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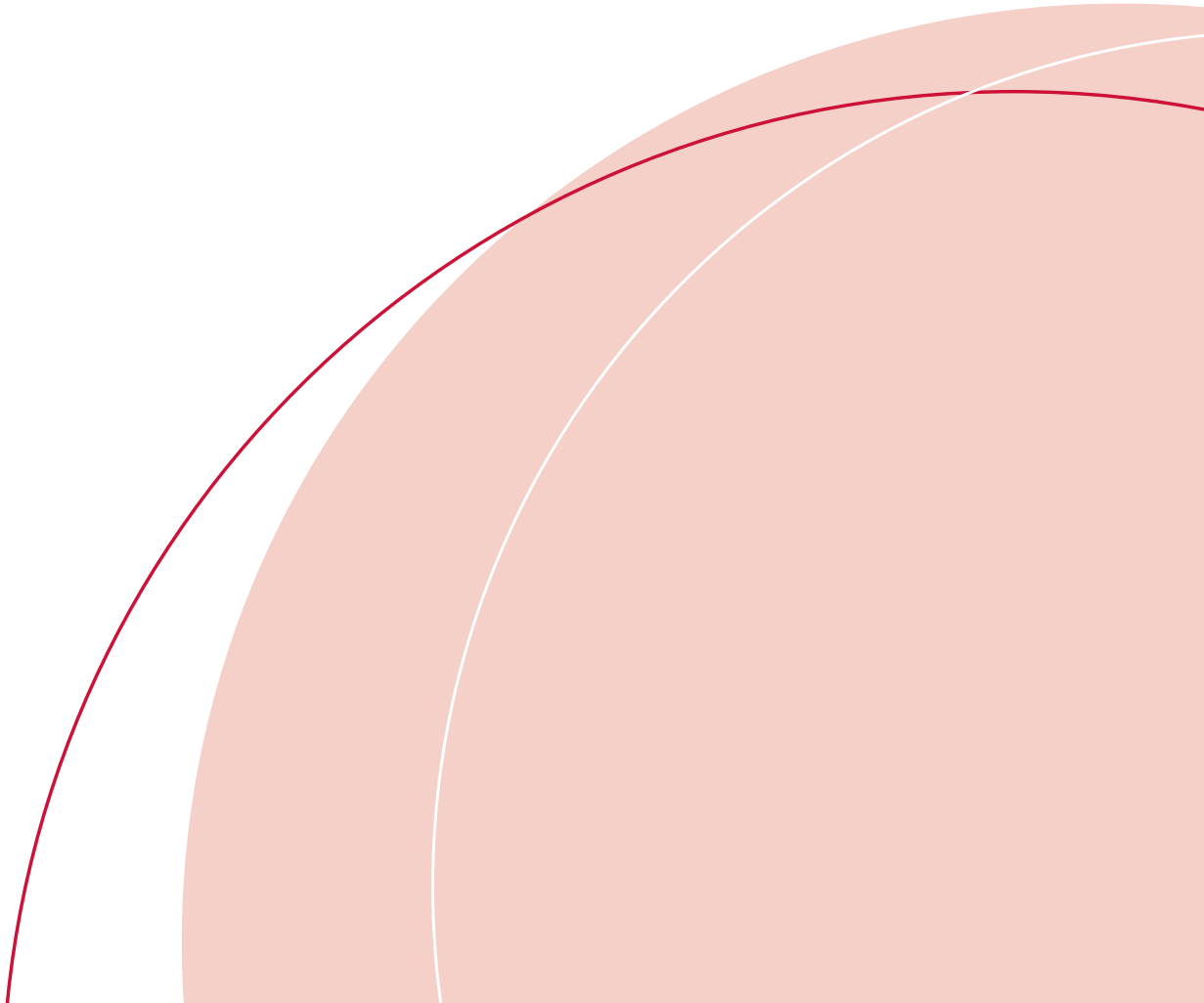
The use of private security providers and services in humanitarian operations

Abby Stoddard, Adele Harmer and
Victoria DiDomenico



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- Conor Foley – Afghanistan background study
- Joakim Gundel – Kenya and Somalia background study
- Greg Hansen – Iraq background study
- Robert Turner – Sudan background study

Additionally, the study benefited from the early research contributions of Katherine Haver (CIC, Oxfam) and Peter Hoffman (City University of New York). In addition to the study's Advisory Group, the following peer reviewers provided valuable commentary and inputs: Mark Bowden, James Darcy, Val Flynn, Paul Harvey, Bruce Jones, Naz Modirzadeh and Jean S. Renouf.

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Acronyms

ANSO	Afghanistan NGO Security Office
CRG	Control Risks Group
CRS	Catholic Relief Services
DRC	Democratic Republic of Congo
ECHO	European Commission Humanitarian Aid Office
FAO	Food and Agriculture Organisation
GoSS	Government of South Sudan
IASC	Inter-Agency Standing Committee
ICRC	International Committee of the Red Cross
ICVA	International Council of Voluntary Agencies
IFRC	International Federation of the Red Cross and Red Crescent Societies
IHL	International humanitarian law
IRC	International Rescue Committee
IO	International organisation
MOA	Memorandum of Agreement
MSF	Médecins Sans Frontières
NCCI	NGO Coordination Committee in Iraq
NGO	Non-governmental organisation
OCHA	UN Office for the Coordination of Humanitarian Affairs
PSP	Private security provider
SPU	Special Protection Unit
SRA	Security Risk Assessment
UN	United Nations
UNDSS	UN Department of Safety and Security
UNFPA	UN Population Fund
UNHCR	UN High Commissioner for Refugees
UNICEF	UN Children's Fund
UNRWA	UN Relief and Works Agency for Palestine Refugees in the Near East
UNSECOORD	UN Security Coordinator
UNSMSN	UN Security Management System Network
USAID	United States Agency for International Development
WFP	World Food Programme
WHO	World Health Organisation
WVI	World Vision International

Executive summary

As conditions of insecurity continue to challenge international humanitarian operations in many countries around the world, aid organisations have adopted a number of different measures in response. Among the most controversial of these measures has been the contracting of commercial entities to provide security services for operations and personnel. In the highly sensitive and sometimes polarised debate on the issue, two contrasting opinions are often heard. One side sounds the alarm that the privatisation of security seen in military and diplomatic ventures has begun to creep into relief assistance, evoking images of armed international mercenaries and the prospect of a highly militarised, unprincipled and unaccountable humanitarian response. The other side dismisses it as a non-issue or at best a 'sideshow', arguing that humanitarians' use of these entities is minimal and too circumscribed to warrant attention. Neither of these arguments captures the reality, which is complex and evolving. However, to date, it has been difficult to get an accurate picture of the extent to which these entities are used in humanitarian operations, primarily because it is a topic that very few aid organisations want to discuss openly.

This study on the use of private security providers in humanitarian operations aims to establish an evidence base on the usage of commercial security entities by humanitarian operations. Without entering into the debate on whether such usage should or should not occur, it seeks to map the actual practice taking place, examining the trends in contracting and related policies, the approach of the private security industry towards humanitarian interests, as well as the potential implications of interaction between these two sectors. The research, undertaken as an independent study with the support of the Government of Canada and guided by an Advisory Group of UN agencies and NGOs, represents the most comprehensive measurement of private security usage by humanitarian actors to date. The work was carried out by the Humanitarian Policy Group of the Overseas Development Institute and a team of expert research associates in four field settings and at the global level. The research encompassed interviews with 241 key informants from humanitarian organisations and private security companies; a global survey, which garnered 296 responses from 62 aid organisations in 92 countries; and a review of the latest literature and expertise in practitioner and academic circles. The key findings are as follows.

Trends in the use of private security providers and services: an increase in security contracting, but armed protection is still the exception

The majority of aid workers surveyed report that the contracting of certain security functions to external professionals has become increasingly common worldwide. Despite some early worries and alarming predictions, however, the use of commercially contracted *armed* protection, including armed guards and armed escorts, remains very much the exception, and is confined to particular contexts. Rather, the most commonly contracted services from international private security providers (PSPs) are security training, risk assessment and security management consulting.

Importantly, *local* PSPs are used much more often and in many more environments than international PSPs, and from these contractors the most commonly used service is unarmed guards for facilities and premises. Some of the most serious concerns expressed by humanitarian field staff regarding security service contracting stemmed from the everyday use of these local providers. The most frequent concern raised in the study was the poor quality, low pay and weak management of these actors.

Exceptional though it may be, the use of contracted armed security is nevertheless a reality for the international humanitarian community. Every major international humanitarian organisation (defined as the UN humanitarian agencies and the largest international NGOs) has paid for armed security in at least one operational context, and approximately 22% of the major humanitarian organisations reported using armed security services during the last year. Interestingly, however, in some of the most insecure contexts, such as Darfur, Sudan and Iraq, humanitarian agencies have used private security in only very limited ways if at all, relying more on the tactic of withdrawing, suspending operations and remotely managing their programmes to deal with security threats. The particulars of the security environment, the supply of PSPs and the security stance of the major humanitarian actors present in-country all determine the extent of PSP usage; in extremely insecure environments, the large-scale privatisation of security was decidedly not the observed response. A growing chorus of practitioners is insisting that the use of arms is often more a problem than a solution.

The changing shape of the private security industry: diversifying services and exploring new roles and clienteles

The private security industry has seen a dramatic increase in the number of providers and services offered over the last decade, as well as intensified press and public scrutiny of the industry's approach to operating in conflict contexts. Although their efforts to solicit work from individual humanitarian organisations appear to have declined over the past couple of years, companies have made clear their ongoing interest in exploring humanitarian organisations as clients, as well as other potential roles in humanitarian contexts. Many are attempting to be a

'one-stop-shop', offering a full range of risk, security and logistics services. Others are moving into new areas and taking on new roles in risk management, governance and reconstruction. The near-total absence of state regulation governing the actions of security contractors in conflict environments, and the controversial actions of a few PSPs in Iraq, have generated international concern that these entities can operate with impunity in highly insecure environments. For humanitarian organisations, much of the concern lies in the fact that very few PSPs appear to have developed an understanding of the unique operating principles that guide humanitarians in their operations in conflict contexts. As a result, it appears that many humanitarians are increasingly coming together to resist the notion that private security might play a significant role in the humanitarian sector in the future.

A critical absence of policy and guidance

Although many organisations have policies on the use of armed protection, these tend to be general and revolve mainly around the need to obtain headquarters permission before contracting for such protection. Protocols or guidance on whether, when and how to contract and manage private security companies, as a special category of vendor requiring special criteria and oversight, are almost completely absent among humanitarian organisations.[1] Due diligence on companies is for the most part not being performed, and little thought has gone into the potential implications and vulnerabilities associated with the practice, exceptional though it is.

The decision to hire *unarmed* private security services by humanitarian organisations is typically made at the field level. Organisations' headquarters staffs are often less informed about usage and practice in the field than they believe themselves to be. The study documents that field staff reports on the use of PSPs contradicted HQ statements on a number of occasions. With only a few exceptions, guidance and procedures on PSPs are lacking, unknown or unclear, and field staff are making decisions in a policy vacuum. Additionally, the research found that organisations' motivations and rationales for using PSPs are based on immediate exigencies, often not conducive to thoughtful policy decisions, or on untested assumptions regarding cost and liability that may not stand up to scrutiny.

Overall, policy and guidance from humanitarian organisations on private security contracting is not promoted at the inter-agency level, and for the most part organisations operate with little understanding of the decision-making of others. In volatile and unstable environments, this presents considerable risks. Humanitarian organisations operate in a mutually dependent system, and the lack of shared security information and policy approaches has an impact on the entire community. Efforts to discuss and develop a shared understanding of good practices, codes or common guidelines for contracting and management would seem an important policy initiative, particularly given the potential cost of doing nothing in an area having such potentially critical consequences.

1 In September 2008, the Swiss government and the ICRC, in conjunction with state experts from 17 countries, released the 'Montreux Document'. While the non-legally binding document specifically offers guidelines for states contracting private military and security companies (PMSCs), it argues that the best practices it outlines may also serve to inform international organisations, NGOs and other relevant actors in their use of PMSCs.

Chapter 1
Introduction

1.1. Background and objectives of the study

This study of private security actors in humanitarian operations originated from previous research on the changing security context for aid operations. The research report, *Providing Aid in Insecure Environments*,[2] examined trends in policy and operations over the last decade, in particular how awareness of increased risk has affected the development of security measures. It found that one of the major responses to deteriorating security has been the practice of 'remote control' programming, whereby organisations effectively transfer risk to local staff and partners. Another type of security adaptation has taken the form of increasing reliance on protection and deterrence measures. These responses can entail adopting a low-profile approach to programming, or else its polar opposite: using military cover or armed guards and escorts provided by a range of actors – including commercial companies. Many in the humanitarian community had begun to observe, with some alarm, that in some contexts these private security providers (PSPs) seemed to be taking on larger roles in and around humanitarian action.

Although the prospect of a creeping 'privatisation' of humanitarian security has provoked a good deal of concern, it has never been determined precisely whether, how much and why humanitarian actors might be contracting out their security functions to private entities. This study aims to assess the extent and the nature of PSP interaction with the humanitarian community, and to use this evidence base to contribute to greater awareness of the surrounding operational and ethical issues. The subject of security practices in general has been plagued by a lack of transparency and open communication in humanitarian circles. Open discussion of private security providers in particular has been waylaid and undermined by false or exaggerated reports of individual agencies' use of PSPs. The purpose of this paper is not to identify individual users, but to map usage of private security services over the entire humanitarian community in order to construct a clear picture of the current reality and provide a factual basis as a starting-point for future dialogue.

Early drafts of the report attracted some criticism that suggested the study appeared to be *promoting* the use of PSPs. This is not the case; research that objectively documents the existence of a certain practice does not, by mere fact of doing so, promote that practice. The report does not 'take sides' in the debate on the pros and cons of PSP usage, but rather points out the risks associated with it. It does argue, however, that in whatever way individual humanitarian organisations respond to insecurity, decisions should be made, if not collectively, than at least in a strategic manner that takes into account the approaches of others, and considers the potential risks and implications for the entire community of providers.

The study was independently conceived and conducted by the research team. It was funded by a research grant from the Canadian government's Department of Foreign Affairs and International Trade. Substantive guidance and operational support was provided by an inter-agency Advisory Group, consisting of the major UN humanitarian agencies, the UN Department of Safety and Security (UNDSS), a number of international NGOs and NGO security consortia, and the ICRC, participating as observers. The Advisory Group was chaired by the UN Office for the Coordination of Humanitarian Affairs (OCHA), which managed the group's relationship with and input to the project. The views expressed in the report are informed by the information synthesised from interviews and survey responses from humanitarian personnel and other relevant actors. Any errors or misrepresentations are the responsibility solely of the authors.

1.2 Framework and methodology

1.2.1 Parameters and definition of terms

The topic of private security has provoked a range of responses on the part of both providers and users, as well as in the humanitarian and security communities more broadly. In part, the concerns stem from some wide generalisations and conflations made in past policy papers and academic literature on the subject, particularly regarding levels of usage, types of clients and the behaviour of PSPs themselves. In order to address some of these concerns, the authors established a clear set of definitions and parameters to set the frame for the study's analysis.

