ACT NOW ON 'LOCALISATION'

COVID-19 Implications for Funding to Local Peacebuilding

CONDUCIVE SPACE FOR PEACE

Introduction

The COVID-19 crisis has significant and unique implications in conflict affected countries. On top of the health crisis, government responses aiming to reduce the spread of the pandemic have exacerbated existing causes of conflict including inequality, stigmatisation, unemployment, and human rights violations.[1]

In many cases this has meant an increase in community violence, gender-based violence, and confrontations between law enforcement agencies and local communities.[2] The long-term consequences for ongoing armed conflict and risks of sustained increased levels of violence are uncertain,[3] however concern from both local and international peacebuilders is evident as short- and medium-term implications are unquestionable.

The implications of the COVID-19 crisis will continue to evolve with diverse and inter-linked effects for all the different stakeholders within the peacebuilding field. It is important to track these changes and make sense of the shifting conditions for local peacebuilders to address the short- and long-term challenges.

While recognising that all parts of the peacebuilding system face challenges at this time, the focus of this report is on local peacebuilders as they are best placed to effectively address the most pertinent peacebuilding demands. This is particularly pronounced when international organisations are further removed from the frontlines due to the pandemic, and local peacebuilders are stepping up to the task.

These frontline peacebuilders are playing a critical role and dealing with demands in innovative ways.[4] However, many face obstacles in carrying out their peacebuilding work, partly because international funding for local peacebuilding is shifting or reducing. At a time when local peacebuilders are more important than ever, it is critical to understand the current challenges within the global peacebuilding system to providing the necessary support to frontline local peacebuilders.

In this report we aim to present a more comprehensive understanding of the connections between the main players within the global peacebuilding system, and how existing dysfunctions within the structure are exacerbated by the COVID-19 crisis, creating a crisis situation for local peacebuilders.

The report conveys the insights of more than 450 peacebuilders who during April, May and June 2020 participated in consultations conducted by Conducive Space for Peace, in collaboration with Peace Direct and Humanity United. Through virtual conversations, online platform sharing, livestreamed dialogues, group consultations, and a survey involving peacebuilders from more than 60 countries, Conducive Space for Peace has endeavoured to explore the shifting funding landscape as a consequence of the COVID-19 crisis. Although our main focus has been on local peacebuilders, we have also consulted representatives of International NGOs, bilateral agencies and larger national NGOs (LNNGO).

This report presents a snapshot of the current funding situation for local peacebuilders that demands immediate action, and it provides insights on the broader systemic issues that feed into the current changes. With peacebuilding organisations and donors now grappling with how to respond, this is a crucial time for providing timely, adequate, and relevant support to local peacebuilders according to their needs. This is not only important for local peacebuilding, but for desperately needed global efforts to successfully prevent new violent conflicts and sustain peace.

The survival of small organizations and movements is in jeopardy at the moment. When things start opening up again, there is a question of who and what organizations will still be here to continue working. While many countries consider stimulus efforts and donors shift to fund Covid-19 related problems, small organizations are at risk of falling through the cracks…

Small local peacebuilding organisations are at the frontline of peacebuilding, also during the COVID-19 crisis, but they have been hardest hit by the crisis. Four out of five of local peacebuilders have experienced a reduction in their funding for peacebuilding following the onset of the pandemic and have had their peacebuilding programmes suspended.

A re-commitment to the principles of the Grand Bargain is desperately needed; if the international peacebuilding and development institutions don't act now sustainability of peacebuilding is at stake.

Main Findings

1. **While local peacebuilding is especially critical now, local peacebuilders are experiencing a drastic decrease in their funding and support.** Local peacebuilders have always been at the frontline of peacebuilding efforts, but now they are also at the frontline of the COVID-19 crisis. Four out of five have experienced a reduction in their funding for peacebuilding and have had their peacebuilding programmes suspended.
2. **Local peacebuilders are much more vulnerable to funding shortfalls as they often do not have long-term funding nor the equity or security that provides the same possibilities for ensuring their continued work and sustainability.**
3. **The reduction in funding to local peacebuilders has led several local peacebuilding organisations to close or halt their peacebuilding work.** Local peacebuilding organisations rarely have a financial buffer when crisis hits, as funding modalities to local organisations typically depend on activity implementation. When community-based activities cannot be implemented, funding for local organisations is reduced.
4. **The immediate decrease in funding to local peacebuilders is caused by delays or cancellation of activities;** redistributing existing funding to activities other than peacebuilding; and/or shifting funds to types of activities that can be implemented at headquarter level of international and national NGOs (such as research).
5. **In the medium-term, the decrease in funding to local peacebuilders is partly caused by the cancellation of planned or new grants for peacebuilding.** This is primarily due to a shift in priorities and uncertainty among donors, alongside a general decrease in funding from private givers as fundraising events are cancelled.
6. **In the long-term, the overall funding to Overseas Development Assistance (ODA) is predicted to decrease as a result of reductions in Gross National Income (GNI) in donor countries.** This will impact all areas with potentially devastating consequences for local peacebuilding.
7. **Local peacebuilders without presence/offices at national level and without the ability to manage large grants are less likely to sustain funding** as they have fewer direct relationships with donors and often lack the power to negotiate funding arrangements to meet their needs.
8. **International peacebuilding NGOs face tough decisions on programmes and staff that may have disastrous implications for their support to local partners.** Many international and large national peacebuilding organisations are working intensely to be supportive of local peacebuilders at this time; however, many face funding and capacity constraints, some fearing for their survival.

