and fostering dialogue. Additionally, the Business and Human Rights (B&HR) team within the Peace and Human Rights Division actively addresses allegations of human rights abuses. The team engages with civil society, NGOs, and companies to assess needs, provide advice, and monitor ongoing situations.

## Promotion and Implementation

### **5. Describe how the government publicly communicates its commitment to the Voluntary Principles (e.g., speeches, statements, publicly available reports, conferences, presentations and statements made in multilateral and bilateral forums).**

Switzerland reaffirmed its strong commitment to promoting the Voluntary Principles on Security and Human Rights (VPs) throughout 2023. Leveraging bilateral engagements and multilateral forums, Switzerland actively advocated for the adoption and implementation of the VPs by governments and companies in priority sectors and regions.

Key actions taken by Switzerland in 2023 include:

- **Swiss Forum on Business and Human Rights (September 2023):** Switzerland highlighted the importance of the VPs during this flagship event, bringing together stakeholders from government, business, and civil society.
- **Annual General Assembly of the International Code of Conduct Association (ICoCA) (December 2023):** Switzerland underscored the alignment between the VPs and ICoCA standards, emphasizing their shared goal of improving security and human rights practices in fragile contexts.
- **Trainings on Due Diligence for the Commodity Sector:** Switzerland organized multiple training sessions throughout 2023 to promote the integration of the VPs into the operations of Swiss-based companies in the commodity sector.
- **Participation in International Forums:**
  - At the **OECD Responsible Mineral Forum (May 2023)**, Switzerland showcased the role of the VPs in fostering responsible supply chains

These efforts reflect Switzerland's commitment to advancing the principles of responsible business conduct and fostering collaboration between governments, businesses, and civil society to strengthen human rights protections globally.

### **6. Describe how the government conducts outreach to, and awareness-raising activities with, NGOs, extractive companies, and governments (e.g., build understanding and support for the Voluntary Principles such as through in-country stakeholder meetings) to encourage them to implement the Voluntary Principles and/or join the Voluntary Principles Initiative. Suggest including country specific examples.**

In 2023, the Democratic Control of Armed Forces (DCAF) undertook significant initiatives to promote the Voluntary Principles on Security and Human Rights (VPs), supported by funding from the Swiss government through the Peace and Human Rights Division of the Federal Department of Foreign Affairs (FDFA). These efforts aimed to strengthen governance in private security, address security and human rights challenges, and promote the adoption of international norms in high-risk sectors.

#### **Strengthening Private Security Governance**

DCAF facilitated reforms in private security governance across multiple countries:

- **Democratic Republic of Congo (DRC):** Supported the development of a model private security law through multi-stakeholder consultations, culminating in regulatory consensus. Trainings were also conducted for mining police and intervention units to reduce security and human rights risks in mining zones.
- **Nigeria:** Collaborated with AFRILAW to enhance governance, focusing on private security roles during elections. Workshops engaged civil society organizations (CSOs) and security providers to align practices with international standards.
- **Madagascar:** DCAF contributed to drafting regulatory frameworks and supported stakeholder capacity-building efforts to improve private security governance amidst a politically volatile environment.

## Enhancing Stakeholder Capacity and Engagement

DCAF actively built capacities of government bodies, civil society, and the private sector:

- **Community Sensitization Campaigns:** In the DRC, campaigns informed local communities about the rights and limitations of private security actors, empowering them to address potential human rights violations effectively.
- **Workshops and Trainings:** Tailored sessions in Nigeria, Mozambique, and Peru addressed the intersection of private security, governance, and human rights, fostering trust between stakeholders and enhancing local ownership of the VPs.

## Advancing the Voluntary Principles Initiative

DCAF significantly contributed to integrating the VPs into policy and practice:

- **Global Engagements:** Supported Mozambique and the DRC in their applications to join the Voluntary Principles Initiative, with the DRC achieving engaged government membership in 2023. Efforts included technical workshops and high-level consultations with Swiss and international partners.
- **Localized Implementation:** In Peru and Mozambique, regional working groups, supported by DCAF, facilitated multi-stakeholder dialogues and developed regional action plans addressing security risks in extractive industries.

## Broader Advocacy and Partnerships

- DCAF strengthened global awareness of the VPs through platforms such as the OECD Responsible Minerals Forum and the Paris Peace Forum.
- Strategic partnerships with organizations like the International Committee of the Red Cross (ICRC) and ICoCA ensured the adoption of international best practices in security governance.

