## TOOLKIT AND GUIDANCE FOR PREVENTING AND MANAGING LAND AND NATURAL RESOURCES CONFLICT

### **Introduction and Overview**







#### **EU-UN PARTNERSHIP**

### TOOLKIT AND GUIDANCE FOR PREVENTING AND MANAGING LAND AND NATURAL RESOURCES CONFLICT

The management of land and natural resources is one of the most critical challenges facing developing countries today. The exploitation of high-value natural resources, including oil, gas, minerals and timber has often been cited as a key factor in triggering, escalating or sustaining violent conflicts around the globe. Furthermore, increasing competition over diminishing renewable resources, such as land and water, are on the rise. This is being further aggravated by environmental degradation, population growth and climate change. The mismanagement of land and natural resources is contributing to new conflicts and obstructing the peaceful resolution of existing ones.

To improve capacity for land and natural resource management (NRM) and conflict prevention, the European Union (EU) partnered with the United Nations (UN) Framework Team in late 2008. The aim of this partnership was to develop and implement a strategic multi-agency project focused on building the capacity of national stakeholders, the UN system, and the EU to prevent land and natural resources from contributing to violent conflict. Six UN agencies, programmes or departments have been involved, including UNDESA, UNDP, UNEP, UN-HABITAT, DPA and PBSO. The partnership is also designed to enhance policy development and programme coordination between key actors at the level of country offices.

The first outcome of this project is an inventory of existing tools and capacity within the UN system and a set of four Guidance Notes on addressing NRM and conflict prevention. These Guidance Notes cover: (i) Land and Conflict (ii) Extractive Industries and Conflict (iii) Renewable Resources and Conflict, (iv) Strengthening Capacity for Conflict-Sensitive Natural Resource Management.

Based on the Guidance Notes, the second outcome of the project is to deliver a series of training modules for UN and EU staff in country offices, as well as local partners, to enhance the knowledge and skills needed to understand, anticipate, prevent, and mitigate potential conflicts over land and natural resources. Participants will acquire the skills to formulate and operationalize preventive measures in relation to NRM and conflict.

In countries where specific NRM and conflict challenges are identified, the project will aim to provide focused technical assistance in the development of conflict prevention strategies. This could include the deployment of staff and other experts to assist the UN Country Team (UNCT), including the Resident Coordinator (RC) or Peace and Development Advisor, in analysing options and designing programmes. Where needed, dedicated follow-up measures will also be undertaken on an inter-agency basis, in partnership with the EU.

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#### **OVERVIEW**

The challenges associated with preventing, managing and resolving natural resource-induced conflicts may well come to define global peace and security in the 21st century. Global trends such as demographic changes, increasing consumption, environmental degradation and climate change, are placing significant and potentially unsustainable pressures on the availability and usability of natural resources such as land, water and ecosystems. When aligned with political, economic, cultural or social dynamics, natural resource grievances pose the risk of escalating into destructive, potentially violent conflict – with serious consequences for life and livelihood.

In response to these challenges and risks, the European Union (EU) and United Nations (UN) entered into a partnership for building capacities for conflict prevention through a multi-year project entitled, 'Toolkit and Guidance for Preventing and Managing Land and Natural Resources Conflict'. The project seeks to enhance the capacities of EU, UN and related practitioners to transform potential conflict over natural resources into opportunities for collaboration, trust-building and sustainable development. The project marks a unique, interdisciplinary, practical endeavour to tackle some of the world's most pressing, and potentially destructive, phenomena.

This brief introduction provides an overview of the partnership and background information on the threats posed to natural resources on the one hand, and the relationship between natural resources and conflict on the other. This document also introduces four of the key deliverables of the partnership:

- An inventory of tools and capacities within the UN system;
- Four Guidance Notes for Practitioners for preventing and managing land and natural resources conflict;

- Three related training modules, a trainers tool kit and on-line, interactive training module; and,
- A policy and programme document entitled, 'Conflict Prevention in Resource-Dependent Economies'.

