

**SAFERWORLD**

PREVENTING VIOLENT CONFLICT. BUILDING SAFER LIVES

**Business for peace**



“In the future, we could have more communications with local communities (...), as well as with the government, NGOs and the media. We could sit together with local communities and discuss our work.”

Business manager from a Chinese construction company

# Conflict and business

**Violent conflict presents a major risk for companies and financial institutions operating in fragile and insecure contexts.**

These risks include:

- **personnel** – kidnapping, killing, and injury; evacuation of staff; recruitment challenges
- **financial** – higher security costs; increased wages (to offset risks); threat of extortion and corruption; economic losses caused by disruption and delays in productivity
- **operational** – high set-up costs; destruction of property or infrastructure; disruption and delays to the project
- **reputational** – negative publicity, local protests or international campaigns against a business entity.

Conflict often revolves around competition for power, influence and access to resources. The introduction of new resources into an area, such as through foreign investment, can change local dynamics. It can challenge or disrupt existing power relations, create competition for resources or employment, or contribute to corruption. Equally, well-planned foreign investment can benefit communities and bring together competing groups.





# What is conflict sensitivity?

Over the past ten years, an increasing number of companies and international organisations have recognised the risk that conflict poses to their investments and have tried to adopt a more 'conflict-sensitive' way of working. This means:

- understanding the context in which they operate, especially any tensions that have the potential to result in violence
- understanding the impact that these tensions may have on their investment, as well as the ways in which their investments might worsen or ease these tensions
- acting on this understanding to avoid making conflict worse or more likely, and taking any opportunities to support peace and socio-economic development.

## More than risk management

Conflict sensitivity differs from traditional risk management approaches. It can help a company or a financial institution identify both the risks that they may face, as well as the positive impacts that investment may have. It enables companies and financial institutions to anticipate threats and identify strategies for avoiding, reducing, or addressing them. It can also offer companies an opportunity to build positive relations with host governments and communities, creating a more conducive environment for long-term, constructive engagement.





# Saferworld's expertise

Saferworld has extensive experience working with government agencies, multi-lateral institutions, international non-government organisations, civil society groups and international businesses. Over the past 30 years we have established a reputation for delivering high quality outputs, including research, training, strategic advice and consultancy, while operating to high ethical and professional standards.

Saferworld's team of expert advisers is available to provide a wide range of services to organisations committed to maximising their positive impacts on peace. With offices in nearly 20 countries and territories across Africa, the Middle East and Asia, and policy centres in Beijing, Brussels, London, Vienna and Washington DC, our staff can draw on Saferworld's global presence, as well as our networks of partners and associates, to ensure that our work is always informed by the most up-to-date developments and the latest thinking in global debates.

To find out more, contact us at:  
[general@saferworld.org.uk](mailto:general@saferworld.org.uk)

Services we offer:

- impartial, independent and targeted advice for staff working at different levels
- analysis of global, national and local conflict dynamics accompanied by specific, realistic and achievable recommendations
- training and capacity strengthening for staff and partners on conflict analysis, community engagement, monitoring and evaluation
- support on engaging with communities
- review of potential conflict risks
- rapid updates of changing conflict environments as well as contingency and scenario planning.





# Saferworld's experience

## Improving community engagement

Saferworld advised a Chinese construction company building a bridge in Kenya on how to ensure that they did not contribute to tensions, and we facilitated dialogue between the company and communities. Together with the company, we hosted a series of events where communities could express their concerns, ranging from difficulties in communicating with the company, delayed compensation or limited local purchasing of materials to worries about a loss of livelihoods for some workers. We provided recommendations on how to address the concerns that had been raised, most of which were taken on board. This process of dialogue helped to prevent tensions from arising between the company and communities, helping the project to run smoother and more efficiently.

## Building capacity on conflict-sensitive business practice

Saferworld conducted a series of workshops in Beijing for Chinese investors operating in conflict-affected contexts. These workshops provided practical training for Chinese firms in Africa and Asia as well as scholars and policy experts, on how to take a conflict-sensitive approach in their work. Topics included an overview of conflict risk analysis as well as tools for stakeholder consultation and

