



# **Financing for Peacebuilding:**

## Advancing Opportunities for Local Civil Society

## Challenges Experienced By Local Peacebuilders WhileAccessing Funding From Multi-Stakeholder Funds

The current set of issues draws from existing research and the experiences of local peacebuilders and members of the Global Partnership for the Prevention of Armed Conflicts (GPPAC).

- Funding for peacebuilding and conflict prevention is limited. The share of ODA committed to peacebuilding in countries and territories eligible for such funding declined to 11.4 per cent in 2018. The proportion of ODA going to gender equality programmes is stagnating below 5 per cent. [1]
- Peacebuilding funding is rarely accessible to local peacebuilders, including women and youth peacebuilders. Only 0.2% of bilateral aid to conflict-affected countries goes to women's organizations. The majority of youth-led organizations operate with limited funding, with 49% operating under USD 5,000 per annum; most of their funding comes from local donations, as larger grants are not accessible to them. [2]
- Project-based funding for short-term projects with expectations to show impact or results are unrealistic and even potentially destructive for local peacebuilding. The "projectation" of peacebuilding leaves local actors preoccupied with constant fundraising and inability to have longer term and flexible initiatives. Urgent funding short-term support often provided directly to frontline individuals and activists often likened to an "emergency room" for when things fall apart. [3]
- The administrative barriers are endemic to the donor system and generally serve the requirements of donors. While local organisations say accountability and oversight is critical and sometimes these regulations can be helpful for them in creating more rigor, often they divert resources and efforts to fulfilling project requirements to raise money, rather than implementing conflict prevention work. Part of the problem is that external actors rarely ask local organizations which capacities they need to improve in order to function efficiently in their own contexts. [4]
- Earmarked funds, allocated specifically for a theme or an activity hinder innovation. As Member States and other donors set funds aside for specific purposes, it reduces the flexibility of the funding and removes local voices from the decision-making processes, shifting the relationship to a more transactional one, rather than a genuine partnership. [5]
- Indirect costs essential to running a non-profit organization are not adequately considered. The indirect costs are on average 2.5 times higher than what donors provide. This affects areas that are essential to "success" and "impact" particularly: executive leadership, information technology, strategic planning, and knowledge management. [6]
- Restrictive geographic remit limits the opportunities for sustaining peace. The majority of funds are directed to situations that are on the Security Council or the Peacebuilding Commission's Agenda. Due to this, local peacebuilders in the regions that are not on the "UN's radar" experience challenges in obtaining funds. [7]
- Funding priorities are defined with insufficient consultation with a diverse range of civil society. Civil society expertise is not valued in the design of programs and donor priorities, making peacebuilding work less relevant at the local level. [8]

- Donors select and fund local partners fueling competition among local actors undermining coalition-building by perpetuating a Hunger Games-like approach to civil society funding. Local organizations are forced to waste resources on constant fundraising based on an ability to demonstrate immediate-term success. Donors are focused on program delivery instead of planning ahead into partnership or how to support those on the ground. [9]
- The outbreak of COVID-19 has changed the funding for peacebuilding. The COVID-19 pandemic has affected and will continue to reduce the levels of ODA available and that funds are being shifted to humanitarian and public health priorities. [10]
- There are assumptions, biases and power dynamics entrenched in the current donor system that continue to affect the localization agenda. There are a number of biases that exist in the donor-civil society relationships. First, despite decades of "capacity building" workshops and trainings by international actors, local peacebuilding approaches and organizations are perceived to be lacking capacities to deliver on global frameworks and promote peace. Donor-funded "capacity building" seems to have evolved more into "capacities" that serve donor requirements rather than effectively promoting local ownership or focusing on the practical skills that those working in these settings have to prevent conflict. [11] For example, there is a systemic bias in expectation that organizations can function despite lack of resources. Third, in Bridgespan's 2016 sample of 29 nonprofits, white-led organizations were more likely to achieve full cost recovery than organizations led by people of color. [12] There is also a bias in terms of the size of the organization and who can manage financial deprivation: "A large, financially sophisticated non-profit, for instance, set up a computer-based process for employees to track and charge as many allowable expenses as possible to projects rather than operations." [12] Finally, there are also assumptions about investment in local organizations being "too risky" (in part due to their perceived "lack of capacity"); however, "risk" to donors is not well-defined (reputational risk? corruption/loss of capital?), particularly when it is those who live in these contexts whose livelihoods and at times lives are at risk.