Research subject: humanitarian operations and actors

In research terms, the 'population of interest' for this study consists of the major international humanitarian operational actors (i.e. UN and non-UN organisations that engage in humanitarian response). The study specified *humanitarian* operations as opposed to development or other types of activities, for reasons of feasibility and relevance. First, it was necessary to place the subject within definable boundaries, since private security entities may be used by and have implications across a very wide range of actors and activities, including governments, national militaries, commercial contractors, the media and non-profit organisations. It would not have been possible for a study of this scale to undertake a comprehensive mapping exercise for all these potential users. The study's subjects are therefore limited to the operational

2 The report, published in 2006, is available online at http://www.odi.org.uk/hpg/publications_reports.html.

organisations that engage in the delivery of assistance in humanitarian crises, and which, by virtue of their mandates to provide life-saving assistance and protection in crisis contexts, presumably have a greater need overall to seek additional security inputs. Second, due to the nature of the settings where humanitarian response takes place, particularly conflict-related emergencies, private security actors have potentially significant impacts on the political and security context as a whole, including on the ability of other humanitarian actors to operate.

The blanket term 'humanitarian organisation' is used throughout the report to refer to any operational humanitarian entity, whether a UN, NGO or IO body. Because many of the major humanitarian providers are multi-mandated aid organisations that engage in both humanitarian relief and development activities, the study focused on international organisations (humanitarian or multi-mandated) that operate at least partially in humanitarian relief contexts. Because the survey examined the global usage of PSPs by such organisations, it was also able to map these practices in non-emergency contexts. In addition, although the mapping was necessarily limited to a finite number of organisations, it is hoped that the conclusions and findings of the research will potentially be useful for a broad range of actors.

Specifically, the organisations of interest to the study comprised:

- The UN agency members of the Inter-Agency Standing Committee on humanitarian affairs.
- The Red Cross/Red Crescent movement organisations: ICRC, IFRC and selected national RC/RC societies.
- The largest international NGOs.[3]
- A sample group of 15–20 mid-level and smaller international NGOs.

The five largest organisations represent the majority of NGO humanitarian operations and staff in the field. This top tier of NGOs, with individual budgets of over $200 million and staff numbers in the tens of thousands, represent approximately a third of aid workers in the field (not counting national Red Cross/Red Crescent societies) and almost half of total NGO personnel.[4] An understanding of these organisations' usage and practices, along with that of the UN agencies, should therefore provide the study with a comprehensive picture of the aid community's engagement with PSPs. However, as large organisations they can be expected to have different needs and patterns of usage to smaller NGOs operating with fewer resources and with potentially less experience. For this reason, although it was not possible to survey the total number of smaller NGOs, it was important to get representation from these lower tiers for the purposes of comparison. The objective of the exercise was to obtain a reasonable representation of usage across the humanitarian community, rather than a statistically random sample.

The study's subject area did not encompass the large private aid entities, such as Chemonics and Development Alternatives Inc., which work in some of the same contexts as humanitarian providers. Sometimes called 'grey area' organisations because they inhabit a space between the public and private spheres, these entities reportedly contract out a great deal of their security and accept working with and under the umbrella of military operations.

Research object: fee-based security services provided by private sector entities

The study's definition of 'private security provider' (PSP) includes a variety of actors, offering a wide range of services. The term denotes any non-staff, remuneration-based security providers. It is thus distinct from the term PSC (private security company), which implies a narrower range of hard security/protection activities, and differs also from the term PMC (private military company), which refers even more specifically to private fighting forces. The study sought to map the extent to which humanitarian agencies contract out security functions to external providers. It thus referred to any arrangements paid for by a humanitarian agency for a security service or function. This includes contracts with international private security companies (which may employ local and/or international staff), local private security companies, non-state actors (e.g. militias), or other *ad hoc* private sector arrangements. Nevertheless, the study recognised that there are important differences between for-profit entities providing fee-based services on the one hand, and on the other state and non-state actors (such as police forces and militias) collecting revenues through the exercise of their regular functions or by moonlighting. Therefore, most references to 'international PSPs' or 'local PSPs' imply companies, and state and non-state actors, when discussed, are specified as such.

The field of examination is thus intentionally broad, with the purpose being to examine the full range of services and service providers being used by humanitarian organisations, to understand the nature of the security services that are being contracted, where and why – in other words, what lies behind a humanitarian organisation's decision to seek security services outside the organisation, rather than using or developing its own internal capacity, or exercising another programming option. The study focused some of its analysis specifically around organisations' policies and practices regarding arms

3 Following the methodology used to calculate the aid worker denominator in the study *Providing Aid in Insecure Environments* (Stoddard, Harmer and Haver, 2006). INGOs were divided into five tiers based on their annual overseas programme expenditures, which correlates to their staff size and global field presence. The first tier includes the six largest and most ubiquitous INGO operators, with overseas programme budgets of over $200m (some far in excess of that amount); the second tier contains those with programme expenditures between $100m and $200m, the third $50m–$100m, the fourth $5m–50m and the fifth less than $5m.

4 In 2005, the estimated combined staffing numbers of the 'tier one' NGOs (CARE International, CRS, MSF, International Save the Children Alliance and World Vision International) totalled 75,810. This was 49% of the estimated total for all INGOs that year (155,000), and 31% of the combined UN, ICRC and INGO staff counts (241,654).

and the use of deadly force, since this issue potentially has the most serious ramifications for the humanitarian community.

1.2.2 Research components

A research framework was developed for the study, comprising both quantitative and qualitative approaches. To the extent possible within the limits of the project's timeframe and budget, the design aimed to enable a quantitative analysis of evidence representative of the humanitarian community. The research plan included the following components:

Global survey of private security service usage in humanitarian operations

Using an online software platform,[5] the team devised a survey instrument for staff of aid organisations designed to measure usage of private security providers in various aspects of humanitarian operational security. (A full description of the survey's content and a full analysis of its results is attached as Annex 4.) Under an arrangement with Save the Children UK, the original survey was piloted in Save the Children's London headquarters and in over 30 field offices around the world. The results of this testing enabled the team to make adjustments to the instrument before launching it more widely. After the initial pilot, the survey was disseminated to the headquarters and field offices of humanitarian organisations.

The survey received a total of 296 complete responses, representing staff from at least[6] 62 agencies (13 UN and 47 NGOs/IOs, not counting separate responses from individual national members of the large NGO federations). Field office responses came in from 92 countries, which were categorised, according to OCHA/ReliefWeb classifications, as complex emergencies (including post-conflict recovery), natural disasters (occurring in the past year) and non-emergency settings.

The survey fell short of its response target, which, as explained above, was not a numerical goal but rather intended to obtain broad representation. However, the survey did meet the target of garnering responses from all UN IASC members, all of the largest NGOs and the participation of mid-range and smaller NGOs. As such, the authors are confident that the survey responses provide a reasonably representative picture of PSP usage internationally, with the important caveat that findings do not necessarily reflect the practice of the national Red Cross societies and the IFRC (whose staff's participation in the survey was limited to just a few responses). Information on these organisations' usage of private security, as reflected in the overall findings, was necessarily qualitative and anecdotal.

Survey findings were examined both as absolute numbers in the totality of responses, and with responses consolidated and averaged by organisation. Both are presented in the discussion of findings. In addition, the field survey matrices completed by the research consultants were compared to the survey findings, and were factored into the analysis.

Field-based case studies of operational contexts

To augment the global data gathered by the survey and headquarters-based interviews, five country cases were selected for field-based research. The cases were chosen not as a representative sampling of operational environments, but rather to examine how their unique features as difficult security environments may influence the decision to contract aspects of humanitarian operational security to private entities. Although PSP usage could not be assumed or pre-estimated in any of these countries, from a humanitarian provider standpoint it made sense to look at cases where there are humanitarian needs and a known security threat to aid operations, with a diverse range of operational responses. On this basis, the countries selected were Afghanistan, Iraq, Kenya, Somalia and Sudan.

Afghanistan, Iraq, Somalia and Sudan are all conflict-related emergencies. All present security problems for humanitarian operations, and have some of the highest incidences of violence against humanitarian personnel. Kenya presents a very different sort of security environment, one in which (until recently) the political situation was stable and the principal security threat stemmed from high crime rates. For the sake of comparison, Kenya was added as a second case to the Nairobi-based research of operations in Somalia.[7] Iraq was chosen because of its uniquely insecure conditions and the proliferation of private security entities there.

The field studies were led by four research associates, each with professional and/or research experience in the countries in question. These researchers undertook field visits of approximately two weeks' duration, where they interviewed key humanitarian actors as well as PSP representatives, and gathered additional quantitative data on usage patterns. The field researchers prepared background papers to inform the overall study; their findings were incorporated into this report.

Key informant interviews

In all, 241 interviews were conducted at headquarters level and in the field. Interviewees included staff of the United Nations agencies, funds, programmes and offices involved in providing aid in humanitarian contexts; NGOs and international organisations; private security companies and consortia heads and academics working on the subject (see Interview List: Annex 1).

Because of the acknowledged sensitivity of the subject and the need to ensure that organisations' security practices were not

5 The software used was 'Zoomerang'– www.zoomerang.com.

6 Because the survey instrument allowed the option of withholding the agency's name, a breakdown count of the different agencies responding can only be estimated. In all, 20 respondents from NGOs and nine from UN agencies withheld the name of their organisation. However, these anonymous responses represent less than 10% of the total, so the authors are confident that there is a reasonable mapping of the component agencies from the other responses.

7 The dual case studies of Kenya and Somalia were undertaken by a single researcher based in Nairobi, as it was not possible to gain safe access to Somalia during the timeframe of the study, and many of the informants are in any case based in Nairobi.

unduly exposed and therefore compromised, all comments were taken on a strict not-for-attribution basis, with the assurance that no individual or agency would be cited by name in reference to specific information or opinions reflected in the final report, unless they were first consulted and gave express permission.

Document review
The authors reviewed organisations' documents and policies relating to security and the use of commercial contractors, relevant studies and published reports, information on companies available from web-based subscription-only services, as well as the proliferating literature on private security providers. (See Bibliography, attached as Annex 2.)

1.3 Caveats

As mentioned above, due to the sensitivities of this subject area, the authors worked closely with the Advisory Group on the development of each aspect of the research. At the group's behest, this included writing a Confidentiality Undertaking, which was then reviewed and endorsed by the UN's Office of Legal Affairs to ensure careful use of any sensitive security information. This process inevitably affected the progress of the research; however, the research team and the Advisory Group deemed it critical to ensure a significant level of confidence in and support for the study.

Even with these confidentiality assurances in place, however, the research team encountered difficulties in accessing some of the key United Nations individuals deemed important to the research. We regret that these individuals are not on our interview list, and we are grateful to those individuals and agencies who gave their full support to the study, many of whom provided a great deal of assistance and collaboration.

Chapter 2
Trends in usage of private security services by humanitarian providers

Recent conflicts have seen national militaries, government foreign services and international peacekeeping forces increasing their outsourcing to commercial entities for logistical support as well as armed protective services. While mercenaries and military contractors are hardly a new phenomenon, highly publicised controversies involving these entities, particularly in Iraq, have focused attention on their lack of government regulation, oversight and accountability. Among humanitarians, there is concern over the extent to which the private security industry has permeated the humanitarian sphere. The discussion about private security providers in humanitarian operations has, however, generated more heat than light. Recent literature on the subject, while highlighting some of the issues and challenges involved, has for the most part relied on anecdote and speculation.[8]

This chapter reviews data on usage gathered by the study, and discusses the implications of the findings. It begins by briefly examining the overall context of humanitarian operational security, as this is vital to understanding the factors weighing on humanitarians' responses to insecurity, of which contracting to private entities is one of a range of available options. While findings indicate widespread use of PSPs by humanitarian organisations, importantly, the majority of contracts were for unarmed, security support services.

2.1 Background: the changing environment for humanitarian operational security[9]

In terms of casualty counts, overall security for humanitarian operations continues to deteriorate. Incidents of major violence against humanitarian aid workers reported between 1997 and 2007 have more than doubled in absolute terms during the 11-year period (see Table 1).

Incident rates (the number of incidents per 10,000 aid workers in the field) have also increased, though not as dramatically as the absolute number of attacks (see Figure 1).

Although the estimated number of humanitarian staff in the field was also found to have increased significantly over this period,[10] the growth in incident numbers has outstripped this. In other words, relative incident rates have increased. As attacks against humanitarian workers continue on an upward trend, humanitarian providers have adopted a variety of responses, including looking to external professionals for

Table 1: Reported major incidents of violence against aid workers, 1997–2007

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Totals
Total incidents	35	27	32	42	29	46	63	63	76	95	82	590
Total victims	73	69	65	91	90	85	143	125	185	222	162	1,310
Internationals	33	17	25	21	28	17	27	24	34	24	48	298
Nationals	40	52	40	70	62	68	116	101	151	198	114	1,012
Killed	39	36	30	57	27	38	87	56	54	85	55	564
Wounded	6	15	15	23	20	23	49	46	95	81	57	430
Kidnapped	28	18	20	11	43	24	7	23	36	56	50	316
UN	22	24	17	31	28	17	31	11	48	61	51	341
ICRC	9	26	7	9	11	7	8	1	3	10	4	95
IFRC	10	5	4		3	5	20	11	5	17	8	88
NGO	31	14	37	49	48	55	84	98	127	128	81	752

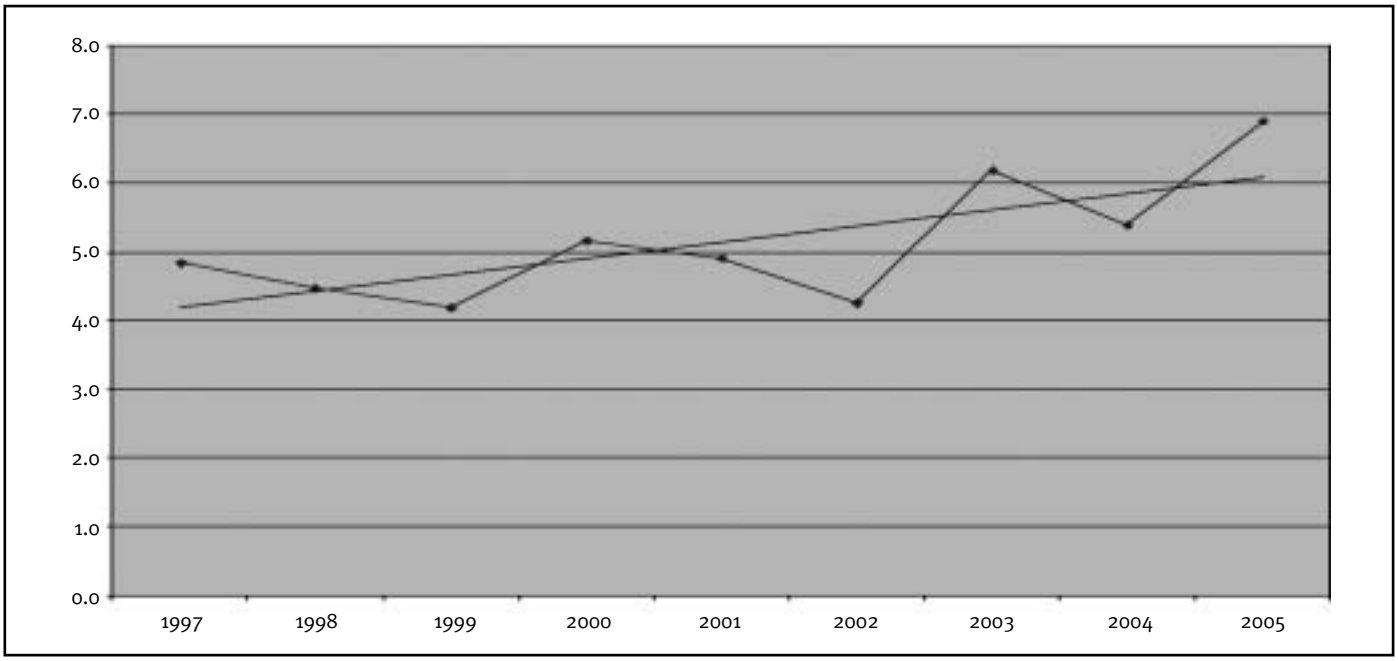
Source: Aid Worker Security Database (figures provisional for 2006/07 pending completed verification).

