

**DRAFT ONLY – NOT FOR CIRCULATION****ACCELERATING PROGRESS TOWARDS THE MDGS IN CONFLICT AND FRAGILE SETTINGS**

*Context: OECD INCAF Directors – meeting in Washington on 24 February 2010 – took the decision to prepare an informal MDG messaging document for use by members in the lead up to, and during, the MDG review summit, to be held in New York in September 2010. Similarly, at the International Dialogue on Peacebuilding and Statebuilding meeting in Dili (April 9-10), representatives of ten developing countries<sup>1</sup>, bilateral and multilateral partners as well as civil society met to discuss mechanisms to strengthen peacebuilding and statebuilding goals in conflict and fragile states. The resulting Dili Declaration and a statement by the G7+ identified conflict and fragility as major obstacles for achieving the MDGs, and agreed that the following seven peacebuilding and statebuilding priorities are important stepping stones that should be addressed front and centre by national and international actors to ensure tangible and sustainable progress on development:*

- *Foster inclusive political settlements and processes, and inclusive political dialogue.*
- *Establish and strengthen basic safety and security.*
- *Achieve peaceful resolution of conflicts and access to justice.*
- *Develop effective and accountable government institutions to facilitate service delivery.*
- *Create the foundations for inclusive economic development, including sustainable livelihoods, employment and effective management of natural resources.*
- *Develop social capacities for reconciliation and peaceful coexistence.*
- *Foster regional stability and co-operation*

*The aim of the MDG messaging document is to ensure that International Dialogue and INCAF members are on the same page and speak with a coherent voice at relevant international meetings (see annex 2) in the run up to the MDG review summit. It is foreseen that this messaging document will also be shared with International Dialogue and INCAF member representations to the United Nations in New York. Furthermore, it is foreseen that a side meeting will be organised in New York in the lead up to the MDG review summit to ensure that these messages are widely distributed.*

**I. The MDG Deficit**

- **We are concerned about achievement of the MDGs** in countries affected by poor governance, conflict, armed violence and insecurity, where progress to date has been slowest.
- **The MDG figures speak for themselves. Conflict-affected and fragile states are furthest away from achieving the MDGs.** For example, MDG 1 on eradicating extreme poverty and hunger is 90% off course, while MDG 5 on improving maternal health is 86% off course in conflict-affected and fragile settings (see annex 1).

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<sup>1</sup> Burundi, the Central African Republic, Chad, the Democratic Republic of Congo, Liberia, Nepal, the Solomon Islands, Sierra Leone, Southern Sudan and Timor Leste.



- Conflict-affected and fragile settings account for around half of the population of developing countries, but around three-quarters of the total number of infant and under five deaths, three-quarters of births without medical attendance and severe lack of access to secondary schooling for children and teenagers.<sup>2</sup>
- **The cost of conflict and violent crime also puts a heavy strain on achieving the MDGs.** The estimated annual cost of one new conflict – over \$64 billion<sup>[1]</sup> – is approximately half of the total net value of OECD DAC members' development aid in 2009, whilst the annual cost of violent crime and interpersonal violence is more than double this at \$163 billion<sup>3</sup>.
- However, there is enormous potential for progress when international and national capabilities are combined well to ensure sustained peace, security and governance. Mozambique's primary school completion rate, for example, increased from 14% in 1999 to 46% in 2007 with sustained peace.
- The potential for progress will require an approach that focuses on key priorities and smart sequencing of reform efforts. In this regard, programmes that prioritise **peacebuilding and statebuilding must be set as the foundation for achieving the MDGs in conflict and fragile settings.**

## II. The MDG disablers

- **We are not adequately set up to address the changing face of conflict and fragility.** We are seeing an emerging trend away from broad-based civil conflict towards debilitating, endemic criminal violence in many conflict-affected and/or fragile settings. There is emerging evidence of the links between organized crime, gang-based violence and conflict. Criminal violence alone exerts a heavy cost in many fragile settings and is diverting scarce resources from education, health and social service provision. The cumulative impact is that national level spending on health and education is often lower than the cost of fighting crime and treating injury.<sup>4</sup>
- We recognize that a combination of external and internal risk factors in conflict and fragile settings, alongside **the continuum of conflict, armed violence and insecurity makes the MDGs more difficult to achieve.** Risk factors that are both *external* (economic crises, cross-border trafficking, external interference) and *internal* (rising inequality, marginalised youth, gender based discrimination, legacies of violence, presence of armed groups, availability of weapons and trauma) overwhelm national capabilities.<sup>5</sup> Both formal and informal institutions

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<sup>2</sup> World Development Report 2011 (forthcoming). Numbers exclude China, Russia and India.

