

Peacebuilding Commission Working Group on Lessons Learned

The Role of the PBC in Marshalling Resources for Countries on its Agenda

Chair's Summary

Introduction

1. On 26 May 2010, the Peacebuilding Commission's Working Group on Lessons Learned (WGLL) convened a panel discussion on "*The Role of the PBC in Marshalling Resources for Countries on its Agenda*". The meeting was designed to draw on relevant lessons and experiences in three specific areas for peacebuilding funding, namely: (1) Official Development Assistance (ODA), (2) the Role of the Private Sector, and (3) South-South cooperation and non-traditional donors.
2. At the outset, H.E. Mr. Gyan Chandra Acharya, Permanent Representative of Nepal to the United Nation and Chair of the WGLL, underlined that the work of the PBC to date has highlighted the importance *and the need* of coordinated international support to resource mobilization in the countries on its agenda. He noted that adequate financial support is, in many important respects, the glue that holds together various strands of post-conflict peacebuilding efforts and forms a strong foundation for sustainable peace through speedy recovery efforts.
3. The WGLL invited the following experts to share lessons and perspectives in the aforementioned areas:
 - a) **Mr. John Sande Kanyarubona**, Chief Infrastructure Policy Specialist, Operational Resources and Policies Department in the African Development Bank (AfDB). He focused his presentation on lessons learned from the AfDB's evolving approach to supporting post-conflict states through new mechanisms for external assistance (Fragile State Facility);
 - b) **Ambassador Manjeev Singh Puri**, Deputy Permanent Representative of India to the United Nations, who spoke on behalf of the IBSA countries India – Brazil - South Africa. He shared perspectives on South-South cooperation, *as an emerging area for cooperation and technical assistance for peacebuilding as complimentary to the North South cooperation*; and
 - c) **Mr. Matthias Stiefel**, CEO of PeaceFunds and Founder of Interpeace, who focused on the various forms, opportunities and limitations for direct and indirect private sector engagement in countries emerging from conflict.

Lessons concluded from presentations and discussions

- **Financing for peacebuilding is an investment in sustainable peace.** Therefore, there is a need for carefully tailored and country-specific comprehensive financial

assistance which reinforces the security-related activities including that of peacekeeping with immediate peace dividends, while retaining a longer-term development focus. This will ensure public confidence as well as the ownership of the peace process by the people.

- **There is a need for synergetic efforts by all the partners** working in such countries so that the immediate needs and expectations of the people are successively managed with financial support and cooperation. Similarly coherence and coordination of all stakeholders will be crucial to enhance the impact of resources on the ground.
- **The quality, capacity, political will and commitment of the country's leadership** are crucial for the channelling of resources to appropriate national peacebuilding priorities. There is no substitute for national ownership which should be promoted with targeted assistance for institutional capacity-building of the government.
- **Partnership between the UN, International and Regional Financial Institutions, partner countries** as well as certain **NGOs** at the country-level should draw on the experiences and comparative advantages of the respective actors. Given the diverse nature of funding challenges, there is a need for multiple funding instruments at the country-level.
- **The quantity and quality of resources are equally important.** The peacebuilding activities require large investments by bilateral and multilateral donors in reconstruction of infrastructure and institution-building. Predictable and enhanced level of resources will go a long way towards initiating and consolidating many stabilising and quick delivery programs in these countries. A catalytic and people-centred approach (e.g. in training and transferring technical know-how) with income generating activities and skill development programmes will have a major impact in the creation of **sustainable employment**.
- **A conflict-sensitive approach to resource mobilization and channelling is a key characteristic for financing peacebuilding.** There is a need for addressing “socio-economic conflict drivers” by; conducting adequate conflict analysis and mapping of key actors; channelling resources to addressing socio-economic inequalities and provide impetus to economic growth; and creating common economic assets among the parties to the conflict through joint initiatives aimed at increasing the costs of returning to conflict.
- **Debt relief** is a potential tool for unlocking domestic resource mobilization and for enabling concessional borrowing for budgetary support and infrastructure rehabilitation.
- Assistance and support to post-conflict countries should target **the establishment of enabling conditions (security and regulatory frameworks) for private**

sector development. In this regard, particular emphasis must be placed on encouraging and facilitating domestic resource mobilization through tax and customs reform, anti-corruption measures and investment codes; promoting specific investment tools targeted at reducing the socio-economic and political risks; setting-up facilities for investment guarantees and risk insurance; developing mid-size financial institutions to encourage small and medium enterprise development; addressing vulnerable economic sectors; setting standards for private sector business operators to exercise adequate "social responsibility"; and promoting regional economic integration and customs unions in order to expand access to markets.

Conclusion

The meeting was designed as preparation for a subsequent policy discussion by the Organizational Committee (OC) with a view to further improve the PBC's role in marshalling resources for countries on its agenda. Members expressed appreciation for the quality of the presentations and affirmed the need to follow-up the discussions with concrete and practical steps for the countries on the agenda of the PBC. Panelists expressed readiness to further engage with the Commission as and when needed.

*Prepared by PBSO
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