8 Although some organisations have done their own internal surveys, quantitative research of community-wide PSP usage has evidently been limited to a survey cited in a 2002 piece by Vaux et al., which canvassed 20 agencies on the question of whether they had policies on such usage (they did not). Vaux, T., C. Sieple, G. Nakano and K. Van Brabant (2002) *Humanitarian Action and Private Security Companies: Opening the Debate*. London: International Alert.

9 Some of the background material on the overall security environment in this subsection is drawn from *Providing Aid in Insecure Environments*, and recent figures were drawn from that study's Aid Worker Security Database, which has been kept active and updated in the two years since the original study was completed in 2006.

10 According to best estimates, the total number of aid workers in the field increased by 77%, from an estimated 136,000 in 1997 to roughly 242,000 in 2005. Although the denominator has not yet been calculated for the most recent two years, it can be assumed with confidence, based on previous years' growth patterns, that the increase, if any, falls short of the spike in incidents recorded during this time. Conversely, any decrease in the denominator over the last two years would strengthen the finding.

Figure 1: Trend in overall incidence: victims per 10,000 aid workers in the field



certain security functions. The motives for deciding to use a PSP will be examined in Chapter 4. What follows is a review of the extent and type of security contracting currently seen among humanitarian providers.

2.2 Findings on level and types of usage

2.2.1 Global trends in security usage

- **During the past five years, humanitarian organisations have increased their contracting of security and security-related services from commercial companies**

Results of the global survey of humanitarian providers indicate that, overall, during the past five years these organisations have increasingly contracted functions and services related to security to private sector entities (see Figure 2). This overall finding holds true for both the UN and NGOs, across a range of operational contexts (ongoing emergency or non-emergency settings): the plurality of respondents indicated that their organisation had increased its contracting of external security services over the past five years (as opposed to the level of use decreasing or staying roughly the same). The percentage of field offices reporting increases in contracting was higher in countries experiencing or recovering from a recent conflict or other humanitarian emergency. This finding correlates with the general trend of increasing attacks on humanitarian operations, indicating that, when faced with increasingly difficult operating environments, humanitarian organisations

Figure 2: Use of PSPs by humanitarian actors in 2007 (responses consolidated by organisation)

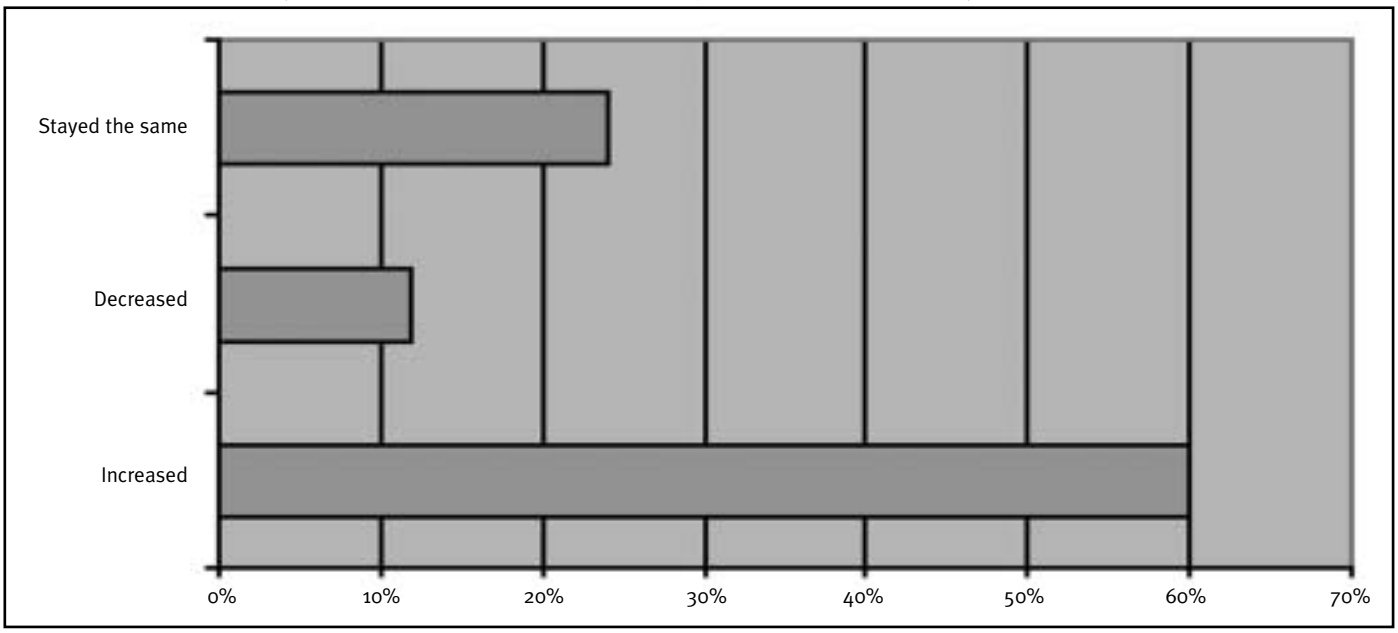
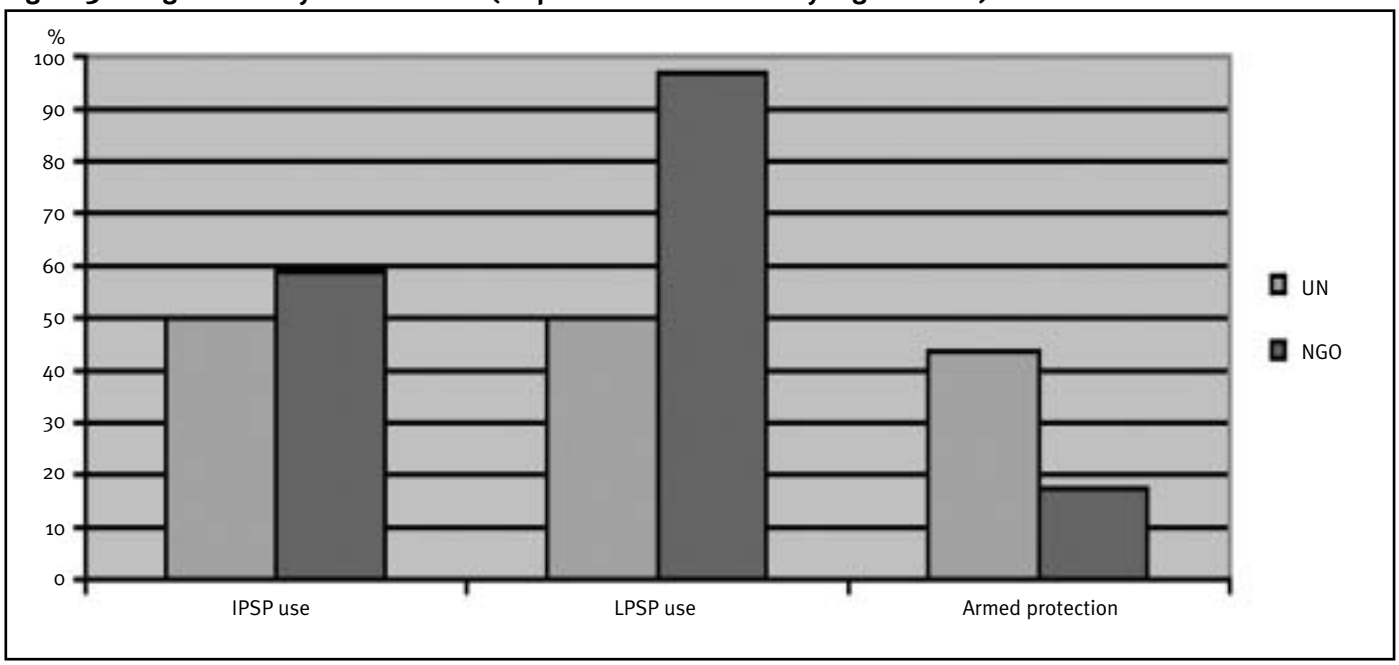


Figure 3: Usage trends by UN and NGOs (responses consolidated by organisation)



have turned in part to the private sector to harden or improve their security stance.

- **Notwithstanding the overall increase in PSP use, contracting for *armed* protection remains the exception**

Out of all field offices surveyed, a minority – 17% – reported using PSPs for armed protective services in field operations in the past year (see Figure 3). When responses were consolidated by organisation, the figure rose to 22%. In general armed services were the exception. Overall, the majority of externally contracted security services are provided by local PSPs, with unarmed guarding (for facilities, premises and project sites) being by far the most common. Out of total field office respondents, more than half (61%) reported using locally hired PSPs during the last year, while only 35% reported using an international PSP over the same period. After unarmed guards the second most commonly contracted service from local PSPs was the provision/installation of physical security (gates, alarms, etc.).

When humanitarian organisations contracted international PSPs, it was most often for unarmed security functions – security training for staff, security management consulting and risk assessments. It should be noted however that, in international PSP contracting, UN and NGO practices diverge. When looked at alone, the UN agencies are seen to use international PSPs mostly for the provision of physical security for facilities, followed by security training. PSP consulting for risk assessment and security management is pursued mainly by NGOs, indicating perhaps that the UN agencies, supported by UNDSS, possess a greater in-house capacity in these areas than NGOs. Additionally, while the proportion of UN field offices reporting usage increases over the past five years was higher than among NGO staff, NGOs report more PSP usage relative to their numbers, compared to UN agencies overall. Compared to NGOs, greater proportions of UN offices reported both the use of armed protection and an increase in PSP use generally.

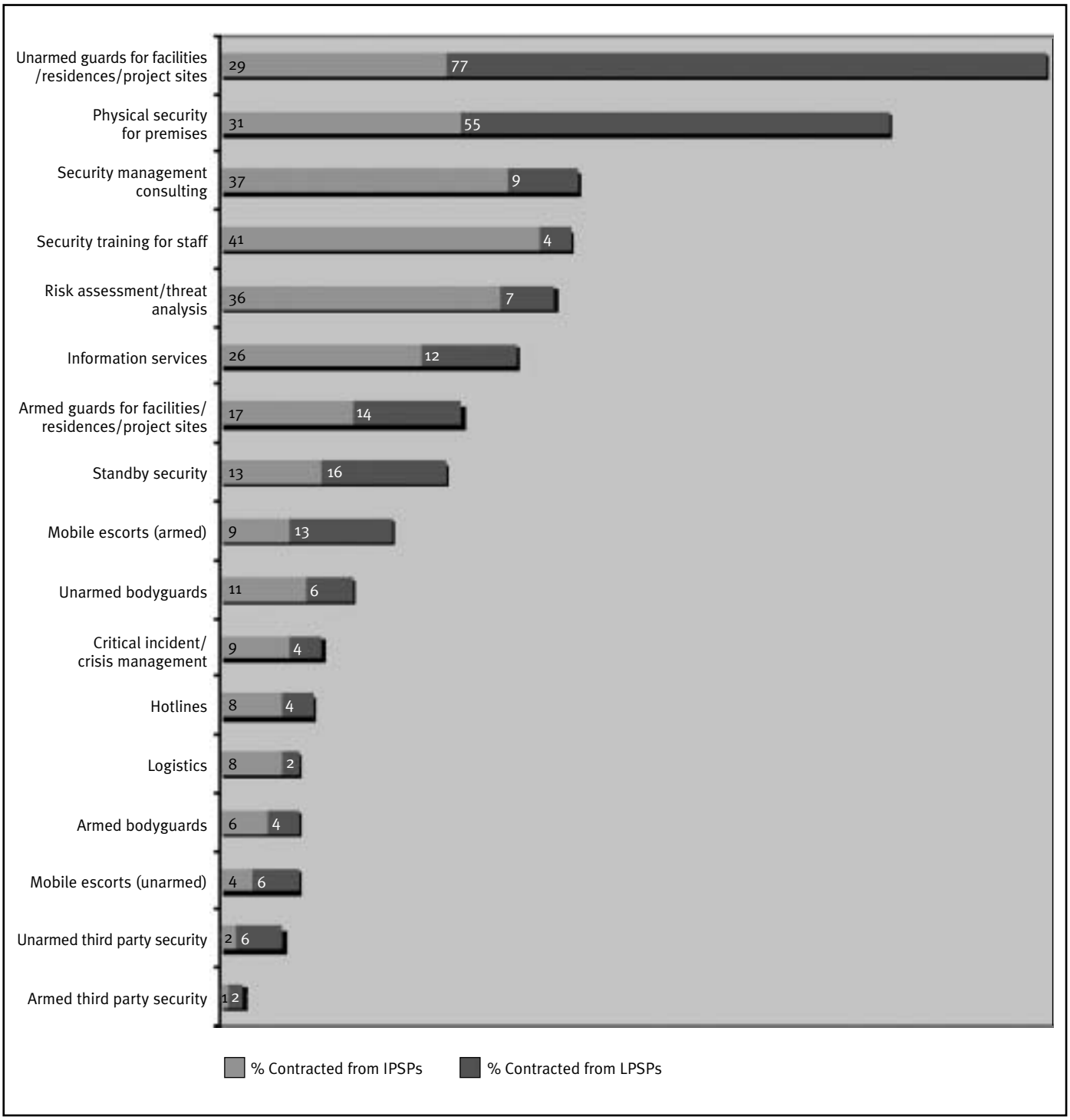
NGO usage patterns are in line with previously recognised trends towards more professional security management, coupled with a perceived lack of capacity to meet these goals. As was indicated in interviews, even some of the largest NGOs lack the in-house capacity and/or staff time to implement more sophisticated methods of risk assessment and security management, and so have sought external consultations from private sector providers.

Figure 4 (page 10) lists the survey results for services used by humanitarian organisations from both international and local PSPs.

- **A smaller but still considerable proportion of organisations reported the use of remunerated services from non-corporate security providers (host government military and police, local militias and peacekeeping forces)**

Roughly a third of field offices surveyed from conflict-related emergency countries reported having arrangements with host government police forces for the protection of humanitarian operations. Smaller percentages reported arrangements with host government militaries and local militias and armed groups. These results were mainly found in UN agencies (and under host country agreements the UN security relationship with the host governments tends to be more firmly set forth in general and may differ from NGOs). However, the practice was also seen among NGOs (mainly the larger ones) (see Figure 5 on page 10).