<sup>[1]</sup> Conflict and Development: Peace-building and Post-conflict Reconstruction Government of the United Kingdom // UK House of Commons International Development Committee (Oct. 2006)

<sup>3</sup> The Global Burden of Armed Violence, 2008.

<sup>4</sup> In El Salvador, firearm related violence costs the state and its population 11.5 percent of GDP; more than double the budget for Education and Health (4.8% of GDP) and almost triple the needed resources to achieve universal access to basic social services (4.3% of GDP) (2003 figures).

<sup>5</sup> World Development Report 2011 (forthcoming).



often lack the legitimacy, technical capability and also, critically, the leadership, shared values and social cohesion to respond.

- **Without a basic level of justice, security and respect for the rule of law**, citizens, communities and the private sector cannot pursue the achievement of community solidarity or participate in sustainable economic activity.
- Moreover **peacekeeping and peacebuilding efforts are not sufficiently integrated** into development cooperation efforts which lowers their effectiveness and makes post conflict recovery more difficult. Furthermore, an increase in women's involvement in peace processes and the political settlement is necessary to ensure the interests of women and girls are taken into account and to ensure a break-through strategy towards the MDGs.
- We need to improve and apply the right instruments at the right time and utilize an effective whole of government approach in order to offset poor performing aspects of development cooperation, which can slow down or prevent the delivery of a rapid, effective and sustained response that addresses poor governance, conflict, armed violence and insecurity. For instance, financing is not sufficiently fast or flexible, while better and more predictable aid remains a challenge. It is estimated that approximately 50 per cent of fragile countries will experience a fall in country programmable aid between 2009 and 2011.<sup>6</sup> The outlook is particularly poor for countries in sub-Saharan Africa.<sup>7</sup> Any increase in financing will however only be effective if better and smarter modalities are found to deliver aid, if aid is targeted to the highest priority areas to decrease conflict risk, and if political, security and development strategies are coordinated. Donors need to find innovative ways to better manage and accept risk when engaging in fragile and conflict-affected states, and be realistic about their own influence and willing to accept changing realities and priorities when providing aid.
- While development aid is part of the solution, we acknowledge that without emphasis on dialogue, diplomacy, defense and trade we will not reach the MDGs. Development aid needs to be both politically-sensitive and conflict sensitive and must not further entrench the marginalisation of excluded groups. The focus should be on supporting a legitimate and sustainable political settlement and governance capacity, which at times requires both ODA and non-ODA support.

### **III. The MDG accelerators**

**We recognise that development cooperation which supports peacebuilding and statebuilding goals as set out in the 2010 Dili Declaration on Peacebuilding and Statebuilding is a critical foundation to achieving the MDGs in conflict and fragile settings.** Accordingly and as a follow up to the Dili Declaration, we encourage the MDG Review Summit to call for MDG accelerators and an

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Due to a host of reasons relating to the economic crisis, donor willingness to accept risk, political prioritisation etc.

<sup>7</sup>

OECD DAC, Ensuring Fragile States Are Not Left Behind, Summary Report, February 2010.



accelerator support strategy that focuses on achieving the MDGs in fragile and conflict-affected countries and regions by 2015.

**The MDG accelerator strategy is encouraged to focus on critical and context specific priority areas as outlined in the Dili Declaration, the Oslo Commitments on armed violence and the MDGs and the Geneva Declaration on armed violence and development.** We see the need for four clusters of accelerators as outlined below. We see effective donor coordination as a vital prerequisite to supporting these accelerators.

