



Conflict, Fragility and Development

- 1. Aid and development cooperation*
- 2. Fragile and conflict affected states*
- 3. Engagement in fragile states: a new paradigm*
- 4. The « New Deal »*

Aid and development cooperation

- *EU collective official development assistance spending in 2011: 53,1 billion EUR (more than half of total ODA)*
- *Other types of resources contributing to development:*
 - **Remittances; FDI; Trade; Domestic Revenues**
 - **"Policy Coherence for Development"**

Aid and Development Cooperation

- Principles for aid effectiveness (Rome 2003, Paris 2005, Accra 2008)

Aid: not only a matter of rough figures – but also:

- statistics and aid flows*
- strengthening aid delivery*
- developing sound policies (e.g. aid for trade, gender, tax and development)*
- building partnerships*

Fragile and conflict affected states

Definition

“A fragile region or state has weak capacity to carry out basic governance functions, and lacks the ability to develop mutually constructive relations with society.

Fragile states are also more vulnerable to internal or external shocks such as economic crises or natural disasters.

More resilient states exhibit the capacity and legitimacy of governing a population and its territory. They can manage and adapt to changing social needs and expectations, shifts in elite and other political agreements, and growing institutional complexity.

Fragility and resilience should be seen as shifting points along a spectrum”

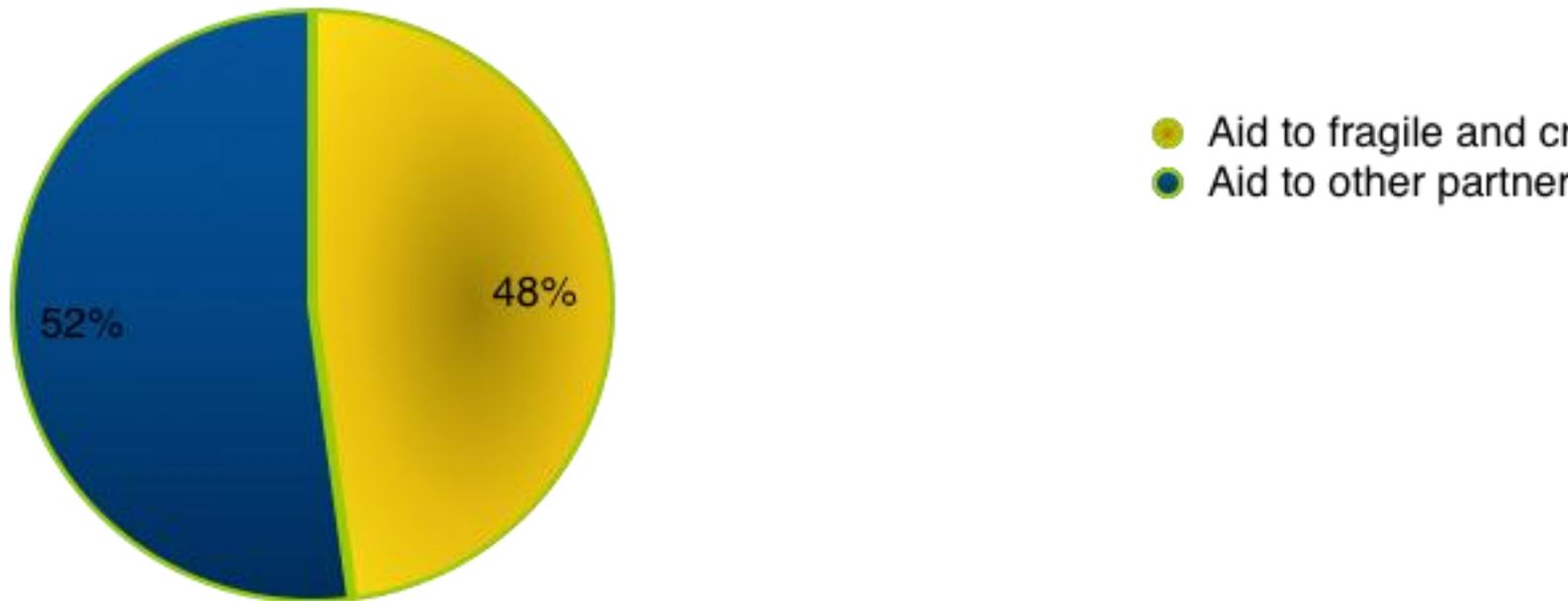
Which States are Fragile?