The funding situation of local peacebuilders

Funding for local peacebuilding is changing due to the crisis. A number of recent surveys provide data on shifts in funding for NGOs as a result of the pandemic,[5] but none thus far focus specifically on implications of financial support for local peacebuilding or make a distinction between international and local NGOs.[6] In understanding how to address the current challenges for frontline peacebuilders it is important to note this difference as International NGOs have different conditions for obtaining funding compared to local NGOs.

A survey by Conducive Space for Peace of 48 peacebuilders (including 36 local actors) provides an insight into the current funding conditions that many local peacebuilders face in the midst of the COVID-19 crisis. A brief overview of the local peacebuilding actors surveyed: Two-thirds have fewer than 10 staff; their main sources of funding are bilateral donors and private givers with some funding channelled through larger national peacebuilding organisations. Three quarters had less than USD 10,000/year for their peacebuilding work in 2019.

In comparison, the NGOs surveyed in the recent study of Alliance for Peacebuilding (AfP) identified as 'small-scale' had an average annual income of USD 900,000 or less.[7] The findings below are aligned with what our broader qualitative data collection has shown.

Four out of five of the local peacebuilders express that they have experienced a reduction in funding for their peacebuilding work following the onset of the pandemic. It is however interesting that only 46% of the respondents with an annual income of over USD 50,000 experienced a reduction in peacebuilding funding, while 92% of those with an annual income below USD 10,000 experienced a reduction in their funding for peacebuilding work.

The finding that the smallest local organisations at the frontline of local peacebuilding are hit hardest by the crisis, correlates with our broader consultations.

Almost 80% of the local peacebuilders have had to suspend their activities. In comparison, 50% of the mainly INGO respondents in a survey by AfP reported suspension of their programmes,[8]which correlates with only 40% among the INGOs participating in our survey.

A third of the local peacebuilders say that one or more of their funders have shifted priorities and asked them to adapt accordingly, while a third state that expected grant processes have been delayed or cancelled. Almost 40% have seen fundraising activities cancelled.

Sixty percent of local peacebuilders have adjusted their programmes to other areas than peacebuilding. This is both an indication that local peacebuilders are trying to respond to the changing priorities of donors as well as a reflection of the fact that many local peacebuilders work effectively in the nexus between peacebuilding, development and humanitarian efforts. They stand ready to meet the needs of local communities. Some local peacebuilders argue that they are taking on health mobilisation efforts as these are directly linked to their peacebuilding work, while others say that they have shifted to virtual health advocacy work in order to continue working while donor priorities change. The bottom line is however that there is less funding for local peacebuilding at a time when this is desperately needed.

When activities cannot be implemented, programmes are cancelled or not extended as planned, and priorities of donors shift, local peacebuilding organisations are faced with an immediate deficit and the challenge of paying for staff and office space. More than one third of local peacebuilders say that they either had to

There was already lack of funding and resources for the local peacebuilding organizations as compared to other priorities. …Local organizations have no administrative or support costs to sustain their activities hence it will be extremely difficult to retain the staff and office premises.

Locally community-based organizations are much less able to have communication, embassies are not reaching out, they can't get answers to questions.

In Cameroon, most of the peace builders now work at home. Field projects have been limited and the multiplier effect has led to limitation of funds.

Our programs in March to train young persons on peacebuilding have been placed on hold, and some financial supporters are pulling out to fight the Coronavirus with their funds.

relocate, close their offices, or close the organisation as a consequence of the crisis.

More than 40% of local peacebuilders say that they will need to reduce the number of staff and staff time to accommodate the drop in funding for their peacebuilding work. While expected staff reductions are not significantly different from those expected among INGOs,[9] our consultations show that the urgency of making these changes are very different for local versus international organisations.

INGOs and LNNGOs typically have a financial buffer or reserves to sustain them in a crisis period. The AfP survey shows that 51% (primarily INGOs) are financially secured for three months. Smaller organisations are more vulnerable than bigger organisations that typically have equity to cover three months of staff salaries, have larger and longer-term programmes, and are better positioned to negotiate favourable terms with bilateral agencies. Our consultations and survey data indicate a quicker onset of financial insecurity among local peacebuilders, and particularly the local peacebuilding organisations with an annual income of less than USD 10,000.

While LNNGOs and INGOs are able to negotiate adjustments and adaptations of programmes, flexibility in funding, and securing core funds for retaining staff and office space, local peacebuilders often do not have the same possibilities for ensuring their continued work and sustainability.

Local peacebuilders depend on implementation of activities and only through documentation of these activities do they typically have funding for staff and office space. Some INGOs and LNNGOs shift to other types of activities that can be carried out at HQ level, such as research, advocacy, and fundraising, which sometimes means diverting funds from community-based work that is implemented by local peacebuilders.