Figure 4: Services used by humanitarians



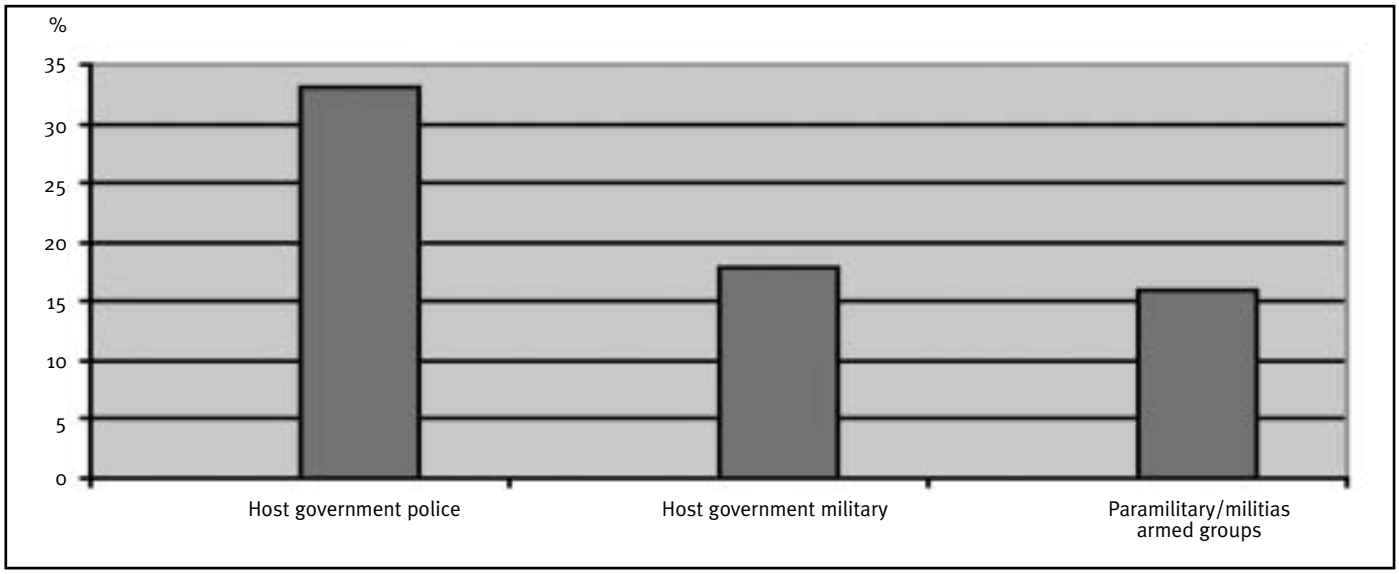
2.2.2 Armed protection and conflict environments

- **Context is key: in the five most dangerous environments neither the use of international PSPs nor the use of contracted armed protection follows a consistent pattern**

If one goes by the numbers of humanitarian workers killed each year by deliberate violence, the most dangerous operational environments are Somalia, Sudan, Afghanistan, Iraq and the Democratic Republic of Congo (Stoddard, Harmer and Haver, 2006). Based on the global findings of the survey, which show perceptions of insecurity as a leading factor in increased usage of PSPs, one might expect to see both the increased contracting for commercial security services and the greater use of armed protection in these cases. However, the data showed no such correlation.

In Afghanistan, for instance, international PSP usage (64% of Afghanistan field offices responding) was found to be higher than the global norm (35% of total field offices responding globally), but the percentage of organisations using armed protection in the country (18%) was roughly equivalent to the

Figure 5: Use of remunerated services from non-corporates (field offices reporting from complex emergencies)



global norm of 17%. In contrast, a higher than average proportion of humanitarian providers use armed protection in Darfur and Somalia, but at the same time the level of *international* PSP usage in these countries is very low (as is local usage in those cases where humanitarian organisations tend to employ other sources of paid protection: government/police forces, local armed groups and, in Darfur, peacekeeping forces). Surveys of humanitarian organisations still operating in Iraq show higher than usual levels of both international PSP use and armed protection,[11] while in the DRC both are lower.

It might be tempting to write each case off as sui generis and leave it at that, but a closer look at the contextual factors can provide an explanation for these seemingly contradictory findings. To begin with, it is necessary here, as above, to differentiate between the contracting of *armed* protection and PSP use in general. An increase in PSP use does not necessarily indicate that an organisation is taking a hard security approach, as was evidenced by findings on services, which show that the most common use of PSPs is for non-armed services and consultations. Second, there are supply-side factors at work. A large number of PSPs established a presence in Afghanistan and Iraq primarily as contractors for coalition military forces and diplomatic corps. Humanitarian workers in those settings indicated in interviews that at one time active solicitation of PSPs by humanitarian organisations had been quite high. In addition, both the Afghan and Iraqi governments have struggled to establish effective public security sectors. In contrast, relatively few international PSPs work in Sudan, and the majority of those that do are operational in the south rather than in Darfur. Many interviewees attributed the low level of international PSP presence in the north to entry restrictions imposed by the Khartoum government. It may also be that humanitarian actors in Sudan do not offer as lucrative an opportunity for PSPs as they might expect in a country with a large international military and diplomatic presence. Interestingly, the changed political environment in southern Sudan, which has brought a shift from humanitarian aid towards recovery and development programmes, and from a remotely managed operation to an increasingly locally managed one, seems to have encouraged a greater PSP presence in the south, taking advantage of improved access and growing business opportunities.

Finally, there is considerable resistance within the humanitarian community to the notion of armed aid provision. The overwhelming majority of humanitarian personnel interviewed for the study made clear that they viewed armed protection not as simply another operational option, but rather one that was forced upon them in some cases by the security culture and environment. In a small handful of country cases, Iraq and Somalia among them, there are areas where most humanitarian security experts agree that an acceptance approach is simply not viable. Somalia, which has the highest percentage of humanitarian organisations using armed protection to run their operations, has evolved a kind of informal local PSP sector, and paid security services are typically based on arrangements with local groups. These include the direct hire of armed guards, who then serve and appear as staff members. In some areas of the country, particularly south-central Somalia, armed guards and escorts are omnipresent, and using them is widely viewed as the only possible way in which work can continue. Some have likened the situation in parts of Somalia, as in Chechnya/Ingushetia, to an extortion racket, where the failure to hire armed protection from local groups will result in the same groups attacking operations. In other settings more subtle, less coercive security arrangements exist with local authorities

11 The background report for the study on PSP use in Iraq makes the point that, of those humanitarian organisations engaged in lifesaving response and still operational, few have employed PSPs in Iraq in any capacity beyond episodic or one-off cases where specific protective services were required, for instance a mobile escort. Of the NGOs, 20 of 24 are either members or observers of the NCCI, and thus are theoretically bound by its provisions on the use of armed guards and escorts.

that nevertheless require humanitarian groups to adopt security measures that they might not otherwise have chosen for themselves. Humanitarian organisations working as direct partners of the US government in Iraq are required to use armed protection from PSPs, whether they want to or not. Other cases of compulsory armed protection were cited by interviewees, such as some areas in Somaliland, South Sudan (Juba), Pakistan, the North Caucasus and Kenya, where the authorities require humanitarian actors to use national military or police protection, for which compensation is made. A few organisations reported that their only use of armed protection was in the politically stable development context of Central America, where the practice was dictated by the local security culture, in which doing without arms would make organisations very soft targets indeed.

It is important to point out that many humanitarians are not simply concerned about associations and perceptions. There is in addition an increasingly common belief that, in the vast majority of cases, arms do not increase protection, but in fact create additional security hazards, both for the organisations that employ them and for others. The NGO security consortia in Afghanistan and Iraq have released public statements to this effect.

The weight of evidence examined by the study would therefore point to the following conclusions:

- **Contracting of PSPs is driven by organisations' perceptions of increasing insecurity and their own lack of capacity to meet the threat, but is also dependent on the available supply of contractors and alternative security provision, such as UN peacekeeping support**

- **Armed protection, whether by an international PSP or another form of paid provider, is dependent on the security culture of the context in question, and is viewed uniformly by humanitarian organisations as undesirable and in many cases counter-productive**

In addition to private security companies, humanitarian organisations also reported using paid security services provided by the state, local groups/militias or peacekeeping forces. Out of all field offices responding, 59% reported having used – and providing some form of compensation for – security provision by one or more of these actors. Services included mobile escorts, armed guards, armed and unarmed third-party security (for instance policing services for refugee or IDP camps) and standby security to back up unarmed guards.

Ultimately, the host state is responsible for the security of the humanitarian operations taking place within its borders,[12] and humanitarian actors, particularly the UN, expressly support the principle that the state possesses a legitimate monopoly over the use of force. This means that, in cases where protection is required, state actors are as a rule the preferred providers. In Sudan, the civilian police provide armed security services for some humanitarian organisations (mostly the UN) in Darfur, Khartoum and Juba. Some UN organisations have an armed presence at their headquarters in Khartoum, provided under an MOU with the Diplomatic Police. In the south, most also have a small armed presence at their headquarters, provided by the Government of South Sudan (GoSS) police. In addition, the SPLA provides convoy escorts and other services in southern Sudan. In a form of hybrid public–private arrangement, the UN engineered the creation within the Somaliland and Puntland police forces of a Special Protection Unit (SPU) for the protection of UN agencies and international NGOs operating in these areas. Training and support for these forces are provided by UNDP.

In both Afghanistan and Iraq, there is considerable resistance on the part of humanitarian NGOs and IOs to accepting military support or escort services from coalition forces. In Iraq, a few organisations have used PSPs occasionally, as a conscious alternative to accepting a military escort from the Multinational Force.

As a final observation regarding the use of armed security in humanitarian operations:

- **Though an exceptional practice, contracted armed security has been used at various times by virtually all major international humanitarian actors**

No major humanitarian provider – UN, NGO or Red Cross – can claim that it has never paid for armed security.[13] According to consolidated organisational responses, over the past year at least 41% of the major humanitarian organisations contracted some form of armed protective services (guards, escorts or bodyguards) for one or more of their operations. Exceptional or not, armed security has been and stands to remain an incontestable reality for the international humanitarian community. The seriousness and complexity of the issues raised by this practice, and the potential ramifications for the humanitarian community as a whole in the event of misuse or misfortune, makes this worthy of careful thought and greater policy attention. A significant number of field personnel interviewed indicated that this was an appropriate area of focus and concern, and even those humanitarian staffers who said that they believed PSPs could provide useful augmentation nevertheless admitted that, by working with them in any way, they were, as one put it, 'hugely vulnerable'. As for-profit entities PSPs seek growth and markets – and when force is involved this can be a dangerous combination, requiring special vigilance.

2.2.3 Decision-making, policies and guidance

What follows below are the main findings on humanitarian organisations' policy and decision-making regarding PSPs.

12 This principle, as embodied in UN host country agreements, has been reinforced by General Assembly resolutions including Resolution 61/133 'On the safety and security of the humanitarian personnel and protection of the UN', December 2006.

13 As detailed, this is defined as UN agency IASC members, the Red Cross/Red Crescent movement and the largest NGOs.

Chapter 4 goes into each finding in depth, examining developments in organisational policy and decision-making surrounding private security providers and related issues.

- **On average, the most important factor in a humanitarian organisation's decision to hire a PSP is a heightened sense of need provoked by a security incident or incidents, and a perception that in-house capacity to meet the need is lacking**

- **Policies and organisational guidance do not yet exist on how best to identify, vet, hire, oversee and manage the work of security contractors (local or international)**

- **There is confusion between field and headquarters and even among members of the same office over what their organisation's policies are regarding armed protection and private security providers**

- **Field office decisions to hire private security companies are most often made independently of headquarters. On average, half of HQ staff surveyed believed that they were always informed of hiring decisions in the field, but only 38% of field staff reported that this was in fact the case**

- **The most frequent concerns expressed by humanitarian field staff had to do with local private security companies**

In interviews and in the survey, which allowed respondents to make additional comments, the most common concerns did not relate to international private security companies or even armed services *per se*, but rather the everyday use of local private security providers. A plurality of commenters noted problems stemming from the overall poor quality of skills and training, low payment, high turnover, weak incentive structures and patchy oversight of these security actors. This would suggest that humanitarian field staff would support efforts to develop and share guidelines and good practice in this widespread but under-examined area.

Chapter 3
The PSP sector: the changing shape of the private security industry and its intersection with humanitarian action

The private security industry has grown dramatically in the number of providers and services offered over the last decade. At the same time, both internally and externally (by the media and academics), scrutiny of the industry's approach to the humanitarian sector has increased. This chapter considers the trends and issues with regard to private security provision in humanitarian contexts. Specifically, it addresses the following four areas: 1) the recent evolution of the industry; 2) a mapping of the major players, the market they cater to and the types of services they provide; 3) the approaches of some PSPs towards cultivating a humanitarian clientele, and the issues this raises; and 4) the prospect of PSPs becoming aid providers themselves.

3.1 Background

According to industry observers, an estimated 200–300 private security entities are operating internationally (Spearin, 2005), with revenues totalling in excess of $100 billion (Singer, 2003), and expected to reach $202bn in 2010 (Avant, 2002). No longer simply vendors and providers of logistical support, some private companies have moved into functions formerly within the exclusive realm of national militaries, such as armed protection, convoy escorts, military intelligence, detention and policing activities, and even strategic assessments. Since large-scale humanitarian operations are often present in parallel with military activities, the prospect of private expansion into the humanitarian sphere has become a subset of this broader apparent 'privatisation' of military engagement in conflict zones.

In crisis contexts, the confluence of greater presence and increased scope for PSPs on the one hand, and the growing security challenges facing the humanitarian community on the other, has fostered a certain amount of interaction between the two spheres. Like any other for-profit entities, PSPs are driven to seek out new markets and new sources of revenue. As security conditions for humanitarian operations have deteriorated over the last ten years, some experts have suggested that PSPs may expand into the humanitarian field (Shearer, 1999), and some have suggested the need for humanitarians to explore the use of private security to conduct their operations (Bryans *et al.*, 1999). Since at least 2003, observers inside and outside the humanitarian community have been becoming increasingly aware that some PSPs have been actively looking to enter the 'humanitarian market'.

The controversies surrounding the actions of security contractors such as Blackwater, employed by the US government in Iraq, have brought to light serious and as yet unanswered questions regarding the rules of engagement and accountability/legal jurisdiction over these entities. Regulation at the state level is currently extremely limited, and even less exists at the regional and international levels. Governmental and international initiatives are under way to enhance the regulatory environment for PSPs, including requiring adherence to and respect for international humanitarian and human rights law. In September 2008, under the steerage of the Swiss government and the ICRC, 17 countries agreed on a set of recommendations to enhance state control over private military and security companies, including reaffirming the obligations of states to ensure that these private contractors abide by international humanitarian law.[14] Although the recommendations are not legally binding, the initiative is viewed as an important recognition of the need to establish guidance and good practice for states and non-state actors in their engagement with private security companies. Within the US, a legislative debate regarding regulation and legal jurisdiction was resolved in favour of extending the Uniform Code of Military Justice (UCMJ) to private security companies in Iraq, supplanting the Military Extraterritorial Jurisdiction Act (MEJA), which was established in 2000 to address the behaviour of civilians in theatres overseas.[15] In addition, there are any number of international and legal frameworks that could potentially apply to PSPs.[16]

Arguably, of course, the problem is not that the legislative framework is deficient: international law and the Geneva conventions clearly delineate the responsibilities of actors in conflict situations. There is nevertheless a regulatory void, which has created an impression of rogue companies acting with impunity in highly volatile and violent environments. Only two governments, Iraq and Sierra Leone, currently have regulations governing private security companies within their borders, and only one, South Africa, regulates companies based either in the country or abroad (Gillard, 2008). Likewise, no common codes or

14 The 17 countries that participated in the initiative are Afghanistan, Angola, Australia, Austria, Canada, China, France, Germany, Iraq, Poland, Sierra Leone, South Africa, Sweden, Switzerland, Ukraine, the United Kingdom and the United States.

15 The decision was legislated by the US Congress in the 'National Defense Authorization Act for Fiscal Year 2007' (H.R. 5122).

16 For example, the Draft Articles on Responsibility of States for Internationally Wrongful Acts, adopted by the International Law Commission in 2001, as well as tort and criminal law. The Harvard University Program on Humanitarian Policy and Conflict Research (HPCR) has done extensive research into the various instruments (http://www.hpcr.org/publications).

standards regarding these PSPs have been developed within the international humanitarian community. Whereas international humanitarian bodies have established guidelines on civil–military relations in humanitarian contexts and on the appropriate uses of military assets (IASC, 2004; IASC, 2003), to date no specific efforts have been made to develop shared criteria or guidance on whether, when and how humanitarian actors should engage with PSPs. In the absence of common international standards and protocols, organisations have to rely on their own individual policies to determine when there is a need to use private security, and how to choose a provider. As Chapter 4 illustrates, however, for the most part organisations have not yet formulated internal policies on the use of PSPs.

