The attached note is provided as terms of reference to a team of consultants who are to provide a report on current knowledge on the known and potential impact of development co-operation on conflict prevention. A draft report will be available for review and comments prior to finalisation of the report. The final report will be discussed in the October 2000 meeting of the Informal DAC Task Force on Conflict, Peace and Development Co-operation, and will provide background to the Task Force for use in updating the 1997 DAC Guidelines on Conflict, Peace and Development Co-operation.

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TABLE OF CONTENTS

I. Summary .............................................................................................................................................. 3
II. Conflict prevention in the DAC Guidelines .................................................................................. 3
III. Conflict prevention and the current work of the Task Force ...................................................... 4
IV. Terms of Reference .................................................................................................................. 6
    Objectives ........................................................................................................................... 6
    Principal issues .................................................................................................................... 6
    Additional issues ................................................................................................................... 8
    Structure of the report .......................................................................................................... 8
V. Methodology .................................................................................................................................. 9
VI. Process, outputs and schedule ............................................................................................... 9
INFORMAL DAC TASK FORCE ON CONFLICT, PEACE AND
DEVELOPMENT CO-OPERATION

DRAFT TERMS OF REFERENCE ON
CONFLICT PREVENTION THROUGH DEVELOPMENT CO-OPERATION

I. Summary

1. Since 1998, the Informal Task Force on Conflict, Peace and Development Co-operation has engaged in a policy development process and a consultative process, both targeted at updating the Development Assistance Committee’s (DAC) Guidelines on Conflict, Peace and Development Co-operation by December 2000. The policy development process concerns such areas as the role of aid as an incentive or disincentive for peace in conflict situations or conflict-prone countries, security sector reform and conflict prevention. The consultative process aims at testing the relevance of the DAC Guidelines through regional consultations with partner countries in Africa (November 1999), Latin America (July 2000) and Asia (September 2000). This work will lead to the production of an Addendum to the DAC Guidelines.

2. This note proposes draft terms of reference for a study on the role of development co-operation in reducing the potential for outbreaks and re-occurrences of violent conflict. Drawing on previous work by the Task Force and on a review of current approaches in the field of conflict prevention, the study will provide elements for use by the Task Force in preparing the Addendum.

II. Conflict prevention in the DAC Guidelines

3. The 1997 DAC policy statement on “Conflict, Peace and Development Co-operation on the Threshold of the 21st Century” recognised that the strategy Shaping the 21st Century can play a vital role in conflict prevention and peacebuilding. It also stressed that work in war-torn or conflict-prone countries must be seen as an integral part of the co-operation challenge, and that helping strengthen the capacity of a society to manage conflict without violence must be seen as a foundation for sustainable development.

4. The importance of an environment of “structural stability” as a basis for sustainable development was also recognised. The policy statement stated that development assistance would have the most impact in conflict prevention when it is designed and timed to address the root causes of violent conflicts, as well as the precipitating factors, in ways that are relevant to local circumstances. These may include the imbalance of opportunities within societies, the lack of effective and legitimate government, or the absence of mechanisms for the peaceful conciliation of differing interests within society at the local, national and regional levels.

5. The DAC Guidelines on Conflict, Peace and Development Co-operation, endorsed by the above Policy Statement, define conflict prevention as “a central development goal”. They stress that social and political tensions are inevitable in the process of socio-economic development, and that escalation of these tensions into open confrontation and violence can be a major obstacle to sustainable, people-centred development. The Guidelines highlight that helping strengthen the capacity of a society to manage tensions and disputes without violence is a vital part of development work. They also stress that this “peacebuilding” objective, though it may sometimes be difficult to articulate and analyse, must form the cornerstone of all development co-operation strategies and programmes.

6. Specific sections of the Guidelines are devoted to the importance of coherent, comprehensive and integrated approaches to conflict prevention and peacebuilding. They recognise that development co-operation, while concentrating on fields of action in which it has a comparative advantage, can also work with other instruments, including diplomatic, military and economic ones, to strengthen the possibilities for peace and development. In this perspective, aid could thus contribute in the long-term to alleviating the root causes of conflict and help to develop institutions capable of managing and resolving disputes in a peaceful manner. The Guidelines also stress the need to address both sub-state and regional issues in conflict prevention and peacebuilding.