#### EU-UN Partnership: Toolkit and Guidance for Preventing and Managing Land and Natural Resources Conflict

The management of natural resources is one of the most critical challenges facing developing countries today. The exploitation of non-renewable natural resources, including oil, gas, minerals and timber has often been cited as a key factor in triggering, escalating or sustaining violent conflicts around the globe. Furthermore, increasingly the pressure on and competition for diminishing renewable resources, such as land, water and fisheries - a trend exacerbated by degradation, population growth and climate change - is driving new conflicts and obstructing the peaceful resolution of existing ones. There is increasing recognition that the challenges facing effective NRM are heightened by the complex interplay between natural resources on the one hand, and economic, political, cultural and social dynamics on the other.

In recognition of these concerns, the EU partnered with the UN Interagency Framework for Preventive Action (Framework Team)<sup>1</sup> in late 2008. The outcome of this partnership is an innovative project, entitled 'Toolkit and Guidance for Preventing and Managing Land and Natural Resources Conflict' – financed by the Peace-building Partnership component of the EU's Instrument for Stability under the auspices and coordination of the Framework Team and the EU Service for Foreign Policy Instruments (FPI).

<sup>&</sup>lt;sup>1</sup> The UN Interagency Framework Team for Preventive Action is an internal UN support system that provides tools and methodologies to assists UN Resident Coordinators (RCs) and UN Country Teams (UNCTs) to engage with national partners to strengthen their capacities to mediate and manage potential conflict. For more information, please see: the flyer entitled, 'The United Nations Interagency Framework Team for Preventive Action'.

The objective of the partnership is to build the capacity of the UN, the EU and their in-country counterparts to prevent, manage and resolve conflicts related to natural resources. This aim is grounded in an understanding that natural resources can underpin development, stability and livelihoods; natural resources that are mismanaged, however, can also contribute to negative outcomes such as poor growth, corruption, erosion of state authority and destructive conflict. The partnership therefore seeks to foster good practices of NRM, including:

- Reconciling interests of extractive industries, local authorities and local communities through systematic dialogue and participation of all actors in land and NRM.
- Preventing forced displacement, tensions and violent conflict around land and natural resources through improved capacities for: conflict resolution; security of land tenure; local development; benefit-sharing; transparency and harmonization; and, alignment of national policies with international standards.
- Assuring that the population benefits from and has access to natural resources.

The first outcomes of this project are: an **inventory** of existing tools and capacity within the UN system and a set of **four Guidance Notes** on addressing NRM and conflict prevention, accompanying training material and an on-line, interactive training module. The subject matter of the Guidance Notes cover: (i) land and conflict, (ii) extractive industries and conflict, (iii) renewable resources and conflict, (iv) strengthening capacities conflict-sensitive natural resource management.

Based on the Guidance Notes, the second outcome of the project is to deliver a series of trainings and workshops modules for UN and EU country staff, as well as local partners, to enhance the knowledge and skills needed to understand, anticipate, prevent, and mitigate potential conflicts over land and natural resources. Participants will acquire the skills to formulate and operationalize preventive measures in relation to NRM and conflict.

In countries where special NRM and conflict challenges are identified, the project will aim to provide focused technical assistance for the development of conflict prevention strategies. This could include the deployment of staff and other experts to assist the UN Country Team (UNCT), and the Resident Coordinator (RC) or Peace and Development Advisor, in analyzing options and designing programmes. Where needed, dedicated follow-up measures will also be undertaken on an inter-agency basis, in partnership with the EU.

#### Why focus on natural resources?

Natural resource conflicts are increasingly a source of international concern. Demographic changes are placing increasing, sometimes unsustainable, demands on land, water, fisheries and other natural resources. Environmental degradation, exacerbated by climate change, furthermore, is intensifying competition for increasingly scarce resources. Separately or in combination with political, economic and social factors, depletion of renewable resources can destabilize livelihoods, negatively affect ecosystems and undermine peace and development. In countries most dependant on natural resources for the livelihoods of their people, the challenges associated with access to scarce resources are causing some groups to migrate in search of more reliable access to essential resources, and others to come into conflict - or, as is often the case, a mixture of both migration and conflict.