### **1. Support peacebuilding and statebuilding**

Support government activities at the country-level in order to operationalise the peacebuilding and statebuilding goals<sup>8</sup>, as outlined in the Dili Declaration on peacebuilding and statebuilding. In creating an enabling environment for the achievement of the peacebuilding and statebuilding goals, focus initial attention on urgent and priority actions, including:

- Strengthen national capacities to prevent, monitor and mitigate conflicts, armed violence and insecurity including gender based violence, and support security-enabling initiatives laying the foundations for development, such as SSR, DDR, AVR and justice programmes.
- Develop instruments to strengthen and coordinate the response to the *global drivers of conflict and fragility*, including external factors, such as trafficking of natural commodities, drugs, arms and people. Invest in the national and international capacities to understand the causes and drivers of conflict, armed violence and insecurity.
- *Strengthen governance capacities to overcome fragility.* In order to overcome fragility in a sustainable manner, government capacities to steer transformation and reform processes need to be strengthened, aid instruments need to be adjusted to ensure ownership and political dialogue between donors and partner countries needs to be deepened.
- *Strengthen regional and global initiatives to protect conflict and fragile countries* from the impacts of economic shocks, volatility in commodity markets, natural disasters and the impacts of climate change.
- *Support the participation of women* in peacebuilding and statebuilding efforts.

### **2. Foster Institution Building, state-society accountability and a voice for all**

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<sup>8</sup> The goals include: Foster inclusive political settlements and processes, and inclusive political dialogue; Establish and strengthen basic safety and security; Achieve peaceful resolution of conflicts and access to justice; Develop effective and accountable government institutions to facilitate service delivery; Create the foundations for inclusive economic development, including sustainable livelihoods, employment and effective management of natural resources; Develop social capacities for reconciliation and peaceful coexistence; Foster regional stability and co-operation.



- *Support government capacities to deliver on core state functions* and increase support for robust accountability and transparency between the state and society, especially in the areas of service delivery. Support local governance institutions with a service delivery lens.
  - Strengthen civil society capacities for political dialogue and inclusion. The monitoring of the Principles for Good International Engagement in Fragile States and Situations just as the International Dialogue on Peacebuilding and Statebuilding have brought to light that support for sustainable processes of state development tends to focus overly on executive capacities, and not sufficiently on civil society capacities. There is hence need to focus more on strengthening the capacities of civil society to enable political engagement.
  - Encourage states to create an enabling environment for more meaningful state-society relations based on *community and civil society participation* and to foster inclusive political settlement and processes.
  - *Support the strengthening of health and education systems* both as a means of promoting stability and improving public health and education outcomes. The focus must not only be on *more* health and education, but also on *more equitable* distribution of health and education in order to enhance state-society relations.
  - *Address corruption* through measures that create incentives for integrity, accountability and respect for the rule of law.
  - *Focus on strategic communication* between governments and international partners to improve effectiveness of international support. Developing countries must develop and communicate their own planning, programmes, models and strategies of development through strong leadership.
  - *Address the challenges of public financial management*, so development assistance can be scaled up and on-budget, and augment support for improved management and mobilization of domestic resources through the tax system. Accountability and transparency in this domain can reduce dependence on aid and improve state-society relations.
  - *Support gender equality. Support programs which address the gender aspects of peacebuilding and statebuilding.* Specifically, invest in women leaders who can play an equal part in conflict prevention and peacebuilding, target assistance which addresses the role of young men as both perpetrators and victims of violence, and keep girls in school longer. In addition, address structural problems associated with gender inequality such as inheritance and property rights. Ensure that women and girls can access appropriate support and service from the justice system, including through processes associated with criminal investigations and related court proceedings.
- 3. Support sustainable livelihoods and the realization of peace dividends for the poor**
- *Support resilient growth strategies* which include social policies to reduce disparities between richest and poorest, with a focus on women and youth groups who experience a history of exclusion, whether based on geographic, ethnic, religious, class or political factors; as well as



mechanisms to cushion the short-term impact of reforms which are desirable for long-term development and resilience to conflict.