Many local peacebuilders are dependent on multiple sources of income including through the informal economy which is currently disrupted, and their subsistence and survival is therefore threatened by multiple factors arising from the crisis. To illustrate: A local woman peacebuilder in Kenya may have half of a small salary covered through peacebuilding activities while she also has to tend to a small piece of land, a family shop, and caretaking work in the home.

An imminent risk is that the COVID-19 crisis will elicit shifts in funding which in the short-term force local peacebuilders to stop addressing ongoing and emergent conflict, at a time when this is of utmost importance. The absence of internationals in conflict-affected countries during COVID-19 is reportedly creating more space for local peacebuilders, which could contribute to shifting power to local peacebuilders in the medium- to long-term. However, this shift may be inhibited by the short-term deterioration of funding to local peacebuilding.

Links between the stresses experienced by different organisations and how they support local peacebuilders

Donors

Bilateral donors

Bilateral donors have money and power, but they have limited capacity to manage smaller grants and are under pressure from donor constituencies to document the impact of development assistance and its importance for donor countries. They are currently strained by navigating in uncertainty, incentivised to free funds for COVID-19 response, but have limited access to understanding local peacebuilders' needs and the situation on the ground to make good choices on reprioritisations.

Intermediaries

INGOs

Peacebuilding INGOs often have long-term relationships with both local peacebuilders and donors, thus playing a critical intermediary role. They can support local peacebuilders, including smaller organisations, in multiple ways and can support risk-prone and innovative engagement through unrestricted funds from private givers. While they are well placed to understand needs and facilitate solutions, they are dependent on donors that may not respond well to demands for new ways of working. In addition, large INGOs have organisational structures that do not transform easily. They are currently strained by a deficit in funds and lack of access to conflict-affected contexts.

The UN

The UN has access to multiple sources of information about peacebuilding needs and concerns at all levels of conflict and communicates closely with bilateral donors and INGOs. However, they hold limited power over bilateral donors and may face resistance from state actors if enhancing civil society support. While the UN can move quickly in mobilising an emergency response, it moves very slowly in changing its way of operating. The UN may be restricted by lack of access in conflict-affected contexts, government interests in peacebuilding processes, and lack of agile mechanisms to support local peacebuilding organisations.

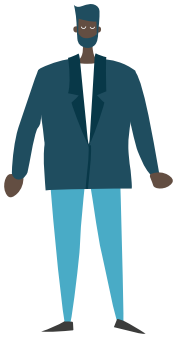
Country context

National NGOs

Larger National NGOs are well-placed to support local organisations and actors- and linking the different peace process tracks- but they are increasingly challenged in obtaining funding which can create competition and in working effectively in a shrinking civic space. Larger national organisations are often effective in navigating in the donor space, as well as among local peacebuilders. National NGOs are currently strained by lack of access to local communities, a deficit in funds due to cancellation of activities and new grant opportunities, and peace processes being halted.

Local NGOs

Local NGOs often have legitimacy and long-term relationships with conflict-affected communities and have the capacity to address peacebuilding needs in a holistic manner. However, they lack easy access to funding and struggle to meet the requirements of donors. Local peacebuilders are currently strained by a lack of funding, uncertainty of their future, need to adapt programmes to the current context, inadequate digital capacities, and basic survival and subsistence challenges caused by multiple pressures on their sources of income.

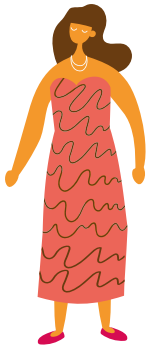


Local peacebuilder, Kenya:

George was mediating disputes between police and marginalised groups struggling to get food as the lockdown set in. Since then many activities are cancelled and his organisation is struggling to survive. His funding is tied directly to delivery of peacebuilding activities. George finds it more difficult to obtain peacebuilding support for the long-term and fears that support will be increasingly scarce as funding shifts away from peacebuilding to health and other services. In the short-term, they have had to borrow office space from a larger national NGO with more long-term funding. George is struggling to supplement his part-time peacebuilding salary, as his small-scale eco-tourism business is also upended by the crisis.

National NGO representative, Colombia:

Martha is responsible for programmes in the territories. Her NGO is based in the capital but most of the organisation's work, whether programmes, advocacy or research, is somehow linked to work in local communities. Even advocacy with the central government on the peacebuilding process is based on the reporting and experiences gained in local communities. Currently it is not possible to travel and while Martha has weekly video calls with their local partners, she feels increasingly frustrated by the fact that the lockdown inhibits implementation of activities and it is forcing her to withhold disbursement of funds to these organisations. Although she has been able to negotiate adjustments in activities and an extension of the programme funded by their two bilateral donors, activities will still have to be implemented to account for the funds.

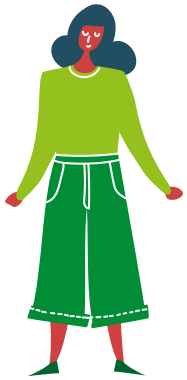


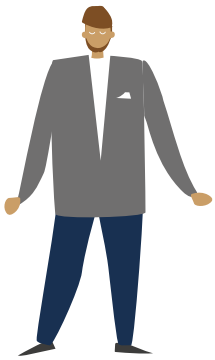
INGO representative in European country:

Kristin is CEO in a large peacebuilding organisation. When the pandemic hit, she did not foresee the devastating consequences for her organisation. With second-hand stores closed, and fundraising events cancelled, available funds are severely restricted. This funding strain particularly impacts their flexible funds required for developing new initiatives. Tender processes of institutional donors are increasingly demanding and require a big investment with uncertain results. Contracting companies have entered the competition, and although their partnerships are not as anchored in local contexts, they often win the tenders. Institutional donors have showed flexibility in the short-term but Kristin is worried that she will have to reduce staff later this year to make up for lost funds.

