

# Creating a Responsible Business Coalition

*A Roundtable on the Greater Mediterranean*



Meeting Report  
November 2018

# Author Acknowledgements

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## Round Table on a Business Coalition for Peace in the Greater Mediterranean Region Istanbul, Turkey, 29 November 2018

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Cover photo: Tolga Sezgin

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## Executive Summary

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This is the report of a roundtable meeting on creating a Responsible Business Coalition for Peace in the Greater Mediterranean region, which took place on November 29<sup>th</sup>, 2018 in Istanbul, Turkey. The meeting was hosted by [TÜSIAD](#), the Turkish Industry and Business Association, and has been made possible with the financial support of the [Hollings Center for International Dialogue](#). A total of 20 participants from businesses, civil society, international organizations and academics took part in the meeting.

The **conclusion** of the meeting was that there is a need and interest to further develop a business coalition or a ‘business club for peace’ in the Greater Mediterranean region (including Turkey, the Middle East and North Africa), given the large challenges for establishing a positive peace based on peaceful resolution of conflicts in the region, and the growing awareness by businesses that they have a role to play in overcoming these challenges. The meeting focused on discussing and exploring the means through which businesses can make a positive contribution in furthering peace, specifically in the region.

## Roundtable Meeting Report

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### Initiative Background

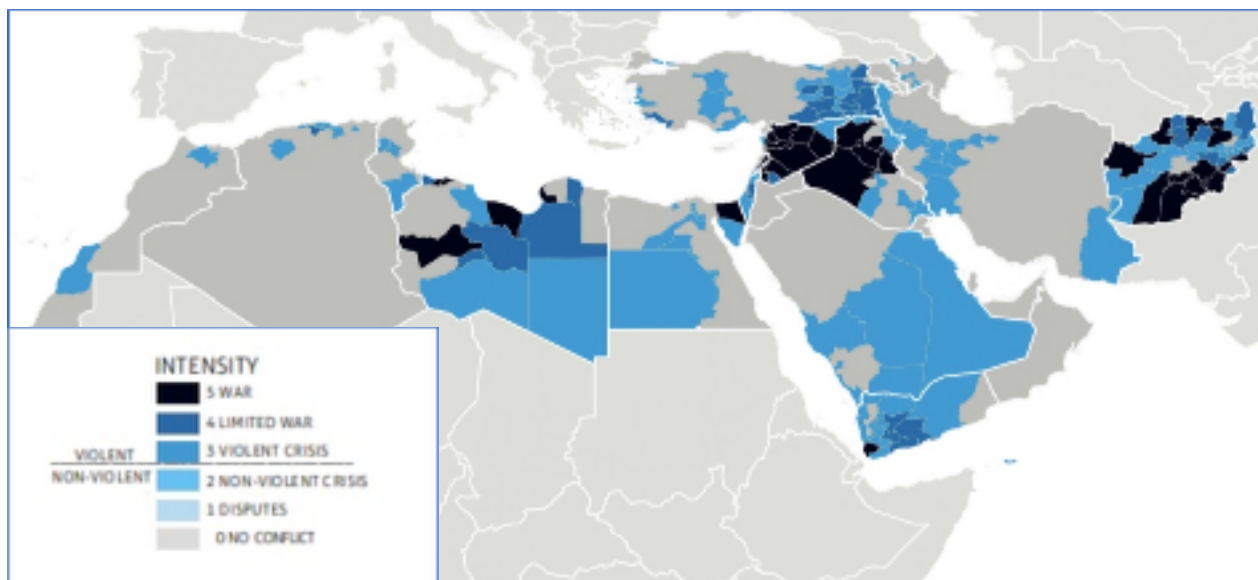
The idea for this roundtable meeting started during a three-day dialogue in July 2017 in Dubai, United Arab Emirates entitled *Profits to Peace*<sup>1</sup>. During this dialogue meeting, it was concluded that a strong case exists for businesses to engage in activity that promotes a positive peace paradigm. One of the recommendations was the creation of regional business coalitions to act as centers for excellence on how businesses and investors can help foster peace.