III. Conflict prevention and the current work of the Task Force

7. Many components of the current Task Force work programme provide elements relevant to conflict prevention. Peter Uvin’s paper on “The Influence of Aid in Situations of Violent Conflict” draws some basic lessons on the role of aid in a strategy of (dis)incentives for peace, on the basis of four case studies on Afghanistan, Bosnia Herzegovina, Rwanda and Sri Lanka, and other available experience. The main lessons stressed by Uvin’s paper include the following:

- All aid, at all times, creates incentives and disincentives, for peace or for war, regardless of whether these effects are deliberate, recognised or not, before, during or after war; the issue is then how to manage them so as to promote conditions and dynamics propitious to non-violent conflict resolution.

- Aid managers need to face up to the political nature of all aid.

- Aid alone usually has limited capacities to determine the dynamics of violent conflict.

- The impact of ODA on the dynamics of peace and violence in recipient countries takes place within the broader, often volatile, environment of the relations between the country and the international community.

- Aid policymakers and managers will need to work with non-ODA actors to develop a coherent and comprehensive policy involving diplomacy, military relations, finance, and trade.

- Innovative approaches to maximise and fine-tune the capacity of ODA to create (dis)incentives for peace for particular actors should be developed and implemented, as well

as the use of ODA in new domains, including politically sensitive areas, such as: the judiciary and security; awareness of the way project design influences the dynamics of violence and peace; investment in new kinds of knowledge and human resources for understanding conflict dynamics; more decentralised decision-making, allowing for timely and more locally owned and co-ordinated responses to unfolding dynamics.

- Donors need to target incentives and disincentives for peace at all parties to conflicts, including non-state and sub-state actors.
- Donors need to develop explicit regional strategies.
- The international community has many tools, other than conditionality, to engage with the dynamics of violence and peace in recipient countries.

8. The conflict prevention dimension of the Task Force’s work on security sector reform should also be considered. According to the draft report discussed at the Task Force meeting of 21-22 February 2000, the urgency of security sector reform as a development and conflict prevention issue suggests that development actors need to consider how they can engage more actively and constructively in this domain. There is growing concern over the developmental impact of security services (military, paramilitary, police, intelligence, private security forces) and the role they play in shaping the lives of people in developing countries and creating or destroying prospects for social and economic progress and peace. The way they interrelate with judicial and penal systems and the rule of law, or lack of it, is vital. Insecurity can contribute to destroying or preventing dynamic and representative political structures capable of preventing violent conflict by managing change and resolving dispute through peaceful means. Development co-operation can take positive measures towards these issues, as a step towards conflict prevention. People’s basic security is the starting point. If the international community is to achieve the agreed target of cutting in half the number of people living in extreme poverty by 2015, men, women and children - both individually and collectively - must be able to live in safe and secure environments. The report stresses the importance of enhancing policy coherence to achieve this goal.

9. The relevance of the DAC Guidelines on conflict prevention is among the issues taken into account through the consultative process involving partner countries and representatives of the civil society. Participants in the Regional Consultation in Africa have made recommendations on issues related to the role of aid in conflict prevention, including on donor response, policy and capacity, on fostering local capacities and partnerships, on promoting alternative opportunities, and on supporting inclusiveness for peacebuilding.

10. The DAC Task Force has agreed that current experience and thinking worldwide has gone sufficiently beyond the initial reflections on prevention, as represented in the 1997 DAC Guidelines. Consequently, a more in-depth study on conflict prevention and the role of development co-operation is called for, building from work carried out since then by the donor community, other actors and academia, and drawing on previous work by the DAC Task Force, such as:

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IV. Terms of Reference

11. These terms of reference are intended to guide a team of consultants in their writing of a comprehensive synthesis report on the role of development co-operation in the prevention of inter- and intra-state violent conflicts.

Objectives

12. The objective of the study is to conduct a review of specific issues related to conflict prevention with respect to the role and potential impact of development co-operation. The study aims at delineating the conflict prevention dimensions of development co-operation strategies and DAC Members’ policies towards countries in conflict situations or conflict-prone areas. The study will seek to provide standardised definitions for the current usage of terminology in relation to development co-operation and conflict prevention such as peacebuilding, conflict prevention, mitigation, management and transformation. A review of the range of issues related to conflict prevention, the roles development co-operation can play and the impact its efforts can have, will provide a good basis for designing better development co-operation strategies, and improving OECD government policy coherence towards countries in emergency and conflict situations.

Principal issues

13. The study will consider conflict on a continuum along which a society can move between order, characterised by voluntary co-operation, and organised, sustained, collective violence. The study will specifically address non-violent forms of conflict, such as competition, litigation and rent seeking, as well as violent forms of these behaviours, and will investigate the relationships and dynamics among them to identify where and how conflicts turn violent.