This lack of regulation on the part of users and providers, in addition to several other ethical and legal concerns, accounts for a widespread sense within the humanitarian community that establishing relationships with PSPs represents a dangerous step. This sense of vulnerability is heightened by a lack of information on how many humanitarian actors are using PSPs and for what purposes, and the fact that these interactions are taking place in an uncontrolled, uncoordinated way. For their part, PSPs have recognised the general wariness of humanitarians about their business, even if not all fully understand the reasons behind it, and acknowledge that, if their companies wish to make themselves more attractive to the humanitarian market (as well as more legitimate in the eyes of the public at large), then they must improve their image and establish credibility through self-regulation.

Throughout their long history, many attempts have been made to define the various types of commercial security providers in order to shed pejorative connotations. The evolution of the private security industry in recent years has seen an attempt to escape from the 'mercenary' label (Shearer, 1998; O'Brien, 2004), and a rejection of the 'thugs with guns' persona acquired during the Iraq occupation to what is now in some quarters an increasingly specialised, professional field. In Britain and the United States, hosts to the largest number of major private security companies, PSP consortia have been formed to work towards this goal: the British Association of Private Security Companies (BAPSC) and the US-based International Peace Operations Association (IPOA).

These two organisations represent the majority of what are considered to be the major international PSPs (as well as some companies that only offer non-security support services, such as logistics). BAPSC was launched in February 2006 in response to the rapid growth of the industry and what was seen as a need for greater transparency. Its 22 members and 8–10 associate members make up 85% of the PSP market in the UK. They rely on peer monitoring and an ethics committee, which can be called on to address issues relating to its members. IPOA is a member-led trade association of 32 companies, roughly half of them US-based. As reflects the composition of the industry as a whole, the second-highest national representation comes from UK-based companies, and the association also has members from Germany, Kuwait, the UAE, South Africa and Sweden. IPOA considers its purpose to be providing information and advocacy services.

Both associations describe their goals as seeking to bolster legitimacy and increase standardisation within the industry, and each sees itself as a legitimising and self-regulating vehicle for credible companies. In the words of the BAPSC founder, the aim can be summarised as 'driving standards up, driving cowboys out'. The BAPSC has not taken an official position regarding government regulation of the industry, and in the interim sees self-regulation as the most viable option. As a trade association in service to the interests of its members, IPOA is more engaged in lobbying and promotional activities than BAPSC. As in BAPSC, IPOA members are subject to a screening process, and if accepted must sign up to a code of conduct, enforced by a standards committee. Expulsion is the ultimate punishment for any company found to have violated the code, but none has to date been expelled. Perhaps reflecting the industry's interest in the humanitarian market, IPOA hosts a training programme on humanitarian standards for its members, and profiles NGOs in its in-house publication, the *Journal of International Peace Operations*.

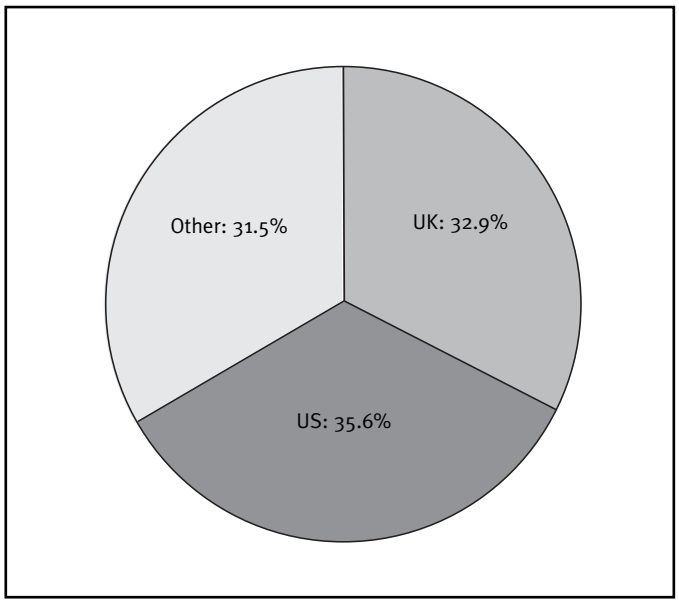
3.2 Profile of the international private security industry and issues shaping its evolution

It should be noted at the outset that far more commercial entities are engaged in security services than this study could ever hope to consider and thoroughly review. Instead, the researchers focused on the major international players, and more specifically that portion of the industry that seeks to engage with humanitarian operations.[17] To a lesser extent, local private security providers were also considered.

While estimates of 200–300 have been put forward, the exact number of companies providing international security services is difficult to calculate. There are numerous small and offshoot corporations that are not easily identified in the public realm, and others are known to provide security services, but in recent years have downplayed this aspect of their business, presumably due to increased sensitivity over the negative perceptions of PSPs in the media. Establishing a figure is also complicated by the fact that there is no consensus definition on what constitutes a private security company. As part of the

17 The study considered any company providing services to the humanitarian community. In doing so, it therefore considered training-specialist companies along with those that offer a full range of military services. While it is important to distinguish between military companies, risk management companies and training companies in addressing issues of policy and operational impact, it was not deemed necessary when examining the perspectives of the service providers themselves. Most of the companies contacted for this study did not see security as their main function and took issue with the broad categorisation of PSP. While this reluctance on behalf of some PSPs to promote their role in the security sector is partly a reaction to misgivings in the humanitarian sector, it also highlights the amorphous nature of the industry.

Figure 6: PSP home countries



research for this study, of 150 companies only a small number reported, either on their websites or in interviews, that they provided services to the UN, IOs or NGOs: 10% cited UN clients, 3.3% cited IO clients and 4.7% cited NGO clients. Only three companies provided services to all three groups, and three others provided services to two. Some companies cited confidentiality as a reason why they could not disclose client lists. Additionally, some noted security concerns when asked about their countries of operations. Although specific information on individual PSPs may be difficult to find, when looking at the broader industry it is easier to draw conclusions regarding their operations.

US- and UK-based companies indisputably represent the largest share of the private security market (see Figure 6).

Most industry insiders maintain that there are only a few dozen major players in the US and a similar number of major companies based in the UK. The three largest companies in Europe account for 35% of the market, while those in the US account for 51% (Securitas *Annual Report*, 2006). The security market outside Europe and North America currently accounts for just 25% of the global whole, but this is expected to increase to 35% by 2015 (ibid.).

While an in-depth assessment of the PSP industry is outside the scope of this study, a review of select international PSPs highlights some important aspects. The largest PSPs in the sample (see Annex 3 for details) have annual revenues of $5bn-plus and staff of 50,000 or more. These companies tend to offer a broad range of services and products and have a number of subsidiaries focusing on more specialised areas. The majority of their clients are in government or commercial sectors in Europe or North America, and their developing world activities are largely confined to areas such as the extractive industries (mining, oil, etc.). The smaller PSPs offer a mix of security and non-security services, with a heavy focus on risk analysis and consultancy services.

The base clientele for the US-based PSPs include the American diplomatic community (the State Department) and the military (the Department of Defense). In contrast, UK firms traditionally cater to businesses and tend to be more interested in risk management and consulting than in providing physical security.[18] Although individual companies vary as to mission and speciality, it seems to be generally the case that the national security industries in the US and the UK have to some extent been moulded by their national militaries and military history (Cockayne, 2007). There is more emphasis within some British companies on soft security and risk management, and a willingness to enter wholly new areas of work. The firm Control Risks, for instance, has been developing activities for host and donor government clients in areas such as governance and post-conflict reconstruction.

PSP interviewees likened the current state of the industry to a balloon that is now deflating. Most interviewees attributed the recent proliferation of PSPs to the Iraq war, where the industry grew to fill a market demand. To a lesser extent, the situation in Afghanistan also encouraged PSP growth, including the emergence of a local PSP market. Some seemed to think that the pattern of growth during the initial years in Iraq caused the industry to become bloated, and standards to decline. They maintain that the industry is now undergoing a period of rationalisation, which is bringing the better-quality service providers to the fore.

Other factors contributing to the growth in the PSP sector include the post-Cold War increase in the number of professional ex-military and police personnel available for hire. PSPs mainly comprise such former military and police personnel, third-country nationals and locals from the host country as needed. One of the key issues here concerns inadequate background checks by companies on their employees, either because procedures are inadequate or because there are no records to check. This raises the risk that companies are recruiting staff with criminal records or who have committed violations in the past. Many companies have been made aware of this concern, and say that their vetting and hiring procedures have improved.

Most of the PSPs interviewed attempted to distinguish themselves from 'Blackwater types', and most claimed standards of ethics as the differentiating factor. Those interviewed were very aware of the negative perceptions of PSPs as employers of corrupt, criminal or simply thrill-seeking 'cowboys'. The common reaction from these PSPs, as they described it, was to seek industry regulation and self-regulation to weed out less reputable companies. Most PSPs felt that they had sufficient regulatory procedures with which to accommodate the specific needs of humanitarian organisations (two cited adherence to

18 It bears noting, however, that the UK firm AEGIS has the largest single private security contract in history, with the State Department in Iraq.

the Voluntary Principles on Security and Human Rights).[19] Nearly all of the PSPs interviewed had their own staff code of conduct or followed that of their parent company, and those who provide armed services also had separate rules governing the use of force. Half of those interviewed were members of the BAPSC, and slightly more than half were members of the IPOA.

Interviews with the large international PSPs indicated that many are attempting to become a 'one-stop-shop' for clients, offering a full range of risk, security and logistics services. This has been reflected in mergers and acquisitions, including the merger of Garda World with Vance and Kroll, Military Professional Resources Incorporated (MPRI) and L-3 Communications; and more recently the acquisition of MJM Investigations (Vickers, 2008a) and ArmorGroup by G4S (Vickers, 2008b). GardaWorld made 11 acquisitions in 2007 alone (*OneGarda Annual Report*, 2007). As one interviewee stated when asked about current industry trends: 'consolidation is the key word'. Although experts have noted that these amalgamations serve to limit consumer choice in the security market (Spearin, 2001), there is still a plethora of PSPs to choose from. Instead of creating limitations for consumers there appears to be a trend towards targeting the larger development and post-conflict reconstruction contracts on offer from governments. While issues pertaining to the development sector are outside the scope of this study, it is important to note the shift not only within the PSP industry but also in the burgeoning for-profit development industry as it relates both to the debate over aid neutrality and civil–military distinctiveness.

3.3 International PSP interest in and approaches to the humanitarian market

Most PSP interviewees maintained that their organisations had something to contribute to humanitarian work and to the delivery of aid in insecure environments, whether providing security services or in some cases undertaking humanitarian operations themselves. They were careful to point out, however, that they are not directly 'soliciting' for work from humanitarian organisations. Opinions on this point differ sharply on the humanitarian side: many humanitarian staff interviewed maintained that, on the contrary, their organisations (and NGO consortia) had been approached repeatedly by PSPs for 'informational purposes', but with the inferred intent of exploring contracting opportunities. Additionally, several interviewees noted what they saw as PSP 'push selling', designed to create demand among humanitarian organisations. This involves promoting new services and products that humanitarian organisations had not considered before, such as business continuity and planning and critical infrastructure protection – working 'like an insurance salesman', one interviewee said.

PSPs have indicated an interest in developing a humanitarian clientele not only as an additional market, but also for the legitimacy and credibility it offers companies seeking to distance themselves from the 'guns for hire' image. In fact, this latter interest may be the more compelling, given that the humanitarian community comprises disparate entities, most possessed of limited resources and short budget horizons: certainly a world away from the scale possible in government contracting. Some UN agencies and NGOs have received unwelcome displays of PSPs' desire for association with the humanitarian endeavour – for instance seeing their organis-ation's name listed on PSP websites as 'consultancies', when in fact their interaction with the PSP had been limited to a telephone conversation. There have also been reports of PSP representatives attending NGO security-related meetings as observers, and in at least one case the individual was an unregistered participant.

These same interviewees observed a lessening of such 'solicitations' over the past year. Whether the PSPs had gone temporarily quiet in a desire to adopt a lower profile after the Blackwater scandal, or because after looking into it they had decided that the humanitarian market was not such a lucrative opportunity after all, was not clear. Certainly, contracts with Western governments also confer legitimacy on a PSP, and if a company can obtain a multi-year, multi-million-dollar contract working for a government then there is little incentive to chase after short-term contracts with several different humanitarian entities. In fact, some PSP interviewees made clear that, given the budgetary constraints of most humanitarian agencies, they did not see them as a viable market. It is therefore possible that an exploratory period of aggressive courtship has come to a close. As one observer noted, however, the fear then becomes that 'fringe' PSPs, unable to get government contracts, will engage with humanitarian organisations.

On the issue of providing security in humanitarian contexts, there remain considerable differences between PSPs and humanitarian organisations in terms of their security practices and ethos. The 'acceptance' model of security favoured by most humanitarian organisations is in stark contrast to the typical PSP approach, which emphasises protection and deterrence. According to NGO interviewees, international PSPs that under-stand the special requirements of humanitarian operational security are few and far between. Accordingly, PSPs that have shown interest in the humanitarian sphere have promoted joint conferences and training initiatives to enhance understanding of humanitarian principles and operational norms. Additionally, PSPs are taking steps internally, including hiring staff with expertise in the humanitarian sector. Irrespective of these initiatives, PSPs and humanitarian organisations remain at odds in other areas, particularly on the prospect of PSPs moving into the actual provision of aid (see section 3.6).

Based on interviews and survey results analysed in this study, it does not appear likely that the differences between humanitarian organisations and PSPs on the appropriate approach to security and humanitarian operations will be resolved in the near future. On the contrary, it appears that

19 See http://www.voluntaryprinciples.org/principles/index.php.

humanitarians are increasingly uniting in their resistance to the idea. The security advisory group of the NGO consortium Interaction has publicly questioned the advisability of an NGO employing PSPs, on the grounds that these firms do not have the experience and know-how they need to operate with humanitarians.

3.4 Host country national and local PSPs

Although it receives considerably less attention and attracts considerably less concern, the practice of hiring local PSPs is much more commonplace among humanitarian organisations. Past research on the subject has noted a growth in local PSP industries predating that of the internationals, as some developing countries have seen rapid increases in crime and a reduction in the public sector's role in law and order (Abrahamsen and Williams, 2005). In a country like Kenya, which epitomises this trend, the PSP market has grown in response to demands from local businesses and residents as well as international entities. There are an estimated 2,000 PSPs in Kenya, employing approximately 49,000 staff. In Nigeria the number of companies is similar, with up to 100,000 employed in the sector (Abrahamsen and Williams, 2007). For the most common services, such as site guards and the installation of physical security, humanitarian organisations tend to follow local norms, and make their hiring/usage decisions at the country or sub-office level. Although in the majority of cases local providers deal in unarmed services, they nonetheless bring with them their own sets of problems, and the study found that the more common and pressing concerns among field staff had to do with these local security providers. These will be discussed in more depth in Chapter 4.

3.5 The state of play: PSP services used by humanitarian organisations

Whatever the future holds for the relationship between humanitarian providers and private security providers, current practice reflects the outcome of a growth in security contracting by humanitarians over the past five years – but, importantly, primarily for non-armed, security support services.