High-value natural resources such as oil, minerals and gas create different challenges for developing countries, fragile states and emerging economies, but often with similar repercussions. Conflict can result from the extraction of such resources when stakeholders are inadequately involved in decision-making processes associated with developments, or when they suffer from inequitable distribution of associated costs and benefits. Revenues from the extractive industries create additional problems as they often concentrate wealth and power in the hands of the few, thereby exacerbating inequality, poverty and levels of corruption. Moreover, this

'easy' revenue protects governments from being responsive to the electorate, as other forms of tax collection become less necessary, weakening state-society relations. If grievances go unaddressed and governance of natural resources are not made more accountable, conflict may erupt into violence, especially when such grievances intersect with conflicts over other natural resources, or with social, political or economic forms of marginalisation.

Governments in developing countries, fragile states and emerging economies, are under increasing pressure to sustainably manage natural resources and resolve conflicts around their ownership, management, allocation and control. And, as demands for natural resources increase as a result of the rapid economic growth and population growth, so will competition for ever scarcer resources, placing enormous stress on the environment with diverse repercussions on society. The challenge of tackling natural resource-induced conflicts may well come to define global peace and security in the 21st century.

The 2009 United Nations Environment Programme (UNEP) report entitled From Conflict to Peacebuilding: The Role of Natural Resources and the Environment, underscores very clearly the need to prevent, manage and resolve natural resource. This report synthesizes over a decade of academic research and draws on the UN's own experiences working in disaster, conflict and post-conflict settings. Four findings stand out that illustrate the urgency of developing UN and EU capacity in this area:

- Over the past sixty years, 40% of civil wars can be associated with natural resources; since 1990 there have been at least eighteen violent conflicts fuelled by the exploitation of natural resources.
- Natural resources and other environmental factors are linked to violent conflict in a variety of ways that are often obscured by more visible drivers such as ethnic tensions. Specifically, competition to control or gain access to natural resources can contribute to the outbreak of violent conflict. Natural resources can be exploited by rebel groups to fund war. During

- conflict, individuals and groups may be able to exploit natural resources in ways that create an incentive for them to obstruct or undermine efforts to build peace.
- The environment suffers tremendous harm during violent conflict: resources may be targeted for destruction or damaged by bombs and other ordinance; war may displace populations into fragile environments where the struggle to survive degrades the resource base; and, the institutions designed to manage the environment may be disrupted or shut down during a war.
- In rebuilding war-torn societies, the
  environment and natural resources play a
  wide range of crucial roles—from supporting
  economic recovery, to the creation of
  livelihoods and the resettlement of displaced
  populations, to providing opportunities for
  dialogue, cooperation, confidence-building, and
  government reform.

The UNEP report is just one of many sources increasingly emphasizing the urgency of developing capacity to prevent, manage and resolve conflicts related to natural resources. The UN Secretary General's report on 'Peacebuilding in the Aftermath of Conflict', for example, also specifically identified NRM as a country-specific priority, and called for more UN and civilian capacity to be developed and deployed to help address management and policy needs. Similar calls were made in UN Secretary General's report on climate change and its possible security implications as well as in the Global Witness report entitled 'Lessons UN Learned: How the UN and Member States Must do More to end Resource-Fuelled Conflict.'

Strengthening capacity in government and civil society institutions is central to implementing the policy suggestions found in the above reports and related policy documents. In conflict-affected states, state and civic institutions have often been weakened, politicized, and de-legitimized by violence, and may not play a constructive role in the resolution of disputes. This weakness cannot go unaddressed by development professionals.

Capacity-building for conflict-sensitive NRM, both within the state and civil society, is critical to the success of conflict prevention, recovery, and peacebuilding endeavors.

#### **Natural resources and conflict**

Natural resource conflicts arise when parties disagree about the management, distribution and protection of natural resources and related ecosystems. These conflicts can escalate into destructive relations and ultimately violence when the parties are unable or unwilling to engage in a constructive process of dialogue and conflict resolution. Societies lacking the institutional arrangements that facilitate constructive conflict resolution can be drawn into intractable cycles of conflict and violence, particularly where political systems are fragile, and in situations where divisions between opposing parties are extreme.