UN representative in a West African country:

Maria works as a UN Peace and Development Adviser and is helping the UN Residence Coordinator to disburse funds from the UN Peacebuilding Fund. The problem is that there are very few national level peacebuilding organisations in the country she works in that can qualify for these funds as organisations must comply with rigorous due diligence standards. She has debated this with UN headquarters, but it seems that bilateral donors are pushing for additional accountability measures. While trying to convince the UN-HQ to do this differently, Maria is also supporting the UN mission's negotiations with government representatives. They are not happy with additional funds going directly to civil society.





Bilateral representative in European donor country:

Frank works as Head of Department for Support to Civil Society in a European country. During the pandemic the NGOs in his country have placed many requests for extensions and adjustments to their programmes. Frank is aware that some adaptations could means less funding to local organisations directly engaging in peacebuilding work at community level. Frank recognises peacebuilding to be critical and struggles to ensure that the pandemic will not reduce funding for peacebuilding. But he doesn't win all the internal battles, as some new grants intended for peacebuilding shifted to health mobilisation on COVID-19. It is unclear what will happen in the pandemic aftermath when the decreasing ODA kicks in, and politicians will set priorities when trying to restore the donor country's economy.

How broader funding trends influence local peacebuilding

In order to understand the changing landscape of funding to local peacebuilding it is important to get a sense of how the main funding channels for local peacebuilding are impacted by the shifting global context, both in terms of overall funding level and the mechanisms with which they are channelled to local actors.

We focus primarily on bilateral donors as they are the main international source of funding to local peacebuilders (in our survey and in general),[10] and look at the trends that impact how funding is channelled to local peacebuilders including through INGOs.

Bilateral Agencies - Donor

As the GNI figures of donor countries are decreasing with the COVID-19 crisis, there will most likely be a reduction in the overall ODA in the coming years. Development Today estimates that aid resources available for long-term development and crises other than COVID-19 could drop by 20% in 2020.[11] Development Initiatives describes a range of possibilities, one of which is a sharp drop in ODA of $25 billion by 2021, including from some of the biggest donors, a drop equaling 15% of the total 2018 ODA flow of $165 billion.[12] This drop is likely to impact funding for peacebuilding,[13] which was already underfunded with only 1.4% of ODA designated for peacebuilding in 2018.[14]

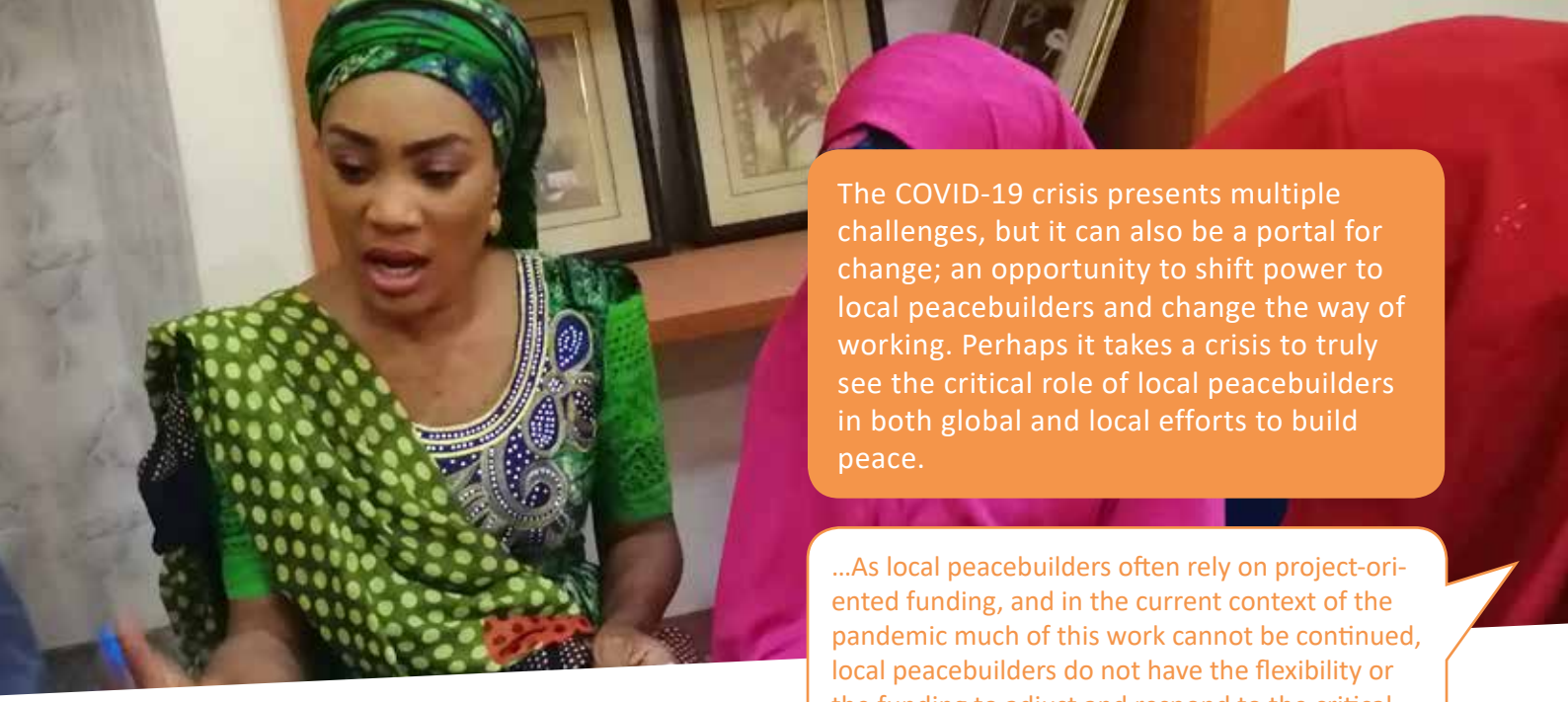
Bilateral donors like the Norwegian MFA report a commitment to existing long-term priorities including peacebuilding, however in most bilateral agencies, bureaucrats are exploring future scenarios within existing political priorities. It is still unclear whether the actual donor shifts will translate into long-term reprioritisation of funding away from peacebuilding.