As a first step in following up on this recommendation, a team of business and peace experts have taken the initiative to organize a roundtable meeting whereby business leaders and investors that are active in the Greater Mediterranean region (see figure below) would discuss the idea of a “Business Coalition for Peace”. This coalition is envisaged as a business-to-business platform facilitating the sharing of best practices and innovative solutions to operational challenges, as well as developing opportunities to stabilize and build markets in fragile and conflict affected states. Ultimately, the platform can contribute to building positive peace as well as help improve business policies and practices to prevent companies from contributing to conflict and fragility.

**“It is crucial to work in partnership as one business alone cannot deliver peace. This initiative is about collective action by business actors to create a lasting impact on peace and prosperity.”**

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<sup>1</sup> Hollings Center for International Dialogue, 2017, Profits to Peace – Dialogue Snapshot Report; <https://www.hollingscenter.org/profits-to-peace-the-business-case-for-promoting-positive-peace/>



**Figure 1: Conflict in the Greater Mediterranean region.** Source: Heidelberg Institute for International Conflict Research, 2017, Regional Map Middle East & Maghreb; <https://hiik.de/data-and-maps/static-maps/?lang=en>

Currently, there is no forum where investors and businesses in the Greater Mediterranean region get together to discuss and find ways to address the challenges they face in fragile and conflict-affected situations (FCSs), as well as the opportunities these contexts present and how best to develop them. If successful, this could be a model to be replicated in other regions in the future.

The importance of collective action by business actors to have an impact on peace building is confirmed by a recent research project on “Engaging the Private Sector as a New Peacebuilding Actor”. It concluded that there are limitations for an individual company to contribute to peace building. Instead, positive impacts on drivers of conflict at the society-wide, or “macro” level, is more readily apparent when action is undertaken by a consortium of businesses together with other actors.<sup>2</sup>

For a more detailed explanation of the background and rationale of this initiative, please refer to the Concept Note that was written in preparation of the roundtable.<sup>3</sup>

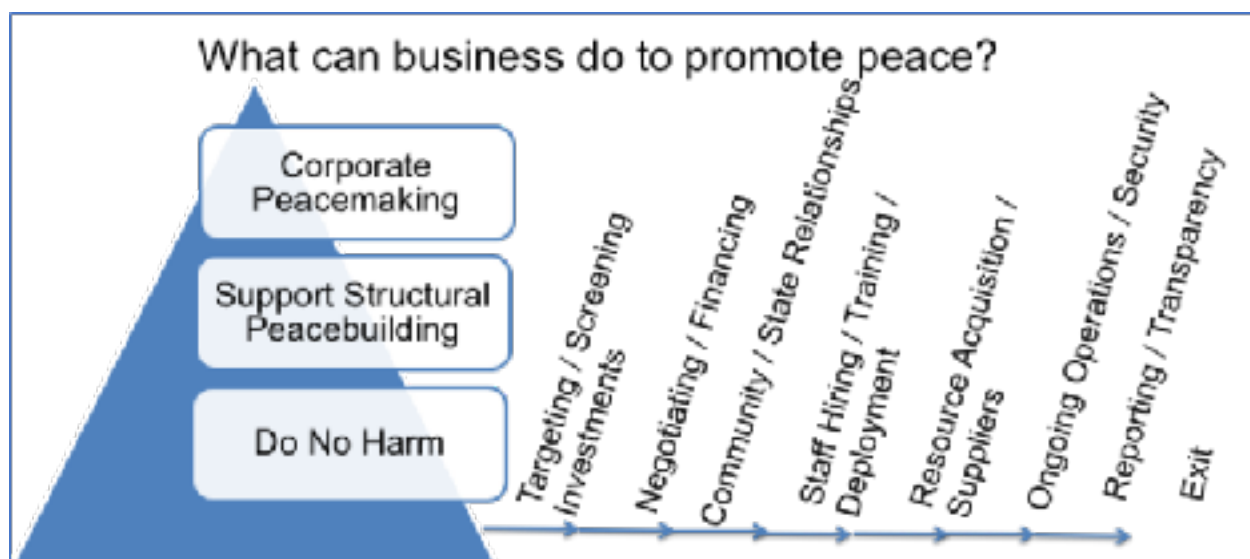
### Understanding the Current Environment

The roundtable meeting was opened by Dr. Bahadır Kalegasi, Secretary General of the Turkish Industry & Business Association (TÜSIAD), after which Dr. Melsa Ararat, Professor at Sabancı University, Turkey, explained the goal and ambition of the roundtable.