14. The study shall address economic, social, political and other developmental circumstances that may degenerate into or result from conflict, as well as actors holding the potential of either spurring violence or containing it.

15. The study shall include a focus on emerging types of violent conflict linked i.a. to resource competition and environmental degradation. The relative importance of greed and grievance \(^5\) as sources of

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\(^5\) “Greed” and “grievance” have become current terminology referring to the relative weight assessed to economic as opposed to political factors driving violent conflict. See, i.a. Berdal and Malone, *Greed and*
conflict shall be addressed, with a view to identifying opportunities for development co-operation to influence conflict dynamics.

16. The study shall address all current and potential forms of development co-operation, including humanitarian assistance, considering both the potential helpful and harmful effects of such co-operation and assistance.

17. The potential of development co-operation to prevent and mitigate conflict shall be examined in various stages of conflict, including:

- Societies in relatively peaceful circumstances\(^6\).
- Preventing the loss of voluntary co-operation and the resulting loss of societal order in disintegrating societies and in cross-border relations from outbreaks of organised, collective violence.
- Preventing ongoing violent conflict from escalating, spreading and being sustained.
- Conflict prevention in peace processes.
- Fragile situations of “no war - no peace”\(^7\).
- Preventing the re-occurrence of conflicts after peace agreements.

18. The effectiveness of proactive and targeted assistance strategies that create economic opportunities and help avoid large-scale rent-seeking, simple corruption, predatory government behaviour and bad governance will be assessed. New forms of development co-operation may be suggested to meet the challenges of new and rapidly changing environments. Both local (micro-level, including local capacities for peace and investing in peace connectors), national and regional contexts should be assessed.

19. The study shall incorporate a gender perspective throughout, and in particular it will take into account the role of women in peace processes, prevention and early warning efforts. It will also have a child rights perspective, considering the range of effects violent conflict has on children and the broad nature of remedies necessary to provide a healthy environment for child growth and welfare.

20. The debate over sovereignty and real or perceived intervention in the interest of containing/preventing conflict shall be considered to assess its possible impact on development co-operation agreements.

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\(^7\) This should be examined to identify how risk and vulnerability assessments can inform development co-operation actors in their efforts to reduce the potential for future violent conflicts. This should include examination of how assistance not specifically directed at preventing or mitigating conflict can be provided in a manner that also serves this goal.

The role of structural and sectoral development aid, and broader, more flexible forms of aid such as programme assistance intended to create or enhance more enabling policy frameworks, should be examined for their effectiveness in “no war - no peace” situations as a means of reinforcing capacities for peace and reducing the propensity for conflict.
Additional issues

21. The study will consider the following specific issues:

i) Policy coherence, and in particular the issue of balancing the complementary roles of the aid community, political and multi-track diplomacy and the security sector, with respect to impacts on conflict dynamics.

ii) The timeliness of aid and its ensuing consequences for administrative flexibility and response preparedness in the aid community. The question of how to obtain warning sufficiently early in the erosion of order within a society or between states will be specifically addressed. The time perspective should balance short term with long term impact. Both underlying root causes and trigger causes shall be considered.

iii) The manner in which partnerships can be defined and appropriate partners identified, particularly in situations of failed or collapsed states.

iv) The ways, incorporating both potential risks and opportunities, in which development aid can engage with civil society actors in conflict prevention, focusing on the media (and the need for alternative sources of objective information in conflict situations), local group/actors working on conflict, specific interest groups, religious groups, the business/entrepreneurial community, etc.

v) The manner in which traditional/community approaches to dispute management, resolution, reconciliation and confidence building contribute to conflict prevention.

vi) The risks and opportunities of using development co-operation as a means to prevent conflict, including the merits and effectiveness of new forms of co-operation through conflict resolution/transformation organisations. Both direct and indirect effects of aid on conflict and its prevention shall be addressed. The difficulty of measuring effectiveness shall be raised, as well as the related problem of data quality and availability.

vii) The manner and mechanisms whereby good governance, rule of law, human rights and justice can contribute towards conflict prevention.

viii) The role of regional co-operation in conflict prevention.

