



Building for Peace: Transformative Reconstruction in the MENA Region

Lessons learned and recommendations of German development cooperation

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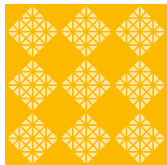
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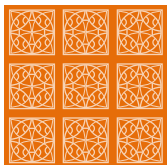
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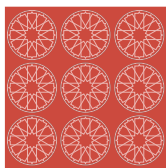
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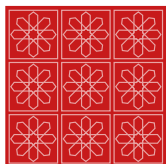
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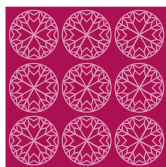
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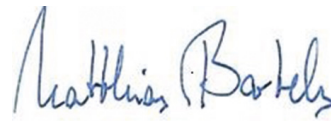
POSITIONING AND ACKNOWLEDGEMENTS

This publication was produced in cooperation between the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and KfW Development Bank and was commissioned by the regional divisions for the Middle East (Divisions 300 and 301) of the Federal Ministry for Economic Cooperation and Development (BMZ). It draws on the findings of broad consultations conducted through five interactive workshops undertaken in early 2021. These workshops involved state and civil society actors from German development cooperation (DC), as well as representatives of think tanks and research institutions.

The participants have contributed with all their conceptual skills as well as their valuable practical experiences to the joint search and exchange process in a professional manner. This was essential to explore the existing development trends in depth and breadth, while at the same time pointing out new paths for the important process of Building for Peace. Also, the critical examination of the role of German DC in these actually autogenous processes has necessarily moved into focus and has been discussed with all openness. Only in this way, we were able to reflect on the kaleidoscope of instruments and methods through a critical discourse and to develop recommendations for the difficult road ahead. We would like to take this opportunity to thank all people involved sincerely.

We would also like to give a big word of thanks to the numerous people at BMZ, GIZ and KfW who were involved in writing the report for their constructive cooperation, open exchanges, critical thinking and suggestions. Special thanks go to Florian Lewerenz of BMZ, Julie Brethfeld and Dr Léonie Wagner-Purpura of KfW, and Lena Droessler and Susanne Jaworski of GIZ. We would also like to thank the moderators of the workshops, Dr Nikolaus Schall and Dr Ulrike Hopp Nishanka. Dr Hopp Nishanka (on leave of absence from BMZ at the time of publication) is also the main author of this report.

A number of quotations from the workshop are presented in speech bubbles throughout the report, providing insights into the respective discussions. Since all the discussions at the workshop were held under the Chatham House Rule, we have kept these quotations anonymous.



Dr Matthias Bartels
GIZ programme manager of
strategic advisory programme MENA

LIST OF ABBREVIATIONS

B4P	Building for Peace
BMZ	German Federal Ministry for Economic Cooperation and Development
EU	European Union
DC	Development cooperation
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
HDP nexus	Humanitarian-development-peace nexus
HLP	Housing, land and property
IOM	International Organization for Migration
KfW	Kreditanstalt für Wiederaufbau (German development bank)
SME	Small and medium-sized enterprise
LGBTI people	Lesbian, gay, bi, trans and intersex people
MDTF	Multi-donor trust fund
MENA	Middle East and North Africa
MHPSS	Mental health and psychosocial support
NGO	Non-governmental organisation
PEA	Political Economy Analysis
UNESCWA	United Nations Economic and Social Commission for Western Asia
UNOPS	United Nations Office for Project Services
UN	United Nations

PREFACE

Dear readers,

Since the Arab Spring ten years ago, the Middle East and North Africa (MENA) region has been hit particularly hard by civil wars, crises and political upheaval. The people of Iraq, Yemen, Libya and Syria have suffered extreme destruction, displacement, persecution and violence, with some 600,000 people dying so far in the Syrian conflict alone. The social and economic losses have far-reaching consequences for regional and international order, and for security, development and peace.