In the short-term, the expectations of a reduction in ODA in 2020 and beyond, combined with the funding needs related to COVID-19, has in many cases implied cancellation of new grants and funding opportunities while bilateral donors explore options and political priorities. These trends have direct implications for the operations and sustainability of international, national, and local NGOs. Additionally, a lower ODA will likely lead to a decrease in the ability of donors to administer smaller grants to small organisations, thus pushing funding to larger organisations, INGOs and multilaterals, with capacity to manage larger grants. This typically means more layers of 'intermediary' organisations before the funding reaches local organisations.

Donor priorities have in the short-term shifted to dealing with the pandemic when this has been possible within existing budgets. The EU has, for example, redirected existing funds and programmes to make them relevant to the COVID-19 response in a €15.6 billion package to help countries worldwide. Funds have been drawn from a reprioritisation of programmes that are delayed due to the pandemic and from uncommitted resources.[15]

While donors such as Denmark, the Netherlands, and Finland have granted NGOs a higher degree of administrative flexibility enabling them to adjust programmes

> …while most of our activities are postponed, cancelled or held online, it will prove difficult for many young peacebuilders in our network to implement their projects as planned. I hope that flexibility and solidarity can guide our discussions with our donors during this crisis.



The COVID-19 crisis presents multiple challenges, but it can also be a portal for change; an opportunity to shift power to local peacebuilders and change the way of working. Perhaps it takes a crisis to truly see the critical role of local peacebuilders in both global and local efforts to build peace.

…As local peacebuilders often rely on project-oriented funding, and in the current context of the pandemic much of this work cannot be continued, local peacebuilders do not have the flexibility or the funding to adjust and respond to the critical needs affecting their communities…

and actions, this must generally directly reflect a reorientation towards COVID-19 response in partner countries.[16] Without fresh funds, there is a risk that the original identification of priorities, sectors and projects that were agreed with partner countries will be replaced by new COVID-19 related measures.

There is a fear that, as bilateral agencies are challenged to respond quickly to the COVID-19 crisis, they may focus on the needs of those with whom they have regular dialogue, perhaps resulting in priority to addressing the concerns of larger INGOs over the needs of local organisations. In the long-term a lower level of ODA could mean a reduction in the staffing capacity of bilateral donors. These predictions reflect the broader systemic shifts that have taken place within development cooperation over the past 10 years with a reduction in donor capacity to manage multiple partnerships.

Private foundations - Donor

Private foundations show similar short- and long-term tendencies as bilateral donors. They express a general pledge to meet their existing commitments but will have to reduce funding due to reductions in endowments and overall economic downturn.[17]

Funding for peacebuilding is even less prioritised by private foundations compared with bilateral donors, as they provide only around 1 USD for every 100 USD provided by bilateral donors for peace and security.[18] A small group of dedicated private foundations are however on the forefront of exploring new modalities of funding for local organisations, and some have taken immediate steps to shift support modalities to core funding when this was not already the case.[19]

Private foundations also can be important for local peacebuilders because they are more likely to provide unrestricted (or less restricted) funds which can be used more flexibly, adapting to changing demands and opportunities for peacebuilding. Private foundations are often able to mobilise quicker than bilateral donors for rapid response; are more prone to risk-taking and innovation than official donors; and can provide smaller amounts for local organisations.

INGOs – Intermediary in support of local peacebuilding

The share of funding from bilateral agencies directly to NGOs and civil society was 19% in 2018,[20] however the percentage of this funding going to local organisations has not been documented.[21] Despite this critical information gap on support to local peacebuilding, it can be expected that it has gradually declined over the years as donors have been adding monitoring and evaluation (M&E) requirements and grant application demands on INGOs that take time and funds away from core tasks. This serves as a backdrop to understanding the shifting funding landscape and current challenges of INGOs.