- *An OECD list*
- *A World Bank/ADB list*
- *The Commission Crisis Declaration list*

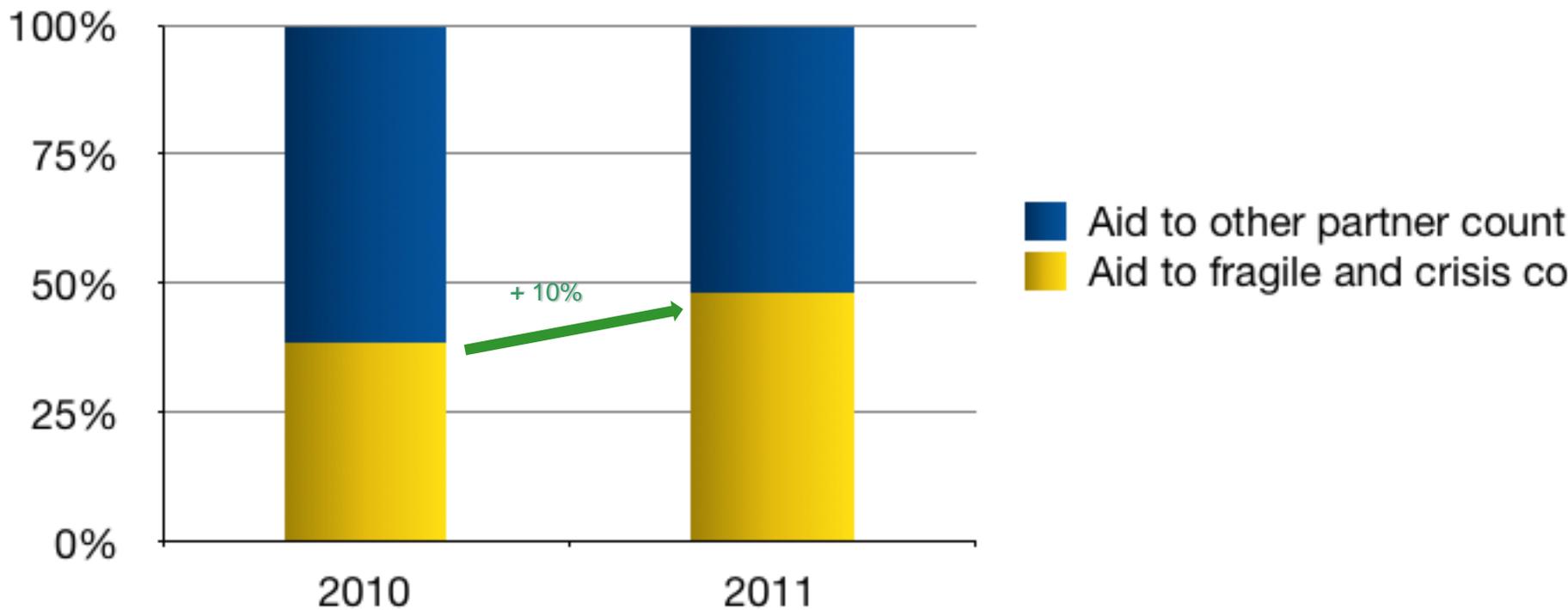
Criteria for inclusion on the "lists" take into account several policy and governance criteria

EU development aid to fragile and crisis countries

Disbursements to fragile and crisis countries vs other partner countries (2011, in billions €)



Disbursements to fragile and crisis countries vs other partner countries (2010-11)