Conflict is not in itself a negative phenomenon. Indeed, an important point of departure is the recognition that conflict is common to all societies, and that non-violent conflict can be an essential component of social change and development and is a necessary component of human interaction. Non-violent resolution of conflict is possible when individuals and groups have trust in their governing structures, society and institutions to manage incompatible interests.

Conflict becomes problematic when societal mechanisms and institutions for managing and resolving conflict break down, giving way to violence. Societies with weak institutions, fragile political

systems and divisive social relations can be drawn into cycles of conflict and violence. Given this distinction, conflict resolution literature tends to distinguish between 'constructive' conflict - which is essential for healthy relationships, social change and innovation – and 'destructive' conflict which tends to create negative impacts on the social fabric of a society, and can even lead to violence. Preventing conflict from spiraling negatively towards destructive conflict, and ensuring the peaceful resolution of disputes, therefore, is a core interest of the international community.

Environmental factors are rarely, if ever, the sole cause of violent conflict. However, the exploitation of natural resources and related environmental stresses can be implicated in all phases of the conflict cycle, from contributing to the outbreak, perpetuating the violence, to undermining prospects for peace. Natural resources are most likely to multiply the risk of destructive conflict when natural resource related grievances are aligned with other ethnic, political, economic or social cleavages or power imbalances.

While there are many issues that can cause conflict between groups, the role of natural resources in triggering, escalating or sustaining violent conflict is the focus of this series of Guidance Notes. They provide practical guidance on the role that the UN and EU can play in terms of early warning and assessment, structural conflict prevention and transformation (long-term measures) and direct conflict prevention (short-term measures). They are meant to provide a combination of strategic advice and operational guidance, as well as unite the existing tools and guidance under a single framework.

#### INVENTORY

The 'EU-UN Partnership:Toolkit and Guidance for Preventing and Managing Land and Natural Resources Conflict—A Capacity Inventory'<sup>2</sup>, presents the findings of a comprehensive investigation of the available capacities in this field within the UN system. "Capacity" is defined as:

information, including monitoring, analysis, research and information exchange; strategy formulation, such as policy guidance, training, and, operational support; implementation, i.e. field-level initiatives; and, learning.

<sup>&</sup>lt;sup>2</sup> Tanzler, Dennis and Altenberg, Joran, 'EU-UN Partnership: Strengthening Capacities for the Consensual and Sustainable Management of Land and Natural Resources – A Capacity Inventory', Adelphi Research Berlin, 2010.

In Part 1, the inventory lists summaries and links that relate to: conflict-specific capacity; general capacity with conflict components; and, general capacity for each of the major areas of interest, including land, wealth, scarcity and capacity building. In Part 2, the inventory provides a succinct assessment of existing capacity and highlights some key gaps, including: the difficult-to-access nature of many of the resources, especially for practitioners working at the country level; the broad

nature of much of the available information and lack of conflict-specific capacities related to natural resources (with notable exceptions, including the extensive work undertaken by UNEP); lack of implementation capacity; and, the absence of a commonly accepted platform for learning and exchange of information within the UN system. The Guidance Note Series seeks to respond in part to these important findings.

#### **GUIDANCE NOTES FOR PRACTITIONERS**

The four Guidance Notes on preventing and managing land and natural resources conflict seek to emphasize two contexts: (1) how to analyse, develop responses, and address currently in-conflict or post-conflicts situations and (2) a proactive, preventive approach to a variety of other situations characterized by different forms of destructive conflict at the local, regional or national level, but which are not currently or openly violent.

The Guidance Notes have been developed for the following target audiences:

- Senior officials of the European Union and United Nations, whether based in country offices, regional or headquarter posts. The Guidance Note series aim to facilitate early, systematic and sustained support to address current or potential natural resource-related conflicts and facilitate capability-building endeayours.
- National and local governments confronted by potential, on-going or post-conflict environments in which land issues must be addressed. The Guidance Note series intends to provide a broad framework for action and specific guidance for addressing common natural resource-related challenges and capacity building approaches based on international experience.
- Staff from non-governmental organisations (NGOs), civil society organisations, professional disciplines and others interested in the

relationship between natural resources and conflict, and natural resources, capacity building and conflict.