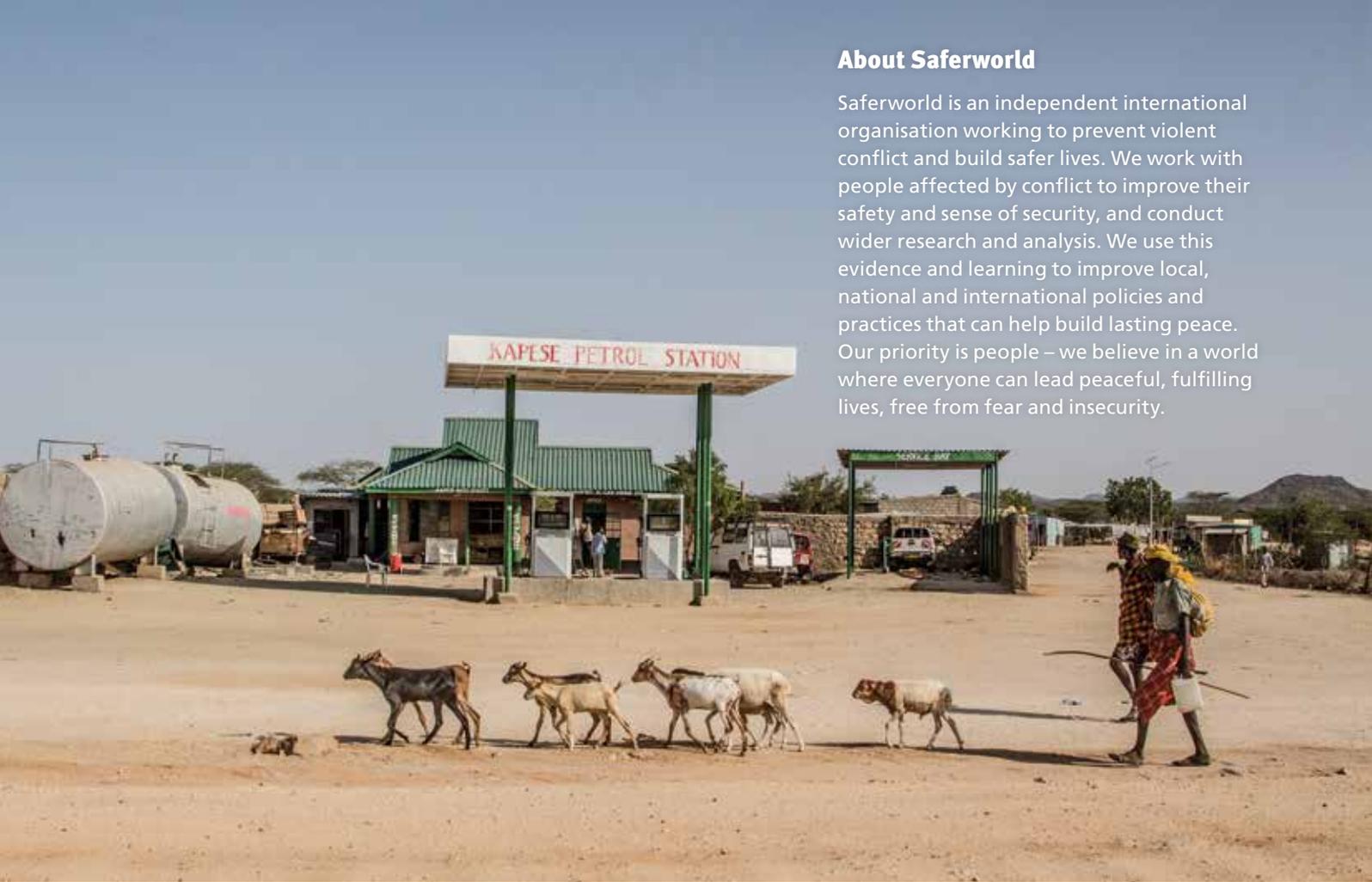
managing impacts. Participants reported feeling much more confident about translating the key principles of conflict sensitivity into practical action.

## Integrating conflict sensitivity into the European Investment Bank investment strategies

With an annual investment portfolio of more than €76 billion, the European Investment Bank (EIB) is the world's largest multi-lateral lending organisation. Saferworld manages a conflict sensitivity helpdesk for the EIB, which is a flexible and responsive mechanism providing technical support for staff and allowing them to translate the principles of conflict sensitivity into action. The helpdesk helps EIB staff access a pool of conflict sensitivity experts who can review investment plans, undertake research, design and deliver training or provide strategic advice on how to ensure projects do not worsen conflict. All helpdesk products are tailored to the EIB project cycle and due diligence systems.

**“From the workshop I learnt how to determine and calculate risk and how to apply this tool when dealing with conflict... I see the benefits of adopting a conflict sensitive approach. It helps to reduce the risk of conflict – which can benefit both the local population and companies.”**

Chinese business participant



## About Saferworld

Saferworld is an independent international organisation working to prevent violent conflict and build safer lives. We work with people affected by conflict to improve their safety and sense of security, and conduct wider research and analysis. We use this evidence and learning to improve local, national and international policies and practices that can help build lasting peace. Our priority is people – we believe in a world where everyone can lead peaceful, fulfilling lives, free from fear and insecurity.

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For further information about us and our work, please visit [www.saferworld.org.uk/what-we-do/conflict-and-gender-sensitivity](http://www.saferworld.org.uk/what-we-do/conflict-and-gender-sensitivity) or email us at [general@saferworld.org.uk](mailto:general@saferworld.org.uk).

You can keep up to date with our work by signing up at [www.saferworld.org.uk/stay-informed](http://www.saferworld.org.uk/stay-informed) or by following us on social media.

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