The survey results showed that, for international PSPs, the services humanitarians used most were security training for staff, security management consulting and risk assessment/ threat analysis. The most popular services from local PSPs were unarmed guards (for facilities, residences and project sites) and physical security for premises. As noted in Chapter 2, when looking at the aggregate data humanitarian agencies are employing local PSPs to a much greater extent than international PSPs. Of the humanitarian field and regional offices surveyed around the world, 61% reported using one or more services from local PSPs over the past year, while 35% had used the services of international PSPs.[20]

Figure 4 (page 10) lists the survey results for services used by humanitarian organisations from both international and local PSPs.

3.6 PSPs as aid providers?

There has been speculation that, as the private security industry has expanded, PSPs may seek both to take on the operational activities typically associated with armed forces, and to assume service delivery roles in humanitarian response. Some PSPs are seeing opportunities in the humanitarian sphere, with government clients contracting them to provide assistance themselves. This can be seen both as an effort to burnish their image and as potentially a more lucrative area to explore than chasing after individual humanitarian organisations.

The BlueSky Foundation[21] and the AEGIS Foundation[22] are examples of this trend. Although they offer different services, both provide assistance in crisis environments. The BlueSky Foundation's website credits the firm as being 'involved in the first ever successful private sector "outsourcing" of a peace-support operation', referring to the 2002–2003 ceasefire in Aceh, Indonesia. It also notes its activities in setting up a 'safe haven' for NGOs and media groups in Kabul in 2002. The AEGIS website reports undertaking several projects since the company was established in 2004. Currently, the company is implementing quick-impact projects in Iraq and Afghanistan, either through local actors (businesses, networks, NGOs) or coalition elements. Indicative of the gap in understanding between PSPs and humanitarians on issues of principle, several PSPs interviewed saw no difficulties with the military undertaking humanitarian work, either independently or through private companies, especially if security concerns meant that humanitarian agencies were not able to do this work. Humanitarian organisations in contrast view this scenario as the starkest violation of humanitarian operating principles.

Reconciling the seemingly broad humanitarian consensus against the use of PSPs in principle with the empirical fact of PSP usage now occurring in some segments of humani-tarian operations, it would seem critical for the users to realistically and factually determine their own needs and the criteria that they expect a provider to uphold. These and other due diligence issues will be addressed in the following chapter.

20 However, a number of services are provided at the central level – for instance, contracting with a humanitarian organisation's headquarters for risk assessments and consulting for the organisation as a whole. For this reason, when the survey responses from headquarters offices were consolidated by organisation, 81% of organisations were seen to have utilised some kind of service from an international PSP.
21 See http://www.bsgfoundation.org/index.asp.
22 See http://www.aegis-foundation.org.

Chapter 4
The decision to use commercial security services: challenges and implications for humanitarian providers working in insecure environments

Private security companies are not the only commercial entities to have increased their interaction with the humanitarian sphere. Over the past 5–10 years the level of interest and engagement on the part of the commercial sector more widely in supporting humanitarian relief efforts has grown markedly. For both business and ethical reasons, corporations are increasingly cognisant of the value of responding to crises, either directly or in support of others' aid programming. Concurrently, aid agencies are increasingly tapping into private sector resources – human, material, technical and financial. This has been partly driven by a desire to professionalise the humanitarian sector, particularly in the area of human resource management and retention, coordination and logistics (Telford and Cosgrave, 2006; Cosgrave, 2007; HPG, 2007). There has also been recognition of the niche capabilities that corporates have in some social service delivery areas, such as health and nutrition, water and sanitation and education. The question remains whether such cross-sectoral partnerships represent a good fit with humanitarian operations. In the realm of security services, this question is perhaps more critical than in any other arena.

This chapter explores the issues and challenges arising from humanitarians contracting out their security needs to private security entities. It first considers the motivation for and implications of contracting. Many of the motivations are specific to the security sector, while others mirror the drivers behind the wider pattern of engagement with the private sector. The primary motivation to use PSPs is specific to the changing security environment that humanitarian organisations operate in, in particular deteriorating security conditions. Additionally, many organisations are also driven by cost-efficiency concerns and the perceived lack of organisational capacity and technical know-how needed to effectively manage this area of work. As one PSP informant suggested: 'security is a difficult subject; people don't like to think about it in general, which is the reason it's so often outsourced'.

The chapter also analyses the state of policy development around the usage of security services and the contracting and management of such entities. It highlights weaknesses in this area, and argues the need for guidance for decision-makers in the field. Finally, the chapter reviews the financial implications of privatised security, and the degree to which agencies are able to properly budget and account for these services.

4.1 Organisational motives for seeking security services from external sources

The study considered a range of possible motives for contracting services to private security providers, including generally deteriorating security conditions and/or a specific security incident; a lack of in-house technical capacity; a lack of time and management capacity; liability concerns; public relations; and donor requirements. (These motives are distinct from situations, as mentioned earlier, where the organisation is required by the host government – or, on a smaller scale, by a local landord – to hire security as a condition for operational presence.)

A wider set of external factors have to be considered in relation to decision-making, primarily around what the state can or cannot provide in terms of protection for an organisation's staff and operations. In Afghanistan, for example, most humanitarian organisations believe that the government is not providing them with sufficient protection, and agencies are therefore developing independent means to protect themselves, including contracting. In Somalia, the state is essentially absent, forcing agencies to consider security provision in a more deliberate way than they otherwise would. By contrast in Darfur, another insecure, unstable and violent context, the government in Khartoum has prevented international firms from operating, while the direct or indirect links between most local PSPs and the state security apparatus has meant that most aid organisations rely primarily on in-house capacity or coordinated inter-agency approaches.

It is also evident that organisations' rationales for hiring PSPs will differ depending on the case in question. This is partly because decision-making is often *ad hoc* and diffuse at the field level, rather than policy-driven and centralised. However, on the issue of armed security provision an organisation's policies were a significant factor in decision-making. In the global survey, an organisation's policy ranked second in decision-making importance, behind a deterioration in the security environment.

4.1.1 Deteriorating security

Overall, the survey found that the most important factor in an organisation's decision to use private security services stemmed from a specific security incident or series of incidents, prompting concerns about an overall deterioration in security. In Afghanistan, for example, a number of organisations carried out security reviews and decided to contract security functions after riots in Kabul in May 2006, in which the premises of a number of

humanitarian organisations were attacked. An organisation typically reassesses its security stance after it or another organisation in the same area has experienced a serious security incident.

Once again it is important to differentiate between contracting for hard security protective and deterrent measures, versus hiring a PSP to perform soft security functions. In the case of the former, aid agencies that have contracted PSPs to 'harden the target' tended to do so specifically in contexts of high levels of crime and banditry. In these situations, organisations need to protect their staff and operations against a very diffuse threat, and appeals to the operational principles of neutrality and independence may not carry weight with perpetrators. In these cases, organisations have moved into protection mode with guards (sometimes armed) at residences and offices and mobile escorts for programming work.

In some of the most insecure environments, where political targeting is common, humanitarian organisations have for the most part taken a reactive security stance, temporarily ceasing aid provision or shifting to remote management, rather than engaging a private provider or increasing in-house capacities. In Darfur and eastern DRC, agencies have suspended or withdrawn programmes after an attack.

4.1.2 Cost and flexibility

Another important motivation for contracting, according to staff surveyed, is perceived savings in staff costs and time, and administrative flexibility. These issues were particularly important for the UN and international organisations, but appear to be less decisive for NGOs, which ranked lack of in-house expertise as a more important factor in their decision-making than either budgetary or staff time considerations.

It is far simpler to hire an agency to provide guards, for instance, than to recruit, contract and manage a large number of individual direct hires for this purpose. For the UN in particular, contracting creates efficiencies by enabling field offices to circumvent cumbersome administrative rules governing human resources by issuing a single procurement contract for security services. In addition, in places where skilled and trained staff are hard to find, such as southern Sudan and Somalia, assembling and managing a guard force may be difficult, and may not seem worth the management attention required given that alternative options are available. In perhaps one of the more extreme cases, one UN agency operating in Afghanistan has used private contractors to provide monitoring and assessment staff, in order to get around restrictions on travel to certain insecure areas. The agency also sub-contracts many of its deliveries to commercial companies, and has been engaged in discussions with these firms about 'appropriate levels of security' to defend against hijacking.

4.1.3 Lack of organisational capacity and in-house expertise

NGOs identified a lack of in-house expertise as among the most important reasons to contract out security. Although this was particularly the case for mid-level and smaller agencies, even large organisations with sizeable security budgets outsource risk assessments and security evaluations in environments where they do not have local knowledge and networks. Many organisations are also reluctant to develop in-house capacity for specialised services in areas such as incident management and hostage negotiations. As one NGO noted, relatives of a victim like to know that experts are working on a kidnap case, and that the organisation is getting the best professional advice available.

Training is the most common security service that humanitarian organisations contract from international PSPs. As with risk assessments and other soft security measures, staff training is an area not generally covered in project-based funding, and is costly and time-consuming. Some interviewees expressed the view that their agency's security training curricula had not kept pace with developments in security methodology and neglected practical security management in favour of teaching basic concepts and security awareness. It does not necessarily follow, however, that training provided by a PSP would necessarily represent an improvement. In the words of an NGO security coordinator with many years experience, 'I have yet to see an off-the-shelf PSP training course that adequately addresses organisational security management needs'.

4.1.4 Liability

Liability concerns tended to be more important for larger organisations. The very largest NGOs considered liability issues to be more influential in their decision-making than organisational capacity questions, and second only to perceptions of increased risk after an incident. UN offices in complex emergency countries also ranked liability concerns high on their list of determinants (it was seen as less important in natural disasters and non-emergency settings). The fact that larger organisations place more emphasis on liability than organisational capacity probably reflects not only greater in-house security resources and expertise, but also perhaps past experience with legal issues and litigation. Such will naturally be more common in organisations with staff in the tens of thousands and, even if rare, can do a great deal of damage to an organisation.

Contracting a private security company can be a defence against liability, in that it indicates organisational action and due diligence on security matters, while duty of care rests with the security company, not with the client agency. That said, although the organisation may not be technically liable for any misbehaviour or misfortune among contracted security staff, it is by no means clear that a humanitarian organisation would not be damaged if an incident occurred. The implications for an organisation's reputation, credibility and public image, to say nothing of relations with the local community, could potentially be devastating.

4.1.5 Other factors

Many security arrangements are influenced by cultural and local

operational norms. In southern Sudan, for example, most organisations have transferred their management structure from Nairobi, where almost all organisations use PSPs. Thus, many of the same firms are being used in Juba, the southern Sudanese capital. As noted in Chapter 2, many NGOs in Central America hired armed forces as a response to the local security culture.

Public relations concerns and donor requirements were the least important motives for contracting. The vast majority of donors – the US is one notable exception – do not have requirements regarding hiring and management procedures for PSPs, reflecting a general absence of inter-governmental dialogue on security policy in humanitarian operations (Stoddard, Harmer and Haver, 2006).

4.2 Humanitarians' arguments for and against PSP use in operations

The arguments in favour of contracting security are similar to the arguments in favour of contracting any sort of service. There is a general assumption that contracting out saves money, reduces the management burden and delivers better-quality service. The global survey findings and interviews suggest that support services such as training are on the whole very positively viewed. PSPs may be able to perform tasks humanitarian staff lack the time to do, such as gathering and analysing security information.

Arguments against hiring PSPs were cited more frequently and covered a wider range of issues than arguments in favour. Some were based on organisational reviews and have become the corporate position. One common concern was that the decision to contract out security services led to a tendency to externalise the organisation's security thinking, working against developing in-house capacities. Thus, one of the motivating factors in hiring PSPs ironically also left organisations less able to manage their security providers in a responsible way. As one interviewee noted:

> *NGOs most often lack technical capacity to evaluate PSPs: what are the terms of engagement? What happens if they fire their weapon? What training do they have? What are the liability issues? What is the impact as the organisation hardens itself? What happens to others? What does it mean to other aid organisations to have a sniper on your roof?*

These comments point to a wider debate about the interconnectedness of organisational security, and whether and how an organisation can ever secure its operations independently of the wider humanitarian community. As one interviewee insisted: 'you don't have complete security unless you provide it for the whole community'; the best way of achieving this would be both to directly hire and to build up in-house expertise, working in an inter-agency and collaborative manner.

Another area of critical concern was the perceived association of these entities – and by extension their humanitarian clients – with military and political actors, given the links these organisations often have with state security, police or military services. This association can compromise the appearance of neutrality, and therefore jeopardise security. Reputational issues may be particularly problematic if a company's ownership is opaque, as it often is. According to some NGO security staff, humanitarian organisations in fact face two information deficits: a lack of transparent information on the PSP being considered, and a reluctance to share with others what knowledge and experience they do possess. In Afghanistan, the national staff of international and local PSPs tend to comprise ex-combatants in the civil conflict. Some local providers are in effect former warlord-led militias that have legitimised themselves as PSPs. Some humanitarian actors have pointed out that this burgeoning industry has had the effect of compromising if not directly countering disarmament, demobilisation and reintegration efforts as part of the country's recovery and peace-building process. In Sudan, few NGOs seemed to know much about the companies they were contracting. An active Brigadier General in the Sudanese armed forces manages a PSP used by a number of humanitarian organisations in Khartoum. While associations such as this may not disqualify the company from receiving a guarding contract, none of the NGOs using the company seemed aware of the link.

Some of the most serious concerns had to do with the use of *local* private security providers. The most common complaints revolved around poor quality, low pay and inadequate oversight. There were also concerns about corruption and/or criminal behaviour, in some settings tantamount to running protection rackets. If the company itself is not corrupt, low pay among its staff may be an incentive for crime against the client. As a seminal study on national PSP industries reported: 'Fears are also frequently voiced that the private security sector itself has become a source of insecurity, as poorly paid guards may collude with criminals and conspire against clients' (Abrahamsen and Williams, 2005). In case research for this study in Kenya, NGO security officers reported that the general quality of the guards provided did not match the high price they were costing, and that companies often paid their staff less than half what they charged their clients.

Regarding international PSPs, some organisations noted that their own staff members (often local hires) had access to more relevant and better-quality information than corporate security firms could offer, and that many PSPs did not provide value for money. Examples were cited where PSPs contracted for risk assessments gathered most of their information from desk-based sources and provided an analysis that bore little relation to the organisation's mission and specific programme objectives. Many noted that these companies have not adapted their products for humanitarian clients, and lacked a solid understanding of the sector. Finally, some survey respondents made special mention of the lack of flexibility on the part of PSPs

in the face of changing operational needs or changing security conditions, and suggested that some firms kept high-risk assessments in place longer than was necessary to justify their continued use.

4.3 Policies and guidelines

4.3.1 Aid organisations

In *Providing Aid in Insecure Environments*, the authors noted that aid agencies had made significant efforts to professionalise and institutionalise security management, including the development or upgrading of security policies and guidelines (Stoddard, Harmer and Haver, 2006). Some new humanitarian security management tools and guidance notes have been developed, such as ECHO's design templates for security management and objectives-based security training. In the vast majority of organisations interviewed and surveyed for this study, however, it was clear that security contracting is not yet seen as a priority area for policy development, and is not regarded as a distinct category of decision-making. On the contrary, the study found that policies regarding PSPs are generally notable for their absence. Exceptions to the rule include the ICRC's 2006 guidelines, and guidelines developed by the NGO Oxfam.