As one of the largest bilateral donors in the region and in the context of European and multilateral programmes, Germany is contributing in many different ways to the containment and resolution of these crises. The German Government:

1. supports the high-level political negotiations and the mediation efforts of the United Nations as well as the activities of local peace actors;
2. assists people in alleviating hardship and overcoming trauma and suffering, and supports them as they develop new prospects and strive to achieve peace;
3. strengthens the resilience of people and of state and social structures during the protracted crises; it fosters self-initiative and creativity on their return from displacement, restoring destroyed infrastructure, tapping into sources of income and creating new development opportunities.

The German Federal Ministry for Economic Cooperation and Development (BMZ) wants to link (future) reconstruction in the MENA region more effectively to peacebuilding efforts. To this end, it is evaluating past experiences and offering suggestions for a different approach. In 2018, BMZ entered into a strategic cooperation agreement with the World Bank. In April 2020, the World Bank published a study entitled "Building for Peace – Reconstruction for Security, Equity, and Sustainable Peace in MENA" (B4P). The study was produced in close consultation with German DC within the framework of joint workshops and an active technical exchange.

With this report, BMZ is adding Germany's experiences and recommendations to supplement the World Bank study. The report is based on a series of workshop discussions held in February and March 2021. These were run by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of BMZ and involved some 250 participants representing a broad spectrum of governmental and non-governmental, predominantly German organisations. The report

also integrates findings from various events in which the Building for Peace approach was discussed with German organisations (see Annex 2).

The purpose of the report is to help German DC, including implementing organisations and civil society partners, to develop a common understanding of Building for Peace, and to implement the approach using its wide range of instruments. Good practice examples serve as a starting point and should be disseminated further. Meanwhile, fresh impulses and recommendations for improvement should leave DC actors even better prepared to face today's challenges as well as future reconstruction. The new understanding will influence bilateral cooperation and inform the German contributions to European and multilateral efforts, while also inspiring partners in the international donor community.

The report does not only reflect the current state of knowledge across German DC; it should also be viewed as an invitation to join the discussion regarding the challenges and potentials of Building for Peace. We would like to continue with the reflective practice that has been initiated and we are encouraged in our efforts by the enthusiasm shown by the actors who have taken part in the discussions so far. We are very grateful for their commitment and their contributions.

Volker J. Oel
Deputy Director General and Commissioner
for the Middle East, Ministry for Economic Cooperation
and Development (BMZ)



KEY MESSAGES

The key messages of this publication are based on the experiences gained through support for reconstruction in different regional contexts.¹

1. The Building for Peace approach links the restoration of destroyed infrastructure to social, economic and societal reconstruction as a way of achieving peacebuilding effects in a context of crisis and violent conflict.

2. Reconstruction should explicitly avoid restoring the previous state and reproducing old power and social structures. As such, the term 'reconstruction' is only appropriate to a limited extent.

3. It is only through the long-term transformation of social contracts in the affected contexts that sustainable peace and sustainable development can be achieved. In this sense, reconstruction can promote peace. It is part of a comprehensive transformation process that includes economic reforms and support for the rule of law.

4. The Building for Peace approach is value-based and contributes to the achievement of the 17 Sustainable Development Goals of the United Nations (UN), in particular to Goal 16 (peace, justice and strong institutions). Strengthening human rights, reducing discrimination and inequality, promoting gender equality, preserving natural resources and protecting the climate are all efforts that should be at the heart of Building for Peace.

5. The (re)allocation of power, altered by crisis and violent conflict, as well as new demographic challenges, such as migration and displacement, often favour the necessary changes. At the same time, the interests of political and economic elites – or even of external power brokers – that benefit from the status quo frequently oppose such changes.

6. DC can improve the conditions for fair, inclusive and balanced negotiation processes for new social contracts and can create incentives for transformation by financing reconstruction measures. To this end and as part of their ongoing conflict and context analyses, development actors need to analyse the political economy of reconstruction and prevent corruption and abuse of power. They should understand their own roles as donors within the system and use this knowledge to guide their actions.

