

# Quality Financing for Peacebuilding and Conflict Prevention: Practical Avenues to Improve Support for Local Peace Actors

The current funding systems do not respond to the dynamic needs of local peace actors. Yet, **Local peace actors<sup>1</sup> are widely acknowledged as critical agents in peacebuilding and sustaining peace.** They are first responders to rising tensions and emerging crises; understand the drivers of conflict; and advance solutions for (re)building and sustaining peace at the community level. Importantly, local peace actors are trusted and legitimate actors in their communities.

**Along with recognising the importance of local peace actors comes the need for a shift towards providing more resources to support their work.** The commitment to strengthen financing for peacebuilding, including to local peace actors, has been placed at the heart of all UN agendas. For example, the Secretary-General's 2022 report on Peacebuilding and Sustaining Peace recognises the importance of innovative financing mechanisms that strengthen national ownership and support local actors in their work. Moreover, ongoing reform of the UN development system also underscores the need for a shift in funding behaviour to support the work of UN entities and their partners, including local actors. These shifts require participatory, accessible, flexible, and sustainable financing mechanisms in order for local peacebuilding to produce meaningful impact. It also requires adopting best practices and continuing to test innovative models.

Building on this progress and interest in supporting local peace actors, this paper suggests **practical avenues to improve financial support for these actors whose work is an essential complement to international conflict prevention, peacebuilding efforts and sustaining peace.** In addition to the principles outlined in this summary, the paper provides nuanced recommendations and examples of mechanisms to operationalize these principles.

## ***1. Funding instruments should prioritise participatory funding approaches:***

Rather than a purely financial partnership where local peace actors often function as little more than service deliverers, there is a need for more active strategic partnership between donors, intermediaries<sup>2</sup> and local peace actors who should all have an equal role in how the project is developed and how funding is allocated, monitored, and reviewed.

## ***2. Financial instruments should generate sustained support for local peace actors and their organisations:***

Most of the currently available peacebuilding financing is project-based, short-term, and in some cases, once-off grants. Particularly in complex and changing peacebuilding contexts, recognising the importance of time to implement interventions appropriately is critical. Donors and local peace actors alike have a more realistic chance of achieving their shared goals with longer funding cycles.



### **3. *Financial instruments should be flexible and reflect shifting peacebuilding realities:***

Flexible financing models allow local actors to continuously pursue and adjust their activities while having the ability to report on their outcomes in real-time. The increased donor flexibility in the times of COVID-19 demonstrated that more flexible approaches to funding are possible. This includes efforts to eliminate burdensome reporting or accounting requirements and approaches to compliance that are predicated on mistrust, and providing emergency support response and adopting soft earmarking and flexibility on output and budget changes.

### **4. *Financial instruments should enable direct funding to local peace actors:***

Funding provided directly to local peace actors provides numerous benefits by helping break the cycle of dependence on larger organisations and investing in local peace organisations. Direct funds to trusted local peace actors also create more equitable partnerships between donors and local peace actors. To fund local peace actors directly, donors need to, at a minimum, adjust their current eligibility criteria, proactively reach out to local peace actors, and work with local peace actors to refine project proposals.

### **5. *Financial instruments should support intermediary models rooted in network- and movement-building:***

Networks and movements help local peace actors to combine and coordinate collective effort to promote peace and prevent conflict. However, current approaches to peacebuilding financing are centred on funding organisations independently. Incentivising network collaboration and engagement can be done by supporting specific convening and conference grants to support local peace actors to access greater diversity of knowledge and experience (i.e., of varied local contexts), expertise (i.e., in human rights, gender, the environment, economic development, law), and constituencies (i.e., different ethnic and religious groups, youth, women).

### **6. *Financial instruments should promote community-focused accountability, community-determined impact, and creative means of achieving monitoring, evaluation, and learning:***

The complex processes of social transformation at the heart of peacebuilding evolves over long time horizons and often require significant engagement before the fruits of social cohesion and cooperation emerge. Short-term monitoring and evaluation practices entrench projectisation thinking and limit learning on peacebuilding's contribution to the larger community and societal changes at work. Supporting locally-led determination of impact requires donors to revise their approach to the development of indicators and outcomes, allocate reasonable budgets for monitoring and evaluation, and consider their long-term engagement.

### **7. *Financial instruments should consider realistic and transparent approaches to risk:***

Pooled funds are increasingly recognised as a mechanism for donors to pool risks inherent to the financing peacebuilding action and supporting multi-stakeholder partnerships across the UN system and with local actors. Pooled funding mechanisms have a proven potential to reduce earmarking and increase flexibility for local peace actors to address challenges and opportunities as they arise in specific contexts.

#### **Endnotes**

1 We understand local peacebuilding actors to include diverse national, sub-national and community-based civil society organisations, grassroots movements, and faith-based organisations and other actors, including women, youth and indigenous actors, who rely on conflict analysis in driving their strategies and programming.

2 This refers to a group of international non-governmental organisations, think tanks, research and policy institutions that work to connect local actors to global policy discussions.