#### **ENDNOTES:**

- 1. United Nations General Assembly Security Council, "Peacebuilding and Sustaining Peace: Report of the Secretary-General," July 30, 2020, https://www.undocs.org/en/S/2020/773
- 2. Gizem Kilinç, 'Youth-Accessible Grantmaking: How (Not) To Do It?', UNOY, 2017. https://unoy.org/en/youth-accessible-grantmaking/
- 3. DHF, GNWP, GPPAC, and IPI, "Operationalising Sustaining Peace: Learning from the Sustaining Peace Roundtable Series" https://gppac.net/files/2020-07/SP\_Roundtable\_Series\_Recommendations\_2020\_Final.pdf"
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- 5. DHF, GNWP, GPPAC, and IPI, "Operationalising Sustaining Peace: Learning from the Sustaining Peace Roundtable Series" https://gppac.net/files/2020-07/SP\_Roundtable\_Series\_Recommendations\_2020\_Final.pdf"
- 6. Jeri Eckhart-Queenan, Michael Etzel, & Julia Silverman, "Five Foundations Address the "Starvation Cycle," https://www.philanthropy.com/paid-article/five-foundations-address-the/293
- 7. Supporting Peacebuilding in Times of Change", Report by SIPRI, 2018. https://www.sipri.org/sites/default/files/2018-11/ecdpm-2018-supporting-peacebuilding-times-change-synthesis-report.pdf
- 8. Rachel Haynes, Victoria Ireland, Jaymie Duke, "Funding Civil Society Organisations & Networks: Promising Approaches to Financing Development in the 21st Century," May 2019, http://forus-international.org/en/resources/72
- 9. Riva Kantowitz, "Radical Flexibility: Strategic Funding for the Age of Local Activism," Peace Direct.
- 10. Cedric de Coning, "Covid-19 and Peacebuilding: Disruption, Adaptation, and Transformation," July 8, 2020, https://www.accord.org.za/analysis/covid-19-and-peacebuilding-disruption-adaptation-and-transformation/
- 11. Vesna Bojicic-Dzelilovic & Mary Martin, "Local Ownership Challenges in Peacebuilding and Conflict Prevention," 2016, https://www.gppac.net/files/2018-12/D4.7\_Best%20Practices%20Report%20Local%20Ownership\_final\_PU.pdf
- 12. Jeri Eckhart-Queenan, Michael Etzel, & Julia Silverman, "Five Foundations Address the "Starvation Cycle," https://www.philanthropy.com/paid-article/five-foundations-address-the/293





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### Funding Opportunities For Local Peacebuilders: Selected Good Practices

This note presents a selection of good practices of funds and initiatives set up by multi-stakeholder funds to support local peacebuilders. These examples were specifically emphasized by the Global Partnership for the Prevention of Armed Conflicts (GPPAC) network. This note excludes non-profit foundations such as the Global Fund for Women and ODA direct support to local peacebuilding action.

- The Peacebuilding Fund's Gender and Youth Promotion Initiative (GYPI) is an example of providing a funding stream to civil society, particularly major international non-governmental organisations (INGOs). There are numerous practical barriers (i.e., complex requirements, governmental sign-offs, focus on "hardware activities", and the lengthy application process) that make it difficult to access funding for less-established local peacebuilding organisations. [1]
- The United Nations Democracy Fund (UNDEF) is established through voluntary contributions from Member States. The large majority of UNDEF funds go to local civil society organizations -- both in the transition and consolidation phases of democratization. UNDEF-funded projects are implemented at the country level and in the least developed, low or middle-income countries. [2]
- The UN Multi-Partner Trust Fund in Colombia fosters coordination among donors to local civil society. The Fund has provided support across UNCTs, governments, private sector, and civil society. It has mobilized so far USD276 million since 2017 and launched two calls for proposals after the RC system reform in 2019.
- The Women's Peace & Humanitarian Fund supports local women's civil society organizations contributing to peacebuilding and humanitarian action. The current contributors are Member States. The fund works with the private sector through grants, partnerships, advocacy, volunteerism, and cause-marketing to support women's peacebuilding and humanitarian action. [3]
- The Global Partnership for Social Accountability (GPSA) established by the World Bank provides grants that are available to civil society in countries that have 'opted-in' to the GPSA. These grants focus on the institutional development of CSOs working on social accountability, and on knowledge generation and dissemination activities. [4]