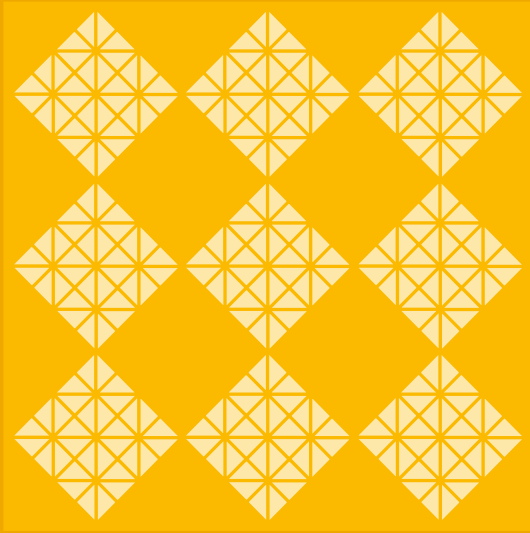
7. The Building for Peace approach is usually multisectoral in nature and involves four core, closely intertwined areas of intervention:

1. Improving state-society relations: reliable service delivery, trust and transparency;
2. Empowerment to shape the future: education, livelihoods and agency in crisis contexts;
3. Inclusive social fabric: dialogue, participation and social cohesion;
4. Urban reconstruction: space for encounters, remembering and new beginnings.

8. It is of the utmost importance that reconstruction efforts begin in a timely manner and have a longer-term perspective. Already at an early stage – during the crisis itself – DC should build up local capacities and resources for reconstruction and future planning and should use these later on in the reconstruction process. In the spirit of the humanitarian-development-peace nexus (HDP nexus), a sustainable perspective, based on an inclusive vision of development and peace, should guide all short-, medium- and long-term measures.

9. Last but not least: Local people are at the heart of the Building for Peace approach, which is a truly endogenous process that outsiders can only support. DC actors recognise their limited ability to exert influence. Nevertheless, during a very critical phase, DC offers vulnerable countries a partnership that can bring great benefits, through understanding, flexibility, collective learning and cooperation on equal terms.

¹ | Together with the World Bank report *"Building for Peace: Reconstruction for Security, Sustainable Peace and Equity in the Middle East and North Africa"*, these experiences form the conceptual foundations for Building for Peace. The results of a *meta-review of evaluations of international engagement in Afghanistan*, presented by BMZ in spring 2020, have also been taken into account. In addition, the publication takes up recommendations from the international conference *on Anti-Corruption in Fragile States*, held in November 2019.



PURPOSE RELEVANCE AND DEFINITION

1. The purpose of this publication

This report highlights how DC can contribute to Building for Peace. It provides food for thought, makes recommendations and should serve as a starting point for further reflection and shared learning, while shedding light on any gaps in understanding.

The **target group** of this publication are primarily German DC decision-makers and practitioners in the context of reconstruction. The understanding of Building for Peace presented here is intended to contribute to the strategic planning and design of DC measures in these contexts. The recommendations are also intended to provide German civil society actors in DC with new impulses. The report also offers **guidance** for local state and civil society partners involved in reconstruction measures, as well as for regional and international partner organisations. It is intended to make Building for Peace a subject of policy dialogues and strategic discussions. To this end, representatives of German DC are sharing this concept as an invitation to further exchanges.

The report highlights **open questions and research topics** for think tanks and academics who could provide support for the further development of the concept.

2. Geographical focus and relevance of Building for Peace in the context of "BMZ 2030"

In the context of reconstruction, German DC should be guided by the principles and suggestions presented in this report, not only in its **bilateral, governmental and civil society programmes** but also in European and multilateral contributions. The concept

1. can be applied to all instruments, including BMZ's crisis instruments (in particular the special initiative "Tackling the Root Causes of Displacement – Reintegrating Refugees"

- and Transitional Development Assistance), and to all the approaches involving technical and financial support;
2. takes into account the Strategy on Transitional Development Assistance, with its focus on managing crises and strengthening resilience, on the principles of support for refugees, internally displaced people and host communities, and on the quality features of German DC²;
3. is particularly relevant for interventions in BMZ's category of **nexus and peace partner countries**, though it can also be applied in other partnership categories;
4. can provide guidance for approaches to address the **BMZ core theme of "peace and social cohesion"** in the context of the **"BMZ 2030" reform process**.

The report focuses on the four **crisis contexts in the immediate vicinity of Europe**, in the