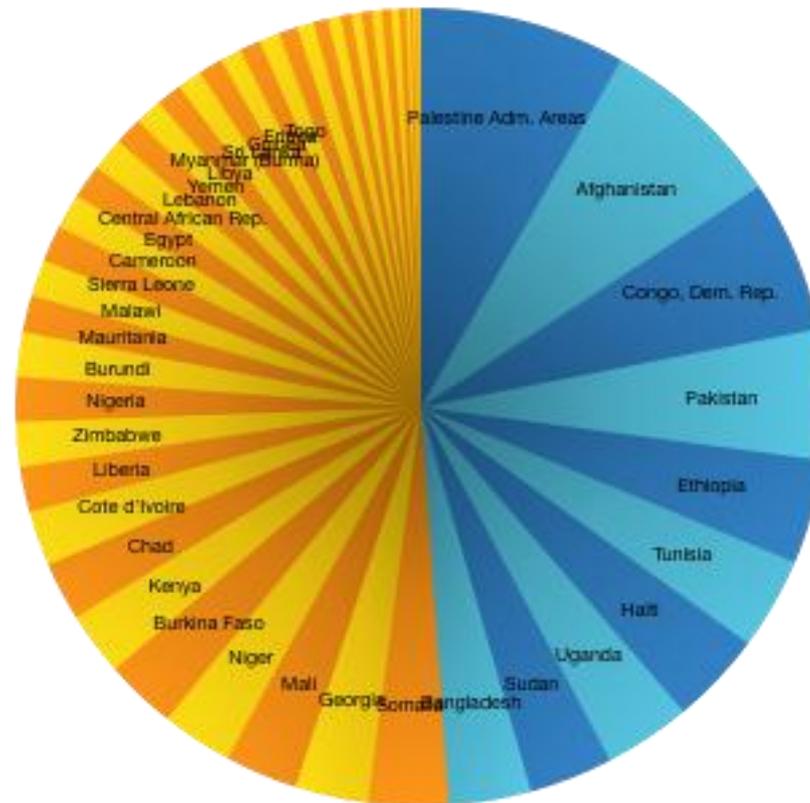




European
Commission

EU development aid to fragile and crisis countries

Half of aid to fragile and crisis states goes to only ten countries (2011)



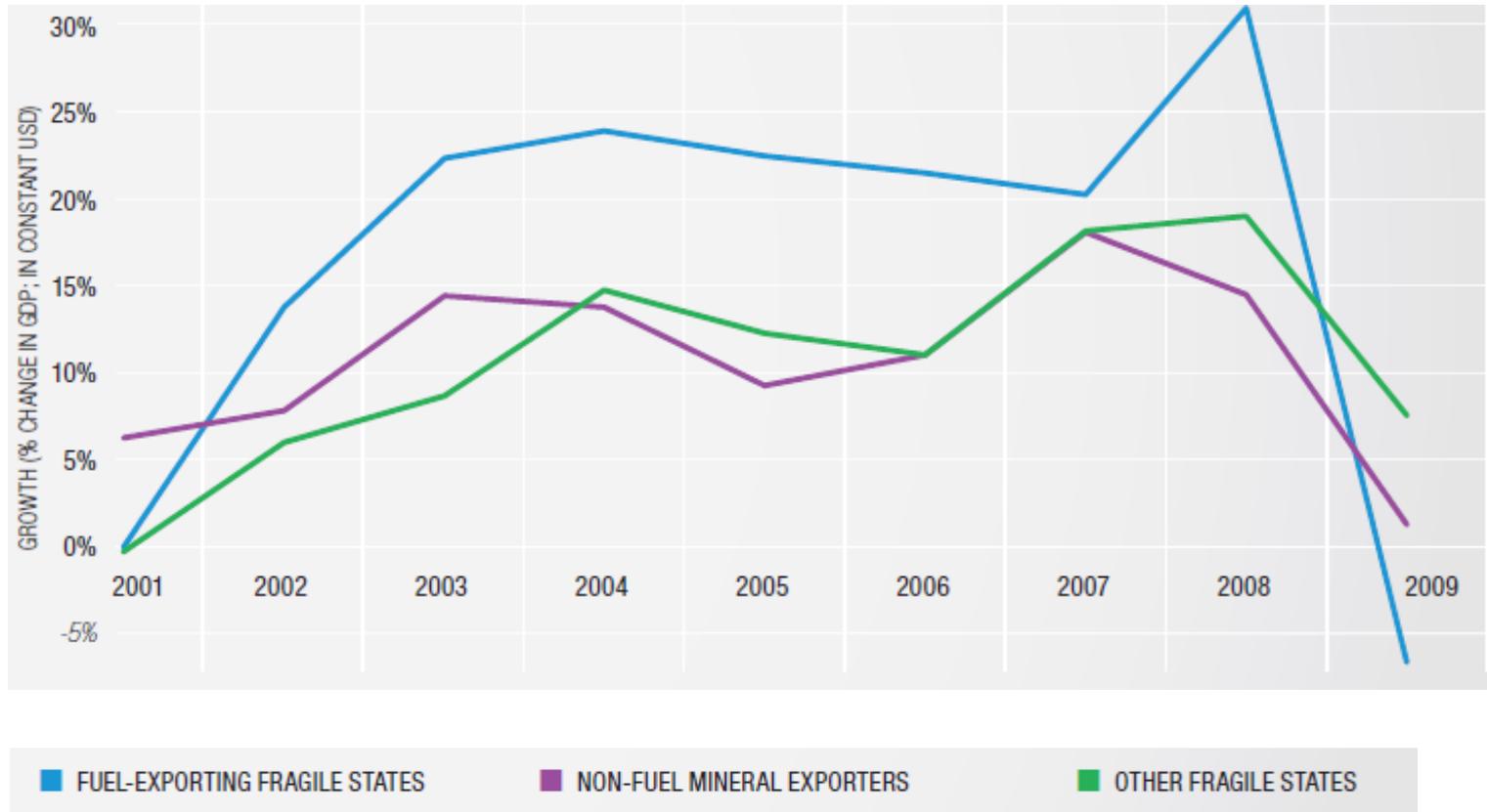
Features of fragile/conflict affected states