The UN's general outsourcing policies are not explicit on the use of PSPs. GA Resolution 59/289 on outsourcing states that 'Cost-effectiveness and efficiency … is considered to be the most basic Criterion', but warns that 'activities that could compromise the safety and security of delegations, staff and visitors may not be considered for outsourcing'.[23] This second line is ambiguous at best, and given the fact of continued PSP contracting by various UN bodies, has evidently not been taken as a specific prohibition. A recent Human Rights Council document acknowledged the risk involved in security contracting and the lack of current organisational guidance. The January 2008 report of the Working Group on mercenaries recommended that:

> *United Nations departments, offices, organizations, programmes and funds establish an effective selection and vetting system and guidelines containing relevant criteria aimed at regulating and monitoring the activities of private security/military companies working under their respective authorities. They should also ensure that the guidelines comply with human rights standards and international humanitarian law.*[24]

In the meantime, in the absence of specific policies the contracting of PSPs remains a topic of considerable debate within the UN system, with some in the organisation calling for it to be regarded as a potential security strategy, while others contend that it should be explicitly prohibited.

Although a number of organisations reported that they were beginning to develop policies on PSPs, to date only a handful of the largest NGOs have internal guidance in this area. In the absence of guidelines covering the selection and recruitment of PSPs, many organisations use their regular tendering process, which focuses on cost and value for money. Beyond that, companies tended to be selected based on recommendations from other agencies. Some organisations indicated that they had consulted UNDSS before reaching a decision, or spoke to other organisations using the same company. Many of the larger NGOs are planning guidelines covering their relations with PSPs, which will include more detailed and specific procedures for hiring and vetting.

In contrast to the general policy deficit around PSPs, policies on the use of armed guards are much more extensive and used much more widely. The majority prohibit the use of armed personnel except in exceptional circumstances, and stipulate that specific permission is required from headquarters.[25] The UN maintains a general policy against the use of armed guards except when provided by a UN member state. However, as survey data and interview information clearly illustrated, exceptions have often been made to this rule, for instance in cases where the host state is unwilling or incapable of providing protection. UNDSS' role in this area is to ensure that PSPs meet minimum technical standards, but no standard operating rules or principles exist for the use of armed guards.

Many interviewees maintained that the crucial issue was the use of armed force, irrespective of the actor involved. This is indeed an important distinction. But simply obliging a field office to seek headquarters' permission to enlist armed protection hardly covers the host of issues and management challenges that should be addressed when an organisation decides to contract out its security provision. Moreover, even if an organisation contracts only *un*armed services from a private security entity, it may still be vulnerable. A security company providing logistical or communications support to one organisation may be providing armed services to another, or even to a party to a conflict. Moreover, even unarmed guards can be dangerous: as one interviewee noted, even a guard carrying no more than a stick could potentially kill someone.

4.3.2 Donor policies

Donors do not have an intergovernmental mechanism to coordinate issues of security policy, and most lack a specific policy on private security provision among their partners (although they themselves are increasingly using commercial security providers).

23 GA Resolution 59/289, 'Outsourcing Practices', 29 April 2005.

24 Human Rights Council, Seventh session, 'Report of the Working Group on the Use of Mercenaries as a Means of Violating Human Rights and Impeding the Exercise of the Right of People to Self-determination', A/HRC/7/7, 9 January 2008.

25 In addition to agency-specific policies, the IASC's 2001 non-binding guidelines on the use of armed escorts is well regarded for its guidance on the use of arms, whether by a public or private entity.

The two largest humanitarian donors, USAID and ECHO, have very different positions on private and armed security. USAID has no objection in principle to subcontracting to PSPs (and in fact requires this of its implementing partners in Iraq), and uses them heavily itself in insecure environments.[26] ECHO, on the other hand, has a 'no guns' policy, although its staff accept armed escorts when travelling with the UN. It strongly encourages partners to implement security strategies, but believes that humanitarian agencies should avoid the 'militarisation' of their activities. One commentator noted that the guidance contained in ECHO's *Security Handbook for Humanitarian Organisations* is a very useful tool for programme managers when negotiating security contracts.

4.4 Costs and budgeting issues

Tracking security financing for humanitarian operations has always been difficult, partly because in the past security costs tended to be weighed against programme costs, and were often the first to be cut if budgets were tight. Thus, a regularised funding commitment to security was rarely established (Stoddard, Harmer and Haver, 2006). Today, there is a greater variety of financing mechanisms and more sustainable approaches have been adopted, such as building security funding into project budgets as a percentage benefit per staff member or placing a percentage increase on expatriates' salary lines, thereby spreading the cost. In the UN, agencies aim to account for their security costs in a harmonised way using international accounting standards, helping to identify what is being spent on security. Donors too are pushing for results-based planning and for all service packages to be costed out. Despite these efforts, however, organisations still find it difficult to calculate what they are spending on security. The separation of security-related costs into different budget lines, and sometimes even different budgets, obscures the actual figures. This is an interesting conclusion given the cost-efficiency arguments in favour of contracting.

The research found that UN agencies on average enjoy larger security budgets than NGOs. Overall, spending can vary considerably between organisations. None of the organisations surveyed had a consistent budgeting method for security in every field office, but rather used a variety of instruments in different locations, or even within the same office. These included basing costs on individual risk and security assessments for each location; making a separate appeal to donors for security; including a line within individual project budgets; or using a fixed percentage of programme cost-based staffing numbers. Security budgets for field offices varied from a few thousand dollars to over $100,000 within the same organisation.

In Sudan, most organisations do not know how much they are spending on security. Security costs are disbursed amongst projects and within different budget lines, such as staff costs (guards), compound improvements (fences etc.), communication costs and training. In Afghanistan, most organisations acknowledge that they have increased the amount they spend on security, but this is still not a significant proportion of overall costs. The majority of NGOs operating in Somalia that were interviewed reported spending 2% or less of their total budget on security. This finding is consistent with donor approvals for security costs. One donor, historically a leading supporter of security inputs, noted that 1–2% and no more than 5% was typically approved for spending on security.

The challenge of identifying the costs of contracted security is, of course, entwined with the wider budgeting problems around security. In one country, directly hired armed guards may be posted under staff salaries, for instance, while the use of an agency or external protection force may come under logistics.

The lack of harmonised and transparent accounting methods for security costs should lead organisations to question the common assumption that contracting out security functions is more cost-effective. A cost analysis for an individual agency might lead to the opposite conclusion. For instance, if the fees paid to an agency that provides guards are taken in overheads, resulting in poorly paid and poorly trained personnel who turn over frequently and cannot adequately perform the job, an argument could be made that the organisation would be better served by investing in their own recruitment and training.

26 By virtue of its being part of the US State Department, USAID is in a difficult position regarding the use of PSPs in humanitarian operations in Iraq. Tensions between the Department of Defense and the State Department have emerged around the controversial actions of PSPs in Iraq, hired by the State Department to safeguard diplomatic personnel. Ironically, the US military has increasingly expressed concerns that the misbehaviour of these private companies has harmed the military's 'hearts and minds' campaign – in much the same way as humanitarians worry about the effect of PSPs on their efforts to foster 'acceptance'. A Memorandum of Agreement has been signed between the Department of Defense and the State Department outlining principles for PSP use, including rules of engagement, weapons, the reporting of incidents and movement control.

Chapter 5
Conclusions

Private security provision in humanitarian operations has expanded in terms of overall levels of usage and in the range of services provided. The majority of large humanitarian organisations have contracted security functions to these private entities, both national and international. It is not possible to say with certainty how trends will continue, but the findings of the research would suggest that usage may have plateaued for the time being, as PSPs have seemingly scaled back and/or softened their solicitations of humanitarians, and more humanitarian practitioners are voicing their concerns, not only about the risks involved, but also that the value added by PSPs often does not justify the considerable cost of their services.

While debate continues on the appropriateness of privatising security in the humanitarian realm, private security providers already play significant roles. Any discussion of a community-wide approach to PSPs must begin by acknowledging this empirical reality, and also that these entities cannot be treated as equivalent to other vendors or contractors; using PSPs creates particular vulnerabilities for humanitarian organisations, and requires special consideration in regard to contracting, management and oversight.

The narrower and more critical issue of contracting *armed* security, although a practice which most humanitarian actors treat as exceptional, is also an empirical reality for humanitarian operations. This practice deserves special consideration given that its potential ramifications are so large, both for the organisation that employs the service and for others who stand to be associated with it – within the immediate locality and in the humanitarian community at large. Perhaps equally important, the study found that some of the most common and pressing concerns have to do with local PSPs, which are by far the most regularly contracted, with unarmed guarding being the most common service. Interviewees and survey respondents highlighted problems stemming from the overall poor quality of skills and training, low payment, high turnover and weak incentive structures and oversight. Such a finding indicates a critical need for shared guidelines and good practice.

Usage patterns suggest that humanitarians turn to private provision because they lack organisational know-how and time to adequately meet the challenges of deteriorating security environments, as well as for cost, administrative and liability reasons. These rationales may not have been fully considered, especially at the inter-agency level, where dialogue on private security has been sparse if not non-existent. It is difficult to make the argument that contracting out is always a cost saving when there is still no clear accounting for security costs either within or across humanitarian organisations. Thus, more careful thought and cost–benefit analysis needs to go into the decision-making process. Efforts to rationalise accounting systems within the United Nations are working in this direction, and would benefit from additional, specific guidelines for budgeting and reporting security costs. Donors potentially have a role to play in this area by working together to establish common principles of security funding.

In terms of liability, organisations can benefit by thinking through potential scenarios and taking into account all dimensions of the issue; in other words, beyond strictly legal liability, to encompass the political, ethical and reputational implications. Legal cover should be secondary to the organisation's responsibility to prevent and mitigate any possible negative outcomes. If it is determined that this is better achieved by having the direct control and oversight that comes from retaining security functions in-house, the decision would then have to be not to outsource.

If the decision is made to contract a PSP, the organisation must be guided by policies establishing the PSP's role, and both parties should have a clear understanding from the outset of the entity's scope of work, its 'rules of engagement' (if the contract involves guarding services or other protection functions), accountabilities and procedures for reporting incidents. Before hiring, due diligence must be performed on the potential contractor to ensure that there are no conflicts of interest or associations with parties that might compromise an organisation's neutrality or jeopardise its relations with the local community. This is all the more important given the weak regulatory environment for PSPs, both at the state and international levels. In terms of the UN agencies, any revising, updating, or further development of policies on private security use would need to be part of a UN-wide security initiative. The UN already possesses an inter-agency platform, the UNSMSN (formerly IASMN), which could serve as an appropriate and effective structure for launching any such efforts, under the leadership of UNDSS. It would be important to ensure, however, that any new initiatives in this area are not taken in isolation from the non-UN segments of the humanitarian community. The UN agencies in the field will continue to be affected by the security actions of other humanitarian actors, and vice-versa. Moreover, even for non-UN actors, the actions of UNDSS and the UN agencies in security are important: they set an example for others in the field that look to them for new developments in security management. Finally, the official humanitarian donors have amounted to a late and limited presence in this discussion. Without their active and sustained engagement in this issue resolution is likely to remain a long way off.

As has often been observed, humanitarian organisations operate in a mutually dependent system. Although autonomous,

no one agency or organisation is able to effectively meet needs in most crises without the coordinated work of many others. Nowhere is this mutual dependence more critical than in the area of security. One organisation's security stance inevitably affects the others around it; its sharing (or lack thereof) of security information has knock-on effects for the entire community. Yet thus far, only very limited discussion has taken place at the inter-agency level on the use of private security providers. It is notable that country-based security consortia for NGOs, such as ANSO and NCCI, have played an important role in bringing these issues to the fore. NCCI's code of conduct on the use of armed guards and escorts has proven to be a valuable tool in giving organisations a common platform for operational decision-making. Consensus-building on good practice, codes or common guidelines for contracting and management, and potentially identifying lists of 'approved' services and providers, are all valid areas for humanitarian organisations to explore. To do so, they must begin by breaking the silence and overcoming the unproductive secrecy and sensitivities regarding this practice. It is hoped that, by providing a base of evidence describing the reality of current usage, this study has offered a small step forward.

Annex 1
Interviewees

UN agencies and offices

Mohamed Abdurrab, WHO, Sudan
Sunil Anthony, UNDP, Sudan
Christian Balslev-Olesen, Representative, UNICEF, Somalia
Marcio Barbosa, UNICEF, Sudan
Chris Barron, Field Security Officer, WFP, Somalia
Guillermo Bettocchi, Representative, UNHCR, Somalia
Eddie Boyle, Deputy Head of Office, UNDP ROLS, Somalia
Vincent Chordi, Deputy Country Director, UNHCR, Somalia
Richard Corsino, Country Director, WFP, Afghanistan
Marcus Culley, Security Officer, UNDSS, Sudan
Terry Davis, Chief Security Advisor, UNDSS, Afghanistan
Diana de Guzman, Senior Civil Affairs Officer, UNMIS, Sudan
Beth Eggleston, Associate Humanitarian Affairs Officer, Political Affairs, UNAMA, Afghanistan
Paul Farrell, Deputy Security Co-ordinator, UNICEF
Richard Floyer-Acland, Head of Policy, UNDSS
Bill Gent, Security Co-ordinator, UNICEF
Antoine Gerard, Head Darfur Cell, OCHA, Sudan
Reena Ghelani, Protection Officer, OCHA, Somalia
Barry Gibson, UNICEF, Iraq
Peter Goossens, Representative, WFP, Somalia
Gunter Hein, Field Safety Adviser, UNHCR, Somalia
Dickie Jacobs, Security Officer, UNDSS, Sudan
Rajendra Joshi, Chief Security Advisor, UNDSS, Sudan
Joshua Kaiganaine, UNHABITAT, Kenya
Dara Katz, Human Rights Officer, UNAMA, Afghanistan
Mark Kelley, Deputy Chief Security, WFP, Sudan
Jamil Khan, Chief Security Adviser, UNDSS, Somalia
Philippe Lazzarini, Head of Office, OCHA, Somalia
Andrew Lukach, Head of Security, UNDP
Charlie Lynch, UNHCR, Iraq
Ewen Macleod, Deputy Representative, UNHCR, Afghanistan
Peter Marshall, Chief Security Adviser, UNDSS, Kenya
Mike McDonagh, Head of Office, OCHA, Sudan
Dr. Fouad Mojallid, Representative, WHO, Somalia
Bill Musoke, Country Director, UNFPA, Sudan
Tom O'Reilly, Senior Regional Field Safety Advisor, UNHCR, Kenya
Ussama Osman, External Relations, WFP, New York office
Aurvasi Patel, Head of Protection, UNHCR, Afghanistan
Craig Sanders, Deputy Chief of Mission, UNHCR, Sudan
Eckart Schiewek, Political Officer UNAMA, Afghanistan
Andre Schuman, UNAMI, Iraq
Sosi Senibulu, WFP, Iraq
Muniandy Shanmugam, Security Officer, UNMIS, Sudan
Akiko Shiozaki, Rule of Law Officer, UNAMA, Afghanistan
Ravi Solanki, UNHCR, Iraq
Dan Toole, Director, Office of Emergency Programmes, UNICEF
Emad Yacoub, Assistant Representative, Security Focal Point, FAO, Sudan
Abdulla Tahir Bin Yehia, Representative, FAO, Sudan