As INGOs receive funds from numerous donors and channel a proportion of those resources to local organisations, their stake in the current funding shifts is at least two-fold, extending both to their own ability to operate, and to the ability of local peacebuilders to continue working.

International peacebuilding organisations are experiencing funding deficits in the short-, medium-, and long-term as a consequence of COVID-19. They are struggling with the significant reduction in both private donations and in new grant opportunities - and many foresee having to lay-off staff within six months.

Under normal circumstances, INGOs are dependent on both the ongoing fundraising from private donors and a continuous stream of tenders that they can successfully win. However, these sources of funding have now dried up or been delayed due to uncertainty among donors,

shifts in priorities, and a decreasing ODA. These trends are well documented in the recent AfP survey, which also shows that CEOs of INGOs express a deep concern for the mental health of their staff as they grapple with, "diminished funding opportunities, quick turnaround on demanding programme adaptations, and shifting to a virtual reality, all at the same time".[22]

In addition, a significant decrease in unrestricted funds from private givers has been recorded as fundraising events have been cancelled during the COVID-19 crisis. In an AfP survey, 72% of organisations that "rely on profit-raising events said cancellation of these events" have either already seen or are expected to see a loss in income in 2020".[23] The reduction in unrestricted funds for both INGOs and local organisations not only limits their income and operations directly, but also influences the possibility of obtaining institutional funds from bilateral donors as they have previously been used as a catalyst for such funds.

The crisis has hit slightly later among INGOs than local organisations due to the fact that they have institutional grants committed for several years, are able to negotiate adjustment of funding terms with donors, and have been able to generate equity as a buffer to secure severance pay should they have to lay off staff. As staff commitments of INGOs tie funds that take time to shift, it is likely that cuts will first be made in activity funding with possible immediate implications for local organisations. The long-term implications are difficult to assess at this point, but it is clear that the decisions made by INGOs on how to handle their own crises will be critical for the ways in which local peacebuilding organisations can respond to theirs.

UN – Intermediary in support of local peacebuilding

Although we have little evidence on how the funding for UN organisations is shifting at this time, observers note a tendency of the pandemic reinforcing the trend of multilateral organisations being major recipients of donor funding.[24]But whether this means a reduction in funding for civil society and particularly for local NGOs is not yet known.

Multilateral organisations are important as they are the main channel of ODA for peacebuilding (37% of the share in 2018),[25] however they are less important for local peacebuilders since the main part of this funding is channelled to governments in conflict-affected countries - or used for their own operations. This is, for example, the case in Colombia where the UN Peacebuilding Fund supports the three state-bodies on transitional justice, and only a small proportion goes to local civil society.

After the global spread of coronavirus, international donors have diverted most of their funds to address the impact of coronavirus especially in countries that have active conflicts…. As the local peacebuilders mostly rely on international donors to continue their peace initiatives, they also have diverted their activities to address the impact of coronavirus. In this way, the coronavirus is greatly impacting the work local peacebuilders in conflict settings.

The main support that we need is both material and financial. Even as we work from home we still have to attend to cases of GBV, defilement, land cases. Because they may need to be handled individually they just need to be tackled even with the pandemic. But without finances not much can happen.

The UN Gender and Youth Promotion Initiative (GYPI) mechanism of the UN Peacebuilding Fund set up to support women and youth-led peacebuilding is not able to support local peacebuilders directly as funds can only be awarded to organisations that have a record of managing more than USD 400,000 annually. Such an amount excludes most local peacebuilding organisations around the world.

At country level there is more space for testing different modalities of UN support to local organisations. This has for example been done in Nepal and Colombia. Time frames of funding is however limited to 1-2 years which makes it difficult to use this support for the long-term local peacebuilding efforts needed.

During the COVID-19 crisis the UN has, in some cases, found ways of sustaining small organisations in order for them to resume their work as soon as conditions allow (see Good Practices section).

As with the INGOs, the UN holds a particular responsibility to use their direct access to donors to advocate for support to local peacebuilding. However this can be challenging, as the UN is subject to regulations and requirements developed by member states whose policies are not conducive to supporting local peacebuilding organisations.

Good practices

This report has mainly focused on challenges in funding for local peacebuilding at a critical time. But amidst the concerns we have encountered a number of good practices which illustrate how different stakeholders are trying to address the funding challenges of local organisations. This list is by no means exhaustive however it seeks to highlight a number of concrete ways of supporting local peacebuilders at this time.

- Pool funds for solidarity and sustainability: In South Sudan a small group of local peacebuilders have decided to establish a 'Dignity Fund' with the support of the South Africa based NGO Unyoke Foundation and Humanity United. All local peacebuilders within this network in South Sudan contribute to the fund, and all are able to tap into these funds during emergencies such as COVID-19.

- Support local adaption of programmes: In Myanmar, Adapt Peacebuilding has supported local peacebuilders in adapting their programmes to other types of peacebuilding activities that address key COVID-19 crisis needs and that can continue to be carried out virtually, online monitoring of misinformation, delivering training content on smartphones and doing digital campaigning for peace.