- Lack of government capacity / legitimacy
- Multiple priorities
- Few implementing partners – or sometimes too many, unable/unwilling to coordinate;
- Ongoing cycle of violence/instability
- Natural resource 'curse'
- Particularly vulnerable to internal and external shocks
- Breakdown of social contract (e.g. social exclusion of specific groups)
- Not necessarily poor or very poor – also middle income

The Fragile States Principles

1. *Context is the starting point*
2. ***Do no harm***
3. *Statebuilding is the central objective*
4. *Prioritise prevention*
5. *Political, security and development objectives are linked*
6. ***Promote non-discrimination as a basis for inclusive and stable societies***
7. *Align with local priorities in different ways and in different contexts*
8. ***Agree on practical co-ordination mechanisms between international actors***
9. ***Act fast... but stay engaged long enough to give success a chance***
10. ***Avoid pockets of exclusion ("aid orphans")***

Growth in Fragile States (OECD, 2012)



A new paradigm

- *Marshall Plan's background – 4 points;*
- *Today's "3D" approach*
- *Links between security and development*
- *Statebuilding dilemma - "Good governance" vs "democratic governance"; at the core of interventions*
 - - *Peacebuilding – a "non-linear" process*

The New Deal

- *Fragile states, grouped in the g7+ and Donor community - set an International Dialogue on Peacebuilding and Statebuilding*
- *4th High Level Forum on Aid Effectiveness launched the New Deal - a new way of engaging in fragile states, with the statebuilding and peacebuilding at the core*

3.The New Deal (**B**usan)

<p>PSGs</p> <p><i>Peacebuilding and Statebuilding Goals</i></p>	<p>FOCUS</p> <p><i>terms of engagement</i></p>	<p>TRUST</p> <p><i>commitments for results</i></p>
<p>Legitimate politics Foster inclusive settlements and conflict resolution</p> <p>Security Establish and strengthen people's security</p> <p>Justice Address injustices and increase people's access to justice</p> <p>Economic foundations Generate employment and improve livelihoods</p> <p>Revenues and services Manage revenues and build capacity for accountable and fair service delivery</p>	<p>Fragility assessment</p> <p>One vision, one plan</p> <p>Country compact</p> <p>Use the PSGs to monitor</p> <p>Support political Dialogue</p>	<p>Transparency</p> <p>Risk sharing & risk management</p> <p>Use & strengthen country systems</p> <p>Strengthen capacities</p> <p>Timely and predictable aid</p>

Peacebuilding and Statebuilding Goals

Legitimate politics

Foster inclusive settlements and conflict resolution

Security

Establish and strengthen people's security

Justice

Address injustices and increase people's access to justice

Economic foundations *Generate employment and improve livelihoods*

Revenues and services *Manage revenues and build capacity for accountable and fair service delivery*

Who has signed up?

Afghanistan
Australia
Austria
Belgium
Burundi
Canada
Central African Republic
Chad
Democratic Republic of Congo
Denmark
France
Germany
Guinea Bissau
Haiti
Ireland
Japan
Liberia
Netherlands
Norway
Portugal
Sierra Leone
Solomon Islands
Somalia
South Sudan
Spain*
Sweden
Switzerland
Timor-Leste
Togo
United Kingdom
United States

African Development Bank
Asian Development Bank
European Commission
Organisation for Economic
Co-operation and Development
United Nations Development Group
World Bank

**Pending official confirmation*

Pilot countries of New Deal

1. *Afghanistan*
 2. *Central African Republic*
 3. *DRC*
 4. *Timor Leste*
 5. *South Sudan*
 6. *Liberia*
 7. *Sierra Leone*
- Haiti*
- Somalia*
- Chad*

The future of the "fragility" agenda

- *Show tangible results by 2015*
- *Build relationships and engagement with non-traditional donors*
- *Roll over existing work into the post-2015 development framework*
- *More steadfast move from policy to practice, while documenting the progress and drawing the lessons for monitoring progress*

Challenges

- *A New Deal for the New Deal*
- *Evolving role of aid – from "input" to "catalyst"*
- *Right balance in responding the statebuilding dilemma*
- *Security-sensitive development and development-sensitive security interventions, building across the PSGs*
- *Build flexibility in the interventions*
- *Bring closer policy – planning - management and financing*