Structure of the report

22. The report should be between 25-30 pages with an executive summary and boxes on relevant experience on selected issues. Above all, it will provide a detailed overview of main policy findings and recommendations/orientations for donors. It shall include:

a) A section on definitions used for the sake of the study. Experience shows that terminology in relation to peacebuilding, reconciliation, prevention, mitigation and conflict transformation is inconsistently used in the aid community. While not engaging in a major conceptual exercise, the
study shall seek to provide standardised definitions for the current usage of terminology in relation to development co-operation and conflict prevention.8

b) An introductory section, placing the study within the larger context of conflict prevention studies. This may include a precautionary note regarding the limits of social and economic development or underdevelopment as a causative factor in various types of violent conflicts, including inter-state wars, civil wars, state formation wars and resource conflicts.

c) A series of sections addressing the issues outlined in points 13-21 of the TOR, based on the desktop review of systematic studies, case analyses, lessons learned, policy documents and other relevant literature.

d) A concluding section identifying if, and if so how, development co-operation can have an impact on the prevention and mitigation of inter-state wars, civil wars, state formation wars and resource conflicts. The concluding section should also identify areas relevant for the update of the DAC Guidelines on this issue.

V. Methodology

23. In principle, work on the role of aid in conflict prevention would require a very demanding counterfactual analysis, i.e. considering whether and how aid contributed to avoiding the occurrence of violent conflict. This task could be addressed in different ways, all of them highly speculative. These fall beyond the scope of the current study. The team will avoid getting too deeply into counterfactual analysis by focusing on how aid has positively promoted “peace” in the form of conflict reduction and mitigation, non-violent ways of solving disputes, promotion of reconciliation, etc.

24. Given its purpose and time constraints, the team will not carry out ad hoc empirical analysis. It will, however, make extensive use of systematic studies, comparative analyses, and case studies produced within the work programme of the Task Force, or by other institutions, in order to produce a broad, comprehensive and general synthesis. Work carried out by donor agencies and the ensuing recommendations and lessons learned on the role for development co-operation should form a background for the formulation of recommendations in the study. The Secretariat will make available to the team of consultants a draft bibliography based on a preliminary review of the current literature on conflict prevention through development co-operation.

VI. Process, outputs and schedule

25. The report will be prepared by a team of 4-5 experts, under the general responsibility of a team leader. The composition of the team will ensure adequate coverage of all the issues identified in the terms of reference and current experience of Members and partner countries. Members are invited to provide suggestions on the possible composition of the team, to ensure maximum geographical coverage and areas of relevant expertise and practical experience.

8. For example, the study should make a distinction between the role of aid in relation to conflict prevention, understood as efforts to shape social and economic structures over the long run, and conflict management, understood as efforts to modify a conflict as it is about to explode, or is receding.

9. Existing examples consist of projecting forward a probable course of events that could have, but did not happen, or looking back to find “missed opportunities” that, if seized, could have prevented conflicts.
26. Members who expressed interest in being part of the core group for the study on conflict prevention are Canada, Denmark, Norway, Sweden, UK, UNDP, and USA. Given lead times necessary for the participation of specialised experts, and a full review and debate of findings with practitioners from DAC Member countries, the study is likely to take about four months to complete.

27. In order to thoroughly examine the issues presented in a first draft of the report, it is proposed to hold a one-day informal consultation, tentatively in mid-August 2000. This would serve as a forum where interested Members could discuss the findings in the draft report directly with each other and with the consultants. The team leader would be required to revise the draft report, based on feedback from the consultation and possibly written comments from interested Members. The report will be finalised by the Secretariat and circulated to Task Force Members for discussion and identification of key issues to be included in the Addendum to the DAC Guidelines that will draw together the Task Force findings on prevention, incentives, security issues and the results of regional consultations.

28. Critical steps are scheduled as follows:

- **21-22 February 2000** Discussion at the Task Force meeting.
- **Mid-March** Finalisation of draft terms of reference for circulation to the Task Force. Identification of potential experts.
- **31 March** Deadline for Comments on the draft TOR and suggestions for experts.
- **End-May** Team leader’s draft Synopsis for comment by Secretariat.
- **Early June** Contracting of experts.
- **Mid-June** Telephone conference call / consultation between the team of consultants and the Secretariat.
- **End-June** Submission by the team leader of the final version of the Synopsis sent to the Secretariat for review and circulation to team and interested Members.
- **End-July** Submission of texts by team members to team leader.
- **End-July** Circulation of 1st draft report to Task Force Members.
- **21-22 August** Consultation to review the draft report, to be held in Sweden and attended by interested Task Force Members, team of experts and others selected by the team leader.
- **Early September** Finalisation of the report and circulation to Task Force Members.
- **12-13 October** Meeting of the DAC Task Force.
- **November** Final report submitted by the team leader.