Non-governmental organisations

Simon Agerberg, Relief International, Iraq
Andy Aiken, ACDI-VOCA, Iraq
Patrick Andrey, Head of Mission, ACF, Sudan
Hashim al-Assaf, NGO Coordination Committee in Iraq (NCCI), Iraq
Anwar al-Edhari, al-Nour Humanitarian Organisation, Iraq
Marie-Catherine Arnal, Premiere Urgence, Iraq
Jock Baker, CARE International
Moncef Bannoun, Médecins du Monde (MdM), Iraq
Drakulous Bekakos, Mercy Corps, Iraq
Davide Bernocchi, Executive Director, CARITAS Somalia, Somalia
Mark Bloch, Regional Director, CARITAS Swiss, Kenya/Somalia
Raymond Bonniwell, Global Rapid Response Team Security Advisor, World Vision Michele Bradford, Equal Access, Afghanistan
Nik Bredholt, CAFOD, Kenya
Miresi Busana, Program Manager, CISP, Somalia
Josey Buxton, Oxfam GB, Kenya
Monica Camacho, Head of Mission, MSF Spain, Sudan
Cyril Cappai, Japanese Emergency NGO (JEN), Iraq
Alex Carle, CARE International (and formerly NCCI), Iraq
Joel Charny, Refugees International
Reiseal Cheilleachair, Program Support Officer, Concern Worldwide and NGO Consortium, Somalia
Jennifer Cook, Security Unit, CARE International
Stefano Cordella, InterSos, Iraq
Bud Crandell, CARE International, Kenya
Tarig Daher, Head of Mission, MSF Belgium, Sudan

Pascal Daudin, Director, International Safety and Security Unit, CARE International
Jan Davis, Security Programme Adviser, RedR
Graham Davison, Operations Manager, World Vision, Somalia
Claire Debard, Head of Mission, Handicap International, Sudan
Anja De Beer, Agency Coordinating Body for Afghan Relief (ACBAR), Afghanistan
Jean de Cambre, Head of Mission, MSF Belgium, Sudan
Benoit Delsarte, Head of Mission, ACF, Somalia
John Dempsey, US Institute for Peace, Afghanistan
Nicholas de Torrente, MSF, US
Ciaran Donnelly, International Rescue Committee, Afghanistan
Nick Downie, Security Adviser, Save the Children
Denis Dragovic, CHF International, Iraq
Daniela Durso, Program Manager, Cooperazione e Sviluppo, Sudan
Conor Elliot, Country Director, GOAL, Sudan
Javier Espada, Head of Mission, MSF/E, Somalia
Giorgia Francia, Qandil, Iraq
Susannah Friedman, Emergency Coordinator, Save the Children, Somalia
Mads Frilander, Program Officer, DCA, Sudan
Shihab E. B. A/Gadir, Program Manager, Islamic Relief, Somalia
Chris Gibb, Security Officer, Save the Children, Sudan
David Gilmour, Country Director, CARE International, Somalia
Sigrid Gruener, Relief International, Iraq
Hussein Halane, Country Director, Save the Children, Sudan
Mark Hammersly, Oxfam
Richard Haselwood, MCI, Sudan
Amir Hashim, Finance Director, Save the Children, Sudan
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Lex Kassenberg, CARE International, Afghanistan
Megan King, People in Need Foundation, Iraq
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Iris Krebber, German Agro Action, Kenya
Jan Kristensen, Norwegian Church Aid (NCA), Iraq
Volker Lankow, MSF Switzerland, Iraq
Nic Lee, Afghanistan NGO Safety Office (ANSO), Afghanistan
Nick Leftwich, IRD, Iraq
Eric Le Guen, IRC
Seth Le Leu, World Vision, Sudan
Hans Lind, Country Director, Save the Children, Sudan
Clement Lisinga, Save the Children, Kenya
David Little, CARE, Kenya
George Loris, Administrator, CHF International, Sudan
Ken Maclean, Country Representative, CRS, Kenya
David Makio, Logistics Officer, COOPI, Kenya/Somalia
Michael Makova, IRC, Sudan
Doug Marshall, Medair, Sudan
Randy Martin, Director of Global Emergency Operations, Mercy Corps
Winfred Mbusya, Program Manager, ADRA, Somalia
Liz McLaughlin, CARE International, Sudan
Diress Mengistu, NPA, Sudan
Carmen Michelin, CARE International, Security Unit
Paul Mikov, Senior Policy Advisor, World Vision
John Milligan, Finance Director, Sudan Council of Churches, Sudan
Kasra Mofara, NGO Coordination Committee in Iraq (NCCI), Iraq
Ivor Morgan, Country Director, Medair, Sudan
Jerome Mouton, Head of Mission, MSF/F, Somalia
Maja Munk, Program Manager, DRC, Somalia
Patrick Mweki, Country Director, IMC, Somalia
Erin Noordeloos, Security and Learning Manager, RedR UK
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Bill Lorenz, Operations Officer, IOM, Kenya/Somlia

Melker Mabeck, Deputy Head, Security and Stress Unit, ICRC

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Governments

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Val Flynn, ECHO

Alice Mann, Livelihoods Program Manager, DfID, Afghanistan

Alvaro Ortega, Technical Assistant, ECHO, Sudan

Christopher Pycroft, Deputy Head, DfID, Afghanistan

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Individuals from the following companies were interviewed during the field work in Nairobi, Kenya and Somalia. They requested that their names be kept confidential.

Armadillo, Somalia

Bob Morgan Services, Kenya
G4 Securicor, Kenya
KK Security, Kenya
RMI, Somalia
DynCorp International, LLC.

Academics and others

Deborah Avant, Professor of Political Science and Director of International Studies, University of California, Irvine

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David Isenberg, BASIC

Naz Modirzadeh, Harvard Program on Humanitarian and Conflict Research

Kevin O'Brien, Canadian consultant

Lawrence Peter, PSCAI, Iraq

Jean S. Renouf, academic and coordinator of the European Interagency Security Forum (EISF)

Jake Sherman, Project Coordinator, Security Sector Reform, Center on International Cooperation

Christopher Spearin, Department of Defence Studies, Canadian Forces College

Tim Vuono, National Defense University, Washington DC

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Annex 3
International private security companies working in or for humanitarian operations

Using data compiled from company websites and documents and company profiles from online reporting services, the table below shows 19 different companies that provide security services in some form. These 19 companies, of the 150 total companies reviewed for this study, were selected solely on the basis of data availability. Based on annual revenues from 2007,[27] the 19 were divided into three tiers:

- Tier 1 comprises PSPs with revenues of $5 billion or more and staff sizes over 50,000;
- Tier 2 is PSPs with revenues of $1bn or more; and
- Tier 3 is PSPs with revenues of less than $1bn.

While there are several ways one could group these companies, the choice to base the tiers on revenues was seen as the most straightforward as we found that, for various reasons, revenues did not directly correspond to staff size or countries of operation. Although staff size is included in the table it is important to note that the figures do not include independent contractors,[28] which means that basing the grouping solely on headquarters staff would have been a misrepresentation of the actual scope of an organisation. This is exemplified by comparing the revenues and staff sizes of Tier 2 and Tier 3 companies. In Tier 2 revenues vary by $2,884 billion, while staff sizes vary by 45,200. It was difficult to obtain an accurate number of countries of operation for each company either due to confidentiality restrictions or short-term contracting periods. Given these limitations, the table does not include information on countries of operation.

In addition to revenues and staff sizes the other variables included in the table are the company's name. Any subsidiaries or parent companies are listed where relevant, as well as the home country and a summary of the services offered. Listing the parent companies and subsidiaries of the various companies highlights the complexity of the industry and the inter-connectedness of many companies. The home country column demonstrates the US and UK dominance of the international PSP industry. Lastly, the services column provides a brief overview of the company's services, with the caveat that it is difficult to standardise types of service across the industry and some companies tend to downplay security activities.

27 One Tier 3 company only had revenues available for 2006.
28 One company in Tier 3 distinguished headquarters staff from field operatives, but did not specify if this included private contractors.

	Name (selected subsidiaries/ parent company)	Home country	Revenues 2007 (in US$m)	Staff Size	Services
Tier 1 PSPs	**L-3 Communications Holdings Inc.** (Subsidiaries: L-3 Communications Corporation, Advanced System Architectures, SAM Electronics, Coleman Research Corporation, Aviation & Maritime Services, CyTerra, Interstate Electronics Corporation, Security & Detection Systems, Avionics Systems, Military Professional Resources, Inc. (MPRI), Global Communications Solutions)	US	13,961	64,600	Battlefield/weapon simulation, communication and engineering, information technology, linguist and analyst, network and enterprise administration and management, surveillance systems, system support and concept operations, training systems, weapons training, aircraft modernisation, contract field teams, logistic support, contractor-operated and -managed base supply
	General Dynamics Information Technology Inc. (Parent: General Dynamics)	US	9,453	16,000	Network systems integration, information technology & telecommunications, simulation & training, professional & technical services, systems engineering, public safety
	Securitas AB (Subsidiaries: Alert Services, Securitas Transport Aviation Services, Pinkerton Consulting and Investigations)	Sweden	8,843	215,000	Specialised guarding, electronic systems, physical security, mobile services, alert services, consulting and investigations

(continued)

	Name (selected subsidiaries/ parent company)	Home country	Revenues 2007 (in US$m)	Staff Size	Services
	KBR Inc. (Subsidiaries: Granherne, Inc., MW Kellogg Ltd)	US	8,745	52,000	Aviation, buildings and facilities, consulting and training, emergency response services, highways, job order contracting, mining and minerals, operations and maintenance, rail, renewable energy, security solutions, water and wastewater, energy and chemicals
	Group 4 Securicor (Subsidiaries: The Wackenhut Corporation, ArmorGroup, MJM Investigations)	UK	8,525*	470,000	Manned security, security systems, justice services, cash and valuables transportation, cash management, ATM outsourcing
Tier 2 PSPs	**SGS Group**	Switzerland	3,884	50,000	Aid efficiency, conformity assessment services, forestry monitoring programme, import verification programmes, NGO benchmarking, pre-shipment inspection, scanner services, single window programmes, supply chain security services
	DynCorp International Inc.	US	2,082	14,600	Law enforcement and security, inventory procurement and tracking, property control, data entry, mobile repair, administrative services, construction management, drug eradication, depot augmentation, logistics support, aircrew services and training, ground/air equipment maintenance and modifications
	MPRI (formerly Military Professional Resources, Inc.) (Parent: L-3 Communications)	US	2,000*	3,000	SSR programmes, integrated international development programmes, US defence education, training and doctrine development, logistics planning, staff augmentation, law enforcement services, homeland security and emergency management solutions, training and technology, strategic communications
	CACI International Inc.	US	1,938	10,400	Systems integration, managed network solutions, knowledge management, engineering, information assurance, planning, designing, implementing, buying patterns, market trends
	CRG (formerly Control Risks Group)	UK	1,600	550	Political and security risk analysis, business intelligence and investigation, forensics, information security, screening, security management and consultancy, crisis management, business continuity services, pandemic services, travel security, incident response, governance and development, training
	AEGIS	UK	1,240	25	Research and intelligence, security operations, technical services, surveillance, training
Tier 3 PSPs	**Kroll** (Parent: Marsh and McClenan)	UK	979*	3,700	Corporate advisory & restructuring, investigations, financial advisory & intelligence, electronic evidence & data recovery, background screening, security services

* Indicates revenues from 2006.

	Name (selected subsidiaries/ parent company)	Home country	Revenues 2007 (in US$m)	Staff Size	Services
Tier 3 PSPs	**Cubic Corporation** (Subsidiaries: Oscmar International Limited, Cubic Field Services Canada, Cubic Simulation Systems Division)	US	889	6,000	Live and virtual combat training systems, simulation support, force modernisation, engineering and technical support, communications electronics, search-and-rescue avionics, automatic fare collection systems
	Garda World (Subsidiary: Vance)	Canada	683	40,000	Risk analysis and planning, education and training, executive protection, strike security, monitoring and compliance, investigation, litigation support, digital security and investigation
	ArmorGroup International (Parent: Group4Securicor)	UK	295	8,500	Protective security, risk management consultancy, security training, weapons reduction & mine action, development & reconstruction
	EOD Technology, Inc.	US	200	3,450	Munitions response, security services, IT/communications, mine action, construction, logistics, and life support services, convoy/personnel security details
	Triple Canopy (Subsidiary: Clayton Consultants, Inc.)	US	100	2,000	Assessments, training, crisis management, protective security, support and logistics
	Olive Group	UAE	90	500	Analysis and assessments, consulting, logistics and support, tracking and locating solutions, security operations, training
	Universal Guardian Holdings, Inc.	US	19	38	Tactical security services, security consultancy, insured security services

Annex 4
The survey instrument

Q #	Question in survey instrument	Explanation
1	Name of organisation (optional but encouraged – results for individual organizations will not be made public)	The survey was anonymous for individuals (requesting only the respondent's generic staff position), but encouraged the identification of the respondent's agency
2	Organisation type (mandatory): UN, NGO or Red Cross/Red Crescent Movement, Other	Identifying one of these three categories was mandatory in the survey instrument
3	In what country do you work?	Countries were later categorised as complex emergency/recovery, natural disaster (past year), or non-emergency settings, using OCHA ReliefWeb classifications
4	Where are you based? Headquarters, regional office or field office	By answering the question and clicking submit, the respondent was directed to the appropriate set of questions for either HQ/RO or field office personnel.
5	Job function	Respondents indicated whether they were security coordination staff, security officers (non-security professionals), senior management, human resources or programme staff
6	In the past year, did your organisation contract any security-related services from an international private security company for field operations?	With multiple responses from a single agency, the consolidated entry registered as 'yes' if any field office reported such usage
7	International PSP services used	Added for different HQs, counted as 1 for multiple respondents for same HQ
8	National/local PSP services used	
9	Does your organisation have written policies allowing or prohibiting the use of armed personnel?	With multiple responses, consolidated entry registered as 'con' if there were contradictions or apparent confusion between staff members on policy existence. An 80% or more majority of a single response will register that response
10	Does your organisation have protocols or guidelines on whether, when, why, and how to hire and manage private security companies, either armed or unarmed security personnel?	As above, with multiple responses, consolidated entry registered as 'con' if there were contradictions or apparent confusion between staff members on policy existence. An 80% or more majority of a single response will register that response
11	How well-known and followed are these protocols?	Respondents entered N/A if they indicated in previous response that protocols did not exist. Other choices were 'well-known and consistently followed', 'well-known but not consistently followed', or 'not well–known'
12	Is HQ always informed?	With multiple responses registered as a 'yes' only if all field offices reported yes, if some reported no, counts as 'no' for the organisation
13	How were companies chosen?	With multiple responses, all entries counted
14–22 14 15 16 17 18 19 20 21 22	Motivations for outsourcing Heightened concerns regarding insecurity generally, or a specific incident Lack of in-house expertise Insufficient time/staff capacity Liability concerns Organisational policy Budget reasons Donor requirements Public relations Planning flexibility	Respondents entered 1, 2, or 3, for each motive, with 1 being very important, 2 somewhat important, 3 not important. With multiple responses, these were averaged by agency. A weighted average was then calculated for the entirety of responses based on the number of country and regional offices responding for each agency

Q #	Question in survey instrument	Explanation
23	If your organisation has used private security companies, has this use generally increased, decreased, or remained the same (over the past 5 years)?	In multiple, differing HQ responses, it is registered as indeterminate unless there is an 80% majority of one answer. In multiple field responses, the response registered is that which has a simple majority
24	In HQ version: How does your organisation's Headquarters allocate resources for security to its field stations? In field version: Does your country office have a specific budget line for security? If so, in what range does this budget lie?	HQ respondents selected from the following: Fixed percentage of programme cost (e.g. based on national and international staff) Risk category weighting for each location Individual risk and security needs assessment for each location Appeal to donors/individual project budget lines Other, please specify
25–30	In the past year, did your organisation use any of the following for security services in exchange for cash or non-cash payments such as meals or transport? Check only those with whom payment was exchanged	The remaining questions referred to other (non-private) security providers or military operations. Respondents were asked to list services received from host government military, host government police, paramilitary forces, militias and local armed groups, and UN peacekeeping forces, for which compensation was made

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