- Develop funding mechanisms that works for local peacebuilders: Ideas for establishing a fund for local peacebuilders that has 'radical flexibility' as its core principle are developing among progressive organisations within the field, such as the INGO Peace Direct. This would build on previous experiences of Peace Direct in facilitating financial stability to local peacebuilders.

- Support local peacebuilders through crisis: Oxfam has contributed USD 500 for each member of a cohort of local youth peacebuilders, who are accompanied by the Unyoke Foundation and reside in a refugee settlement in Northern Uganda. This is to assist the cohort members as they try to survive through the COVID-19 crisis on a daily allowance of 6 USD for an entire family, while continuing their much-needed peacebuilding efforts.

- Support sustainability of local organisations through crisis: In Iraq the United Nations Mine Action Service (UNMAS) requested donors to cover a portion of salary and other core suspension costs for two mine-clearance implementing partners. This would enable them to have stand-by capacity to resume clearance activities as soon as the pandemic conditions in Iraq allow. Denmark/Danida is one of the donors accepting this proposal.

- Increase flexibility for sustainability: Humanity United has reviewed its funding modalities for all their grants for local and international peacebuilding organisations to allow maximum flexibility in meeting the needs and demands of the crisis.

- Fund digital adaptations for peacebuilding: Shift Power for Peace (SP4P) has launched a 'Digital Inclusion for Peace' initiative that provides micro-grants, a series of online courses and an online platform to help local peacebuilders continue working and when needed, to adapt digitally.

- Provide physical space to support continued work through the crisis: HAKI Centre has offered affordable office space for local peacebuilding organisations when they were no longer able to retain their own offices due to funding implications of the COVID-19 crisis.

If donors, INGOs, multilaterals and all other international institutions do not get their act together to deal with their own internal challenges and provide adequate support to local peacebuilders at this time, years of peacebuilding efforts globally could be lost.

The peacebuilding community needs to come together to stand behind local peacebuilders at this time of crisis, and provide timely, adequate, and relevant support – and to listen to the needs of local peacebuilders in guiding international institutions to do what is right in the months and years to come.

Solidarity within the peacebuilding community is needed to secure sustainability in global peacebuilding efforts.

Recommendations

OVERALL RECOMMENDATIONS:

1. Donors and all other types of stakeholders within the global peace and development system must enhance their relative priority to peacebuilding. Local peacebuilding is needed now more than ever.

2. With the world in flux and the international peacebuilding and development institutions highly influenced by the changing geo-political and financial realities, a further examination of ongoing shifts in funding trends is needed. It is critical to identify the implications for local peacebuilding for the global peacebuilding community to pursue sustainable peace.

3. There is a need for a re-commitment to the principles of the Grand Bargain, and for the peacebuilding field to be in the lead of the 'localisation' agenda, with local peacebuilders being at the frontline of peacebuilding.

RECOMMENDATIONS FOR DONORS:

4. Donors have to act immediately to support the continued work of local peacebuilders and refrain from cancelling planned peacebuilding grant processes relevant to local peacebuilding. Core funding for retaining staff and office space alongside adapting and continuing peacebuilding efforts must be secured.

5. Local peacebuilders that find creative ways to work during the crisis must be supported without the obstacles of normal funding requirements and delays. Many local peacebuilders have managed to continue working during COVID-19 when flexibility in programme implementation and reporting are extended, and support is provided to adapting programmes (e.g. digital tools in peacebuilding).

6. Donors must provide additional support to local organisations/peacebuilders rather than promoting a shift from peacebuilding to other activities, as local peacebuilding efforts are critically needed at this time.

7. Donors have the power to ensure that intermediary organisations channel as much funding as possible to local organisations. If they are not able to support local peacebuilders directly, donors must ensure that the requirements they ask of INGOs and other intermediaries are reinforcing the ability of these organisations to provide relevant, adequate and sustainable support to local peacebuilding.

RECOMMENDATIONS FOR INGOS:

8. INGOs play a critical role as interlocutors in securing funding and appropriate support for local peacebuilders and must negotiate with bilateral donors and private foundations to promote and secure more easily accessible and flexible funding to local peacebuilders. Sometimes INGOs are the sole ambassador for local NGOs in critical funding conversations.

9. INGOs - which during COVID-19 have shifted funding from peacebuilding to COVID-19 related health responses - at times prompted by donor priorities - must ensure that the peacebuilding funds are replaced and increased as soon as possible due to the increasing need.

10. INGOs must be at the forefront of supporting change efforts to rethink and transform the global peacebuilding system to better support local peacebuilding organisations and networks.

Sources of data informing this report

- Consultations with 250 peacebuilders through Peace Direct's Platform for Dialogue
- Online survey (Survey Monkey) of 48 peacebuilding actors
- Video call group consultations with INGOs and local peacebuilders
- Bilateral conversations with donor, INGO, local peacebuilder and think tank representatives
- Weekly live-streamings with local peacebuilders
- Thematic discussion on the Corona Crisis and Local Peacebuilding online platform (over 250 members)

Endnotes

1 Chetcuti, P.,Pelham, S.,Truscott, M. and Smyth, F., 'Conflict in the Time of Coronavirus', Oxfam International, May 2020.