The Guidance Note Series takes an inter-disciplinary approach to natural resources and conflict. It connects two professional disciplines that have a limited history of working together: natural resource (i.e. land, water, extractives, ecosystem) professionals and conflict resolution experts. By looking at natural resource-related conflict issues from various perspectives and disciplines, the Guidance Note series aims to provide a more holistic, multi-disciplinary introduction to the range of natural resource issues that may arise in conflict contexts. The complicated nature of natural resource issues has generated a tremendous amount of global experience in relatively 'stable' development contexts. This experience must be brought to bear in the design and implementation of land and resourcerelated interventions in fragile, conflict and postconflict contexts.

#### Land and conflict

The Guidance Note entitled 'Land and Conflict' draws particular attention to the multifaceted nature of land; it is at once an economic asset, a source of livelihood, but also a resource imbued with historical, cultural and communal significance. Given these multiple power dynamics intersecting around land, it is often a central object of conflict around which communities mobilize easily. In

many developing countries, fragile states and emerging economies, statutory land tenure, may be complimented in different ways by customary land tenure mechanisms, which may co-exist with other type of land rights, leading to a form of "legal pluralism" around land issues, which can prove useful or may prove to be a source of conflict.

The Guidance Note outlines the ways in which conflict can emerge during different phases of the conflict 'cycle'. During periods of relative stability, for example, insecurity of tenure can be a source of latent grievance. During periods of insecurity, especially when land grievances are linked to broader conflict drivers, lack of land security may provoke violence and can lead to population displacement. During open conflict, large-scale population displacement may also lead to abandoned land being occupied either out of necessity or as part of an orchestrated plan to change the ethnic composition of the territory; during this period, state and customary institutions will be weakened or may even collapse. During peace processes, there is a tendency for negotiators to focus on elections and constitutions to the detriment of land issues, which can prove to be challenging in the long run. Lastly, in the post-conflict phase, conflicts over land tend to increase rather than decrease, as land allocations often proceed haphazardly in the insecure post-conflict environment.

Conflicts over land are inherently dynamic, and multiple factors may alter the extent or nature of the conflict. Interventions must therefore also be flexible and part of a systematic approach which includes: (i) understanding and addressing both immediate land-related conflicts as well as underlying grievances; (ii) developing and implementing a comprehensive institution- and capacity-building strategy; (iii) monitoring, evaluating and learning from system results. At the core of the systematic approach is the need for a clear understanding of how multiple rights operate in any given situation, how interventions may impact upon those rights, how land restitution can be undertaken in a conflict-sensitive manner and, lastly, the way in which land reform may be essential to address underlying causes of conflict.

#### **Extractive industries and conflict**

The Guidance Note entitled 'Extractive Industries and Conflict' draws attention to the broad context in which large-scale development projects, if mismanaged, can create conflict and undermine sustainable development. Large revenues from such projects too often fall into the hands of small and powerful elites in government, while local communities where such projects are based suffer from the impacts without seeing any benefits. As such, state-society relations can become weakened and polarized, often resulting in conflicts both at the community level and between communities and the state. Grievances over extractives can quickly escalate into violent conflict due to the symbolic nature of land and ecosystems around development operations, which often suffer significant degradation during the process.

Conflict as a result of large-scale operations can occur at all stages of the development cycle, including: exploration and discovery; definition and allocation of tenures or concessions; construction of access and operational infrastructure; operations and decommissioning; revenue collection, management and allocation; and, revenue investment into development programmes and projects. Conflicts at every stage can quickly become highly complex due to the multiplicity of actors involved, including: local communities, national governments, private sector companies, private and national security forces, civil society organizations, and, in some cases, political independence movements, warlords and rebel armies. The nature of and relationships between such actors need to be considered at each stage of the development cycle.

The Guidance Note outlines key components of an intervention framework, centred on addressing the immediate and underlying causes of conflict. Often this requires a concerted and multifaceted approach that encompasses governance, macro- and micro-economic stability, capacity enhancement, and creative approaches that increase opportunities for dialogue which all contribute to the peaceful resolution of conflict. Interventions should focus on: effective engagement of communities and

stakeholders; equitable benefit-sharing; mitigating the negative economic, social, environmental and gender impacts of operations; the transparent and effective management of revenues; strengthening the institutional and legal framework; and, ensuring that high-value natural resources are incorporate into peace processes.