These achievements underscore the Swiss government's commitment to advancing the VPs through DCAF's innovative, multi-stakeholder approach, creating impactful solutions at both local and international levels.



## **7. Describe how the government promotes the Voluntary Principles within its own government (coordination within its own government (coordination within and among different government agencies and ministries, as well as with Embassies, etc.).**

### **Swiss Guidelines on Business and Human Rights: Emphasis on the Voluntary Principles on Security and Human Rights (VPs)**

The Swiss government has developed in 2023 detailed guidelines to ensure its external representations actively promote business and human rights standards, particularly in relation to the **Voluntary Principles on Security and Human Rights (VPs)**. These guidelines, outlined in the "Swiss Guidance on Business and Human Rights for the Swiss Network of Representations," serve as practical tools for embassies, consulates, and other external offices to integrate human rights considerations into their operations and interactions with businesses.

#### **Key Aspects Related to the Voluntary Principles:**

##### **1. Alignment with International Frameworks and VPs:**

The Swiss guidance is deeply rooted in international frameworks such as the UN Guiding Principles on Business and Human Rights (UNGPs) and explicitly supports the promotion of the Voluntary Principles on Security and Human Rights. This alignment highlights Switzerland's commitment to protecting human rights in high-risk sectors, including extractive industries where security concerns are prominent.

##### **2. Promoting Security and Human Rights in Business:**

Swiss representations are tasked with advising companies on implementing security arrangements that respect human rights, a core aspect of the VPs. This includes:

- Encouraging businesses to assess and mitigate human rights risks associated with security providers.
- Promoting best practices in the management of private and public security forces in line with the VPs.

##### **3. Support for Local Implementation of the VPs:**

The guidelines emphasize the role of Swiss embassies and consulates in supporting local initiatives to implement the VPs. This includes facilitating dialogue between businesses, governments, and civil society to address security-related human rights challenges in complex environments.

##### **4. Capacity-Building and Awareness Raising:**

Swiss representations play a crucial role in organizing workshops and training sessions that promote the principles of responsible security management. By raising awareness about the VPs, these activities help ensure that security arrangements protect communities and align with human rights standards.

##### **5. Practical Tools for Businesses:**

The guidance provides resources to assist companies in meeting their VPs commitments. These include:

- Offering country-specific insights into security and human rights risks.

Supporting companies in developing and implementing grievance mechanisms for communities affected by security arrangements.

## **6. Policy Coherence and Advocacy for the VPs:**

The Swiss government encourages coherence between its foreign policy objectives and its advocacy for the VPs. Representations are urged to ensure that all support for businesses operating abroad integrates the VPs' emphasis on security, human rights, and conflict sensitivity.

## **7. Promoting Multistakeholder Engagement:**

The guidelines stress the importance of collaboration between companies, governments, and local communities. Swiss representations are encouraged to facilitate partnerships that uphold the VPs, ensuring security arrangements contribute to stability while protecting human rights.

By emphasizing the VPs, the Swiss government demonstrates its commitment to fostering responsible business conduct in high-risk industries and regions. Through its external representations, Switzerland not only advocates for the adoption of the VPs but also supports their practical implementation, contributing to sustainable development and the protection of human rights worldwide.

## **8. Describe government engagement in the VPI, including when the government last did a verification presentation, points raised during the peer review about the government, and how the government has responded.**

Switzerland is ready to participate in a new verification presentation whenever required.

## **9. Describe how the government works with companies, communities, and civil society organizations on Voluntary Principles implementation.**

see point 6

## **10. Describe how the Government engages with companies on issues related to company risk assessment.**

Switzerland continues to play a pivotal role in financing practical tools that help companies identify and address their key human rights risks and impacts. Since 2013, Switzerland has supported a joint initiative by the Geneva Centre for Security Sector Governance (DCAF) and the International Committee of the Red Cross (ICRC). This project focuses on developing guidance and toolkits for Voluntary Principles (VP) member companies and governments, particularly regarding their engagement with public and private security forces and communities in complex environments.

A central achievement of the project has been the establishment of the **Security and Human Rights Knowledge Hub** ([securityhumanrightshub.org](https://securityhumanrightshub.org)), which serves as a platform to share tools, best practices, and resources. The project has evolved significantly over the years, emphasizing adaptability and continuous improvement.