- *Invest in the productive sectors*, including agriculture in order to sustain growth. *Promote internationally backed jobs strategies for the poor*. In doing so focus attention on the enablers and accelerators of economic growth. Trade facilitation, clear investment rules and regulations, better, clearer and more predictable economic governance, and innovative partnerships to ensure the delivery of basic services and infrastructure such as telecommunications, water, sanitation, transport and energy are all ways of kick-starting an economy after conflict and reducing the appeal of a return to arms.

#### **4. Improve the impact/role of aid**

- *Better and more predictable aid* is a prerequisite. Use aid more effectively to the benefit of human rights for all citizens in states affected by poor governance, conflict, armed violence, insecurity and improve financing options and modalities.
- *Invest in under-resourced sectors and prioritise context specific risks and priorities*. Target international assistance to fill gaps, including bridging institutional and financing deficits in the rule of law sector (in particular for justice and policing system), promote public-private partnerships for job creation and address risk factors for conflict and violence.
- *Reduce disparities*. Reduce the disparities between “aid orphans” and recipients of high volumes of aid per capita amongst conflict-affected and fragile countries and regions. In order to reduce disparities it’s not just a matter of spending more, but spending differently in line with work carried forward by the OECD DAC on financing and aid instruments.
- *Support prevention*. Consider better mechanisms to provide support to countries to prevent an escalation of violence in situations of high risk, including an increase in speed and, under the right circumstance, volume of assistance. The focus must be on building institutions that support and invest in social, political and economic resilience.
- Greater attention to disaster risk reduction. The recent earthquake in Haiti demonstrates that vulnerability to natural disasters in conflict-affected and fragile states is particularly acute. Prevention should also include attention to the risks associated with climate change through adaptation and mitigation in those areas where the effects of climate change are expected to be most severe and to intersect with pre-existing state fragility and violent conflict.

#### **5. Strengthen partnerships**

- Continue to address the specific challenges of peacebuilding and statebuilding through further strengthening of global partnerships.
- Strengthen the PBC so that it can take a leading role in ensuring that peacebuilding is prioritised as part of early international support, and that adequate donor engagement and resources are allocated to support peacebuilding activities.



- Use the Internatioanl Dialogue as a tool to facilitate continued discussion between fragile and conflict affected states and their international partners on what should be the critical priorities and objectives for peacebuilding and statebuilding activities, and how to remove specific challenges to make internatioanl support more effective and sustainable.





**ANNEX 1: THE MDG DEFICIT IN CONFLICT AND FRAGILE SETTINGS**

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			% of Fragile States Achieved and On Track	% of Non-Fragile States Achieved and On Track
MDG1		Eradicate extreme poverty and hunger	10%	42%
MDG2		Achieve universal primary education	45%	66%
MDG3		Promote gender equality and empower women	28%	52%
MDG4		Reduce child mortality	31%	56%
MDG5		Improve maternal health	14%	48%
MDG6		Combat HIV/AIDS, malaria and other diseases	17%	38%
MDG7		Ensure environmental sustainability	3%	27%



**ANNEX 2 – RELEVANT UPCOMING MEETINGS WHERE THIS NOTE WILL BE OF USE**

- MDG3 conference, "Women's empowerment and employment", March 25, 2010, Copenhagen, Denmark.
- International Dialogue on Peacebuilding and Statebuilding 9,10 April 2010, Dili, East Timor
- OECD DAC Senior Level Meeting 14/15 April 2010, Paris , France
- Oslo high level meeting on armed violence and the MDGs, 21,22 April 2010.
- World Bank Spring meetings, 24-25 April, 2010
- Vienna 3C Conference, 5-7 May 2010
- OECD Forum and Ministerial Council Meeting, 'Development, green growth and innovation,' 26-28 May, 2010
- UN Development Cooperation Forum preparatory symposium, 3,4 June Helsinki, Finland.
- ECOSOC Annual Ministerial Review on MDG 3
- Global Compact Leaders Summit, 24-25 June 2010 (with a Ministerial (pre-summit) Session on the 23<sup>rd</sup> June 2010).
- IDA 16 replenishment negotiations
- President of the UN General Assembly consultations with UN member states
- Plenary sessions as part of the MDG Summit.
- The planned MDG roundtables on partnerships and on emerging issues.