## Renewable Resources and Conflict

The Guidance Note entitled 'Renewable Resources and Conflict' focuses on the prevention, management and resolution of resources such as freshwater, cropland, rangeland, forests, fisheries and other wildlife. Conflicts over such resources tend to arise when parties disagree about the management, ownership, allocation, use and protection of natural resources and related ecosystems. Grievances over renewable natural resources are most likely to escalate or erupt into conflict when linked to ethnic, national and other divisions or social inequality. Most notably, grievances - and potential conflicts - over renewable natural resources are likely to increase in light of demographic changes, increasing rates of consumption, combined with the effects of climate change, of all of which are placing further demands on the supply of renewable resources.

There are three main drivers of conflicts over renewable natural resources. The first conflict driver relates to increasing scarcity of resources, which is a result of elevated demand – due to the population growth and global changes; impaired supply - as a result of environmental degradation and pollution, for example; and, "structural scarcity", which refers to the way in which different groups may have different access to certain resources as a result of governance factors. The second driver of conflict is poor governance of renewable natural resources. Poor governance may arise as a result of: unclear, overlapping or poor enforcement of resource rights; discriminatory policies that marginalize specific groups; unequal distribution of benefits and burdens from development projects; and, lack of public participation and transparency in

decision-making. The third conflict driver relates to the transboundary dynamics and pressures. Transboundary conflict may arise as a result of: unequal allocation or consumption; impacts on renewable resources due to development projects; the migration of practices or wildlife populations; and, activities involving illegal exploitation, consumption and trade across borders.

The Guidance Note outlines strategies for transforming conflicts over natural resources into mutually beneficial outcomes that deepen trust and inter-dependence between parties; it highlights the ways in which shared natural resources or common environmental threats can be used as a platform for strengthening relationships and trust between multiple administrative levels and stakeholders. The overarching aim of conflict prevention, management and resolution strategies as it relates to renewable resources is three-fold, focused on: reducing competition over scarce resources between livelihood groups; improving resource governance, accountability and implementation capacity; and improving transboundary information, management, institutions and process. These strategies can be complimented by crosscutting measures that ensure conflict-sensitivity and early warning capabilities.

# Strengthening Capacities for Conflict-Sensitive Natural Resource Management

The Guidance Note entitled 'Strengthening Capacities for Conflict-Sensitive Natural Resource Management' underscores the necessity of supporting governments and civil society actors to manage natural resources in an accountable, transparent, equitable and non-violent manner. This requires building capacity not only to fulfil scientific or technical roles, but also develop to peacebuilding capacities. These capacities include: the "soft skills" of negotiation, mediation, and dialogue; the ability to communicate effectively; a culture of accountability, inclusivity, and responsiveness to the public; and, a willingness to share power with

other stakeholders. A natural resource management system that is conflict-sensitive, furthermore, is able to withstand the stakeholder contestation of decisions around vital resources constructively, without the risk that grievances turn into destructive conflict and violence.

Natural resources are valuable livelihood assets imbued with deep cultural, religious, and social meaning. For these reasons, they are also recurrent sites for contestations of power. Technical institutions and practices cannot be imposed by force or unilateral decision; they must be negotiated into existence with the support of many stakeholders. This is particularly true where capacity to manage natural resources starts from an extremely weak base. The risk of violence is reduced if powerful stakeholders, for whom violence is an available option, view it as in their interests to take a non-violent approach; they need

to be empowered to identify existing and potential conflicts between themselves and participate meaningfully in a governance system that provides peaceful remedies.

National actors must take the lead in conflict-sensitive natural resource management if it is to be successful, and sustainable. External actors, however, can help national actors to develop the knowledge, institutions, leadership, and accountability necessary to address conflicts over natural resources – including land, Extractive Industries and renewable resources - peacefully in four distinct ways. First, by enhancing understanding of the natural resource conflict nexus; second, by assisting in the design of natural resource policies and projects; third, by supporting the development of inclusive, transparent and accountable NRM systems; and, fourth, by monitoring environmental trends and results.