In 2016, it entered an implementation phase aimed at localizing tools and guidance, tailoring them to diverse contexts, and translating them into multiple languages. This process included rigorous field testing by companies to ensure relevance and practical application. An updated version of the toolkit was launched in 2022, incorporating feedback and lessons learned from on-the-ground experiences.

As of late 2023, the project remains dynamic, expanding its focus to support VP implementation through enhanced training programs, new case studies, and collaboration with local stakeholders. These efforts are designed to further strengthen the integration of human rights principles into corporate security practices and foster meaningful engagement with communities, ensuring long-term impact and sustainability.



## 11. Describe how the Government engages with companies around engagement with public and private security forces.

As of the end of 2023, the Swiss Government remains at the forefront of efforts to promote responsible governance and oversight of private security service providers through its strong engagement with the **International Code of Conduct for Private Security Service Providers (ICoC)**. Since the launch of the **International Code of Conduct Association (ICoCA)** in September 2013, Switzerland has played a central role in advancing the Association's mission: ensuring the responsible provision of private security services while upholding respect for human rights and compliance with national and international law.

The ICoCA, governed by its Articles of Association, operates with three core functions: certifying private security providers, monitoring their activities, and maintaining a complaints mechanism for alleged victims of ICoC violations. Significant progress has been made since the approval of key procedures for certification (2015) and performance monitoring, reporting, and complaints handling (2016). Switzerland chairs the Association's Board of Directors, reinforcing its commitment to these objectives. Currently, the ICoCA comprises approximately **110 private security companies, 50 NGOs, and 7 governments**, including **6 members of the Voluntary Principles Initiative (VPI)**.

Recognizing the alignment between the ICoC and the VPI, Switzerland continues to seek complementarities between the two initiatives. This includes Switzerland's active role in promoting collaboration, with the ICoCA serving as an observer to the VPI and vice versa. Regular outreach sessions organized by Switzerland encourage clients of private security providers to adopt the VPI and require ICoCA certification, fostering a culture of accountability and human rights respect within the industry.

The **Montreux Document**, another key Swiss initiative, complements these efforts. Adopted in 2008, the Montreux Document outlines pertinent international legal obligations and good practices for states concerning the operations of private military and security companies (PMSCs) in conflict zones. Since the launch of the **Montreux Document Forum** in December 2014, the platform has enabled member states to discuss implementation challenges, share good practices, and engage with stakeholders such as the ICoCA. By 2023, the Montreux Document has been endorsed by **56 states and three international organizations** (the EU, OSCE, and NATO), demonstrating its growing global influence.

Switzerland has also strengthened its domestic framework through the **Federal Act on Private Security Services Provided Abroad (PSSA)**, which came into force in September 2015. Building on the principles of the Montreux Document and the ICoC, the PSSA requires Swiss-based private security companies operating abroad to declare their activities and obtain ICoCA membership. This legal framework ensures respect for international law, particularly human rights and humanitarian law, while complementing the VPI by promoting responsible security practices.

According to the latest annual report on PSSA implementation, there is increasing recognition of the Act's oversight mechanisms and Switzerland's pioneering role in regulating private security services abroad. Through its leadership in the ICoCA, its support for the Montreux Document, and the enforcement of the PSSA, Switzerland continues to set global standards for the private security sector, ensuring accountability, compliance with international law, and the protection of human rights well into 2023 and beyond.

## Lessons and Issues

### 12. To help determine what best practices and lessons learned can be leveraged going forward, provide a summary of issues from this reporting year, as well as plans or opportunities to advance the Voluntary Principles for the government.

Mandatory due diligence continues to pose a significant challenge for MSIs like the VPI, which must demonstrate their complementarity and added value in the context of increasing regulatory trends. In this evolving landscape, Switzerland remains committed to showcasing the unique contributions of MSIs, including the development of practical technical tools that support effective implementation.

One of the ongoing hurdles is government participation and active engagement within the VPI, often

hindered by resource constraints. To enhance the credibility and effectiveness of the initiative, it is critical to increase the participation of governments from countries hosting mining operations. Their involvement would bring diverse perspectives and valuable on-the-ground experiences that can inform and improve implementation efforts.

Switzerland will continue to prioritize outreach efforts to engage other governments, aiming to foster broader collaboration and drive progress in this space. By building stronger alliances and promoting shared learning, Switzerland underscores its commitment to advancing the role of MSIs in addressing the challenges posed by mandatory due diligence and evolving regulatory requirements.