2 Bell, C., Epple, T. and Pospisil, J. (2020) 'The Impact of Covid-19 on Peace and Transition Processes: Tracking the Trends', Political Settlements Research Programme (PSRP), 2020, Edinburgh: Global Justice Academy, University of Edinburgh; Brown, F. and Blanc, J., 'Coronavirus in Conflict Zones: A Sobering Landscape', Carnegie Endowment for International Peace, Washington D.C., 14 April 2020.; United Nations Entity for Gender Equality and the Empowerment of Women and The United Nations Secretariat, 'The Impact of COVID-19 on Women', New York, 9 April 2020; 'Fact Sheet: Attacks On Health Care During The Covid-19 Pandemic', Insecurity Insight, June 2020.

3 Desmit, S. and Neat, A., 'COVID-19 in Africa: driver of conflict, or too early to tell?', Briefing Note No. 118, European Centre for Development Policy Management (ECDPM), June 2020.

4 Conducive Space for Peace, Humanity United and Peace Direct, 'COVID-19 and the impact on local peacebuilding,' April 2020.

5 Baumgardner-Zuzik, J. DeYoung, S. and Zeya, U., 'The Edge of Crisis: COVID-19's Impact on Peacebuilding & Measures to Stabilize the Field', Alliance for Peacebuilding (AfP), 22 May 2020; 'NGOs pivot programmes, while critical needs in developing countries go unfunded,' The Bond Network, 9 June 2020.

6 In this report we refer to local peacebuilders as people working directly with local communities to facilitate sustainable peace and live in (and originate from) the conflict affected country.

7 Alliance for Peacebuilding (AfP), 'The Edge of Crisis: COVID-19's Impact on Peacebuilding & Measures to Stabilize the Field'.

8 Alliance for Peacebuilding (AfP), 'The Edge of Crisis: COVID-19's Impact on Peacebuilding & Measures to Stabilize the Field'.

9 Alliance for Peacebuilding (AfP), 'The Edge of Crisis: COVID-19's Impact on Peacebuilding & Measures to Stabilize the Field'.

10 Sherriff, A., Veron, P, Deneckere M. and Hauck V., 'Supporting peacebuilding in times of change,' European Centre for Development Policy Management (ECDPM), September 2018.

11 Tew, R., Knox, D., Dodd, A., 'Coronavirus and aid data: What the latest DAC data tells us', Development Initiatives, 17 April 2020.

12 Development Initiatives 'Coronavirus and aid data: What the latest DAC data tells us'.

13 Yet, OECD sees no indication of any decreases so far, and the largest providers of aid said in an April statement that they will strive to protect ODA budgets. It is worth noting that after the economic crisis of 2008, ODA did not drop.

14 'Supporting peacebuilding in times of change,' European Centre for Development Policy Management (ECDPM).

15 Jones, A., Sergejeff, K., Sherriff, A., Teevan, C. and Veron, P., 'The challenge of scaling up the European Union's global response to COVID-19', Briefing Note N. 116, European Centre for Development Policy Management (ECDPM), April 2020.

16 Tallack, Barney, 'The Existential Funding Challenge for Northern INGOs', May 2020.

17 Tallack, Barney, 'The Existential Funding Challenge for Northern INGOs'.

18 In 2017 research by Candid and Peace and Security Funders Group shows that peace and security grantmaking represented just Peace and security grantmaking represented just 1.2 percent of the $33 billion given by these foundations. In the same year, overall peace and security foundation grantmaking represented $435.4 million, of which $16.4 million went to peacebuilding issues (4%) see Peace and Security Funding Index.

19 See Humanity United's official statement and for a broader foundation flexibility initiative see the Philanthropy's Commitment During Covid-19 organized by the Council on Foundations.

20 Figures provided by European Centre for Development Policy Management (ECDPM) from OECD Common Reporting Standard (CRS) data sources – email correspondence 19th of June 2020.

21 OECD-DAC data does not allow a registration of this important dimension, and only few studies have tried to uncover the amount of funding that 'trickles' down to local organisations. In the humanitarian sector, international humanitarian assistance sent directly to local and national responders as a proportion of all international humanitarian assistance is tracked and has slowly increased for the second consecutive year to 3.1% (US$648 million) in 2018. While in the peacebuilding field the only example known to us is among US-based foundations self-reporting on these numbers, thus no hard evidence is available. See, Development Initiatives' Global Humanitarian Assistance Report 2019 regarding humanitarian funding to local and national actors.

22 Alliance for Peacebuilding (AfP), 'The Edge of Crisis: COVID-19's Impact on Peacebuilding & Measures to Stabilize the Field'.

23 Alliance for Peacebuilding (AfP), 'The Edge of Crisis: COVID-19's Impact on Peacebuilding & Measures to Stabilize the Field'.

24 Discussions with the European Centre for Development Policy Management (ECDPM) – email correspondence 19th of June 2020.

25 average annual income of USD 900,000 or less Figures provided by ECDPM from OECD CRS data sources – email correspondence 19th of June 2020.

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About Conducive Space for Peace

Conducive Space for Peace is an International Peacebuilding organisation based in Denmark. We work in collaborative partnerships as a connecter in facilitating systemic transformation of the global peacebuilding system.

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