#### TRAINING MODULES AND ON-LINE TRAINING PROGRAMME

The Guidance Notes were used to produce three training manuals on the Extractive Industries and Conflict, Scarcity and Conflict, and Land, Property and Conflict. The training modules will be delivered to UN, EU country teams and local partners to address knowledge and skill needs to equip them to understand, anticipate, and mitigate the potential conflict impact of natural resources and to enable them to formulate and implement operational activities to address land and natural resource related conflict within a development framework. The training modules are supplemented by a 'Trainers Guide' which contains detailed programmes, key questions to be addressed, as well

as useful case studies and exercises which can be used to reach key learning objectives.

Using the four Guidance Notes, on-line interactive modules have been developed, targeting the field staff of both the UN and EU, as well as HQ personnel. The on-line training programme begins with a global overview to enhance understanding of the link between natural resources and conflict. The second module focuses specifically on land and conflict, while the third and the fourth relates to extractives and conflict, and renewable resources and conflict respectively. Each module is validated with a certificate through an examination process upon completion.

## CONFLICT PREVENTION IN RESOURCE-DEPENDENT ECONOMIES

The paper entitled 'Conflict Prevention in Resource-Dependent Economies' delves into key questions concerning the ways in which natural resource dependency impede economic and social

progress, and the dynamics that see that lack of progress translated into violence. Drawing upon an extensive selection of case studies, the paper aims to outline the economic policies that can lessen the risk of conflict, while also looking into the programmatic implications of these findings for UNDP. At the heart of resource-based conflict are high levels of unemployment, inequalities and inadequate provision of social services; aggravated economic and social conditions, furthermore, have a tendency to put pressure on state-society relations, which can in turn fuel conflict. This can lead to a vicious cycle, as formal economies find it difficult to flourish in situations of conflict, leading to a decline of economic growth.

Resource-dependent countries that have avoided violent conflicts have based policies on a conflict-sensitive approach: i) macroeconomic policies that

promote public investments using fiscal measures; that generate employment by stimulating the private sector through monetary policies; and that make non-resource exports competitive through exchange rate management; ii) promoting economic diversification; and iii) revenue allocation that ensure progressive distribution of wealth to address vertical and horizontal inequalities.

The report will also be translated into a training module that can be delivered to UN, EU country teams and local partners to address economic policies in conflict-affected and fragile states with a conflict-sensitive lens.

#### **NEXT STEPS**

In recognition of the vital role played by a wide range of actors involved in peacebuilding endeavors, the Framework Team intends to expand its efforts by working more closely with civil society and private sector actors to encourage more equitable and sustainable development. This will include: building the capacities of NGOs and community-based organizations to understand natural resource issues and negotiate and advocate on behalf of local communities; encouraging public-private partnerships in collaborative natural resources management; and, working with national actors to improve their capacities for better policy and practice in mitigating and preventing destructive conflicts over resources.

The tools and guidance developed as part of the innovative EU-UN partnership mark a common understanding between development, civil

society and private sector actors that sustainable NRM is a realizable, essential goal for national reconciliation, better development, economic growth and peacebuilding. At the core of these unique endeavours is a commitment to providing useful and practical guidance that can be actively implemented by all actors working in fragile and conflict-affected states around the world. It is hoped that these guidance notes, training modules and reports will make a significant and long-lasting impact on the way conflicts over natural resources are understood, prevented, managed and resolved - so that natural resources are governed in an equitable and sustainable manner. The lives and livelihoods of current and future generations are dependent on our ability to proactively confront the challenges facing our society, so that rather than a lasting legacy of conflict, natural resources embody a legacy of sustainable cooperation.





United Nations Department of Economic and Social Affairs (UNDESA)



United Nations Department of Political Affairs (DPA)



United Nations Development Programme (UNDP)



United Nations Environment Programme (UNEP)



United Nations Human Settlements Programme (UNHABITAT)



United Nations Peacebuilding Support Office (PBSO)





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