### **ENDNOTES:**

- 1. Secretary-General's Peacebuilding Fund: Gender and Youth Promotion Initiative 2020, "About GYPI," https://www.pbfgypi.org/
- 2. United Nations Democracy Fund Project Proposal Guidelines, https://www.un.org/democracyfund/sites/www.un.org.democracyfund/files/r14\_project\_proposal\_guidelines\_en.pdf
- 3. Rachel Haynes, Victoria Ireland, Jaymie Duke, "Funding Civil Society Organisations & Networks: Promising Approaches to Financing Development in the 21st Century," May 2019, http://forus-international.org/en/resources/72
- 4. Women's Peace and Humanitarian Fund, "Support women, prevent crises, build peace," https://wphfund.org/What we do, Global Partnership for Social Accountability,https://www.thegpsa.org/about/what-we-do





# **Financing for Peacebuilding:**

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### **Related Efforts**

The efforts focused directly on funding local peacebuilding organizations are limited, particularly those that do not ascribe to a norm where international organizations are an intermediary administering small grants at the local level. There are potentially useful models to support locally-led work in other sectors. Because the challenges with funding local actors are systemic, many of the same issues affect all local organizations regardless of sector or technical silo. It makes little sense to continue to work on advancing the the commitments to the localization of peacebuilding and sustaining peace in a fragmented way, precisely because of the universality of these issues and because approaching them from the perspective of peacebuilders versus humanitarian versus development actors will not marshal momentum and lose the opportunity to bring to bear the best solutions from each sector to this difficult challenge. Ultimately, the international donor community will need to find ways of breaking down these silos in terms of funding - which largely exist for the convenience of complex bureaucratic systems but may not be relevant to local actors in their work - and find new approaches that are intersectional and cross-sector. While the below related efforts don't all focus on peacebuilding per se, this project should build on this work to allow for a strategic approach to understanding and amplifying this work:

**NEAR Network research and pilot efforts** [1] to support locally-led humanitarian action, stood up to implement the commitments to "localization" made at the 2016 World Humanitarian Summit (this is related to the "Shift the Power" movement which focuses on the power of community philanthropy to support locally-led development).

**U.S. Holocaust Memorial Museum** work on support to locally-led atrocity prevention, including best practices for funders.

Radical Flexibility Fund – extension of the Radical Flexibility report [3], a new funding vehicle to gather expertise on financing tools other than grants, create a locally-led process to identify which tools match local social change (and peacebuilding) priorities and provide seed funding for these new mechanisms.

Leading from the South [4] is a project focused on resourcing advocacy for global women's rights through a consortium of 4 regional women's funds, supported by the Dutch MFA.

Ringo Project [5] is focused on "re-imagining" the international civil society sector, including less reliance on INGO intermediaries and more emphasis on local social change.

#### **ENDNOTES:**

- 1. "Turning Rhetoric into Resources," Near Strategy Paper, http://near.ngo/home/workdetail?id=8
- 2. "The Role of Civilians and Civil Society in Preventing Mass Atrocities," U.S. Holocaust Memorial Museum, https://www.ushmm.org/genocide-prevention/simon-skjodt-center/work/research/projects/the-role-of-civilians-in-preventing-and-mitigating-mass-atrocities
- 3. Riva Kantowitz, "Radical Flexibility: Strategic Funding for the Age of Local Activism," Peace Direct
- 4. "Resourcing Advocacy for Women's Rights," Leading from the South, https://www.leadingfromthesouth.org/
- 5. "A New Paradigm for Global Civil Society," Ringo project, https://www.leadingfromthesouth.org/