<sup>2</sup> Ben Miller, Brian Ganson, Sarah Cechvala and Jason Miklian, 2019, A Seat at the Table: Capacities and Limitations of Private Sector Peacebuilding; <https://www.cdacollaborative.org/publication/a-seat-at-the-table-capacities-and-limitations-of-private-sector-peacebuilding-2/>

<sup>3</sup> Mark van Dorp and Melsa Ararat, 2018, Round Table on a “Business Coalition for Peace in the Greater Mediterranean Region”, 29th of November 2018, Concept Note (available upon request).

To set the scene of the topic of the meeting, two presentations were given by acclaimed academics. Dr. Michelle Westermann-Behaylo, of the University of Amsterdam Business School, The Netherlands, provided an overview of the concept of business and peace, and worldwide best practices. She presented the different pathways of business to promote peace (see figure below). At the very minimum, businesses have to comply with national and international law. In addition, they can apply “do-no-harm” strategies and operate in a conflict-sensitive way. Going beyond “do-no-harm,” businesses can be involved in structural peacebuilding, or proactively play a role in corporate peacemaking. Examples of best practices were shared by Dr. Westermann-Behaylo and by other participants.



This was followed by Dr. Arıkan Açar and Dr. Elif Çetin of the Center for Mediterranean Studies, Yaşar University, Izmir, Turkey, who gave a comprehensive introduction to the many challenges around peace, security, stability and prosperity in the Greater Mediterranean region. This included the long-term and short-term challenges, as well as the population movements in and from the region. For example, they spoke about the devastating economic impacts of conflicts and state collapse in Syria and Libya, the need to address the root causes of irregular migration, as well as the economic opportunities of post-conflict societies.

### Key Observations

In the next session, the different options for engaging in peacebuilding in the Greater Mediterranean region by businesses were explored. This led to the following key observations.

- 1. There is a need and interest for a business-to-business platform for exchange and dialogue on peacebuilding.**

It is confirmed that there is a need for a platform for exchange and dialogue where businesses can exchange ideas and experiences. Such a platform should be organized for and by the

business community, possibly under the leadership of business associations, both national and regional. It would be very valuable to formulate a vision on peacebuilding in the region from the perspective of the business community. Other stakeholders, such as the UN Global Compact, universities or NGOs could also play a role by providing expertise, networking etc., but all agreed that the platform should be business led.

**“A business coalition should be led by businesses. Once the objectives and operating modes are clear, they can and should collaborate with governments and NGOs.”**

**2. This platform should be open to both small and medium enterprises (SMEs) and multinational corporations (MNCs).**

The platform should be open to both SMEs as well as to multinational corporations. Both types of firms have a role to play in peacebuilding, although their perspectives are usually different, as local SMEs have no choice but to deal with the conflict context while MNCs may decide to leave when the circumstances becomes too risky to operate. The platform could play a role in matchmaking between these types of companies as well to stimulate local economic development, provide access to finance and improve local supply chains.

### Major Issues

During the meeting, an initial list of potential major issues, specifically for the Greater Mediterranean region, that a business coalition for peace could tackle was defined:<sup>4</sup>

- Human rights due diligence in a conflict setting: what extra measures are needed to ensure that the presence of a company is contributing to peace instead of exacerbating conflict.
- Conflict-sensitive hiring policies: how to deal with former members of armed groups and refugees or internally displaced persons (IDPs), and how to ensure a balanced workforce with equal representation of different ethnic groups.
- Security issues: how to deal with public and private security forces and what safeguards can be put in place so that all stakeholders benefit (not only company employees and assets, but also local communities).
- Peace impact as a new Environmental, Social and Governance (ESG) issue: following existing initiatives, such as the Peace Investment Fund launched by PeaceNexus,<sup>5</sup> it was suggested to measure the peacebuilding impact of businesses by adding a peacebuilding layer to the existing Environmental, Social and Governance (ESG) issues.

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<sup>4</sup> A final selection needs to be made in the follow-up process.

<sup>5</sup> For more details, please refer to: <https://peacenexus.org/promoting-conflict-sensitive-business/investments-peace/peace-investment-fund/>

- Market opportunities: how to pursue unexplored or under-explored market opportunities in fragile and conflict-affected settings with conflict sensitivity while helping to build peace by creating jobs and building up local markets.
- Digital transformation/access to finance: it was agreed that even in conflict zones, there is high potential to improve access to finance by using new technologies, e.g. mobile phone payment systems, digital marketplaces, etc.
- Employment and entrepreneurship: as one of the root causes of conflict, it is essential to focus on unemployment and the lack of entrepreneurship, and to identify venues for business to do more in this area, and to do it in such a way that it actually contributes to sustainable economic development and peace.
- Looking at the sustainable development goals (SDGs) with a conflict lens: there is a need to revisit the SDGs and sharpen the focus of businesses on how they can best be applied in a conflict setting. There was broad support for an effort to look at all the SDGs (not only SDG16) from a peacebuilding perspective and with a conflict lens, and to contextualize the SDGs for the Greater Mediterranean region.
- Refugees and migration: some participants proposed to focus on the issue of refugees and the migration crisis, because of the opportunities for business to help solve unemployment of refugees, both in the Greater Mediterranean region as well as in Europe. Others had doubts about adopting this theme, as there are already many existing initiatives in this field and the topic is heavily politicized in some countries, including Turkey.
- Peace education of younger generations: in former war zones, in addition to economic reconstruction, there is a need to rebuild *people*, especially the younger generation. This means creating a culture of peace through education, reconciliation, etc. Businesses could contribute by offering internships or by organizing exchanges between different countries in the region.

**“As a business, you don’t have to become an expert in peacebuilding, but you need to be aware of your role in the conflict dynamics. It is about being sensitive to the conflict context and building internal capacity on how to deal with this.”**

## Major Challenges

Some major challenges noted when furthering the idea of a Business Coalition for Peace are:

- Measuring and reporting: the “million-dollar question” is how to measure a company’s contribution to peace and how to build the “business case for peace”. There is very limited experience in measuring the contribution of businesses to peacebuilding, and even if peace could be measured, there is the problem of attribution by single actors. This might make it more difficult to “sell” to its shareholders who want to know the rate of return of the company’s efforts in peace building. In reality, the “business case for peace” is not easy to quantify, particularly at the level of the firm. Therefore, it might be more useful to appeal to moral

arguments, in combination with engaging the mission and values of the firm. At the macroeconomic level, it can be argued that it is beneficial for companies to get involved collectively. Earlier research has shown that when businesses engage in peace building activities as a group, this will increase the chances of peace and stability at a macro level, leading to economic growth and thus to a better business case as well.

**“Companies need numbers. As businesses, we need to show our contribution to peace and prosperity to our shareholders to make the case.**

- Relationships with governments and NGOs: for businesses, it might not always be easy to engage with the government on peace building because of the political sensitivities. It might also be challenging to work with NGOs because of the lack of trust by (parts of) civil society in the businesses as a peace building actor.
- Lack of knowledge/need for capacity building: in many companies, there is a lack of knowledge about peacebuilding processes and how to promote peace, as it is not their core business. It will take a major effort to align all employees about this new role of business.
- Terminology: different stakeholders often use different terminology, leading to a different understanding of the issues at stake: one participant stated that the phrases “business for peace” or “conflict sensitivity” may not work well, because many businesses don’t think that they have a role to play in peace building or conflict prevention, as they see it as the domain of governments and civil society. Peace building is often seen as too political and businesses don’t want to be associated with politics. To ensure that the idea is accepted by businesses, it is suggested to choose language that business leaders can identify with, e.g. creating social impact, risk mitigation, contributing to the SDGs, etc.
- Cherry-picking of SDGs: the SDGs have become the dominant frame for most activities of businesses in the field of corporate responsibility.<sup>6</sup> There is a risk that companies limit their efforts to those SDGs that they are familiar with or that do well in terms of public visibility. Very few businesses have committed to SDG16 (peace, justice and strong institutions) as part of their efforts to further the SDGs, which is a missed opportunity.<sup>7</sup>
- Political and security challenges: in the most fragile and conflict-ridden countries in the region, it will be difficult to have a positive influence on peace and prosperity for businesses, given the challenging political and security situation.

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<sup>6</sup> The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs). Source: <https://sustainabledevelopment.un.org/sdgs>

<sup>7</sup> According to a poll among businesses worldwide, the SDGs that businesses are mostly engaging with (in order of importance): SDG 13 (Climate action), SDG 8 (Decent work and economic growth) and SDG 12 (Responsible consumption and production). SDG 16 is among the 5 least mentioned SDGs. Source: <http://www.ethicalcorp.com/sdgs-3-most-popular-goals-business>



## Issues for Further Explanation

Finally, a number of issues were discussed for further exploration.

- Potential funding of the initiative: Several options were mentioned during the round table meeting, including a membership fee for businesses, support for specific events by large businesses, startup or core funding by donor governments or by business associations in donor countries.
- Name of the initiative: During the meeting, although no decision was taken, there was agreement among most participants that instead of a “Coalition,” it might be preferable to call it a “Club,” as this will appeal more to business leaders. One idea is to call it a “Business Club for Peace” (analogous to the Club of Rome or the 30% Club).<sup>8</sup>

## Conclusion

The conclusion of the meeting was that there is a need and interest to further develop a business coalition or a ‘business club for peace’ in the Greater Mediterranean region (including Turkey, the Middle East and North Africa), given the large challenges for establishing a positive peace based on peaceful resolution of conflicts in the region, and the growing awareness by businesses that they have a role to play in overcoming these challenges. This platform should be open to both SMEs and multinational corporations. The participants to the meeting agreed that the way forward is to identify interested parties who would be willing to support such a platform.

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<sup>8</sup> The 30% Club is a business-led initiative which aims to develop a diverse pool of talent for all businesses through the efforts of its Chair and CEO members who are committed to better gender balance at all levels of their organisations. Source: <https://30percentclub.org/>

## Annex: List of Roundtable Participants

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### Participants

Mr. Dr. Emrah Ozbay	Boyner Grup
Ms. Başak Saral	Building Markets
Ms. Guler Kaya	Building Markets
Ms. Irem Sozucecer (dial-in)	Business for Peace Foundation
Ms. Umut Gok	Cisco
Ms. Elif Kalan	Conflictus Training and Consultancy
Ms. Ceren Solak Yılmaz	Garanti Bank
Ms. Sema Genel Karaosmanoglu	Hayata Destek
Ms. Sanem Güner	Hollings Center for International Dialogue
Mr. Melih Özsöz	Limak Investments
Ms. Anne Gloor	Peace Nexus Foundation
Ms. Mirhan Koroglu	Sabancı University
Mr. Dr. Hasan Youness	UNGC Network Lebanon
Ms. Dr. Michelle Westermann-Behaylo	University of Amsterdam
Mr. Dr. Arıkan Açar	Yasar University
Ms. Dr. Elif Çetin	Yasar University

### Moderator

Ms. Berivan Mine Ferhanoglu	Anlamlı İşler (Meaningful Works) & DCUBE
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### Hosts

Mr. Dr. Bahadır Kalegasi	TÜSIAD
Ms. Hülya Delihüseyinoğlu	TÜSIAD

### Organizers

Ms. Dr. Melsa Ararat	Sabancı University
Mr. Mark van Dorp	Bureau Van Dorp
Mr. Pieter de Wit	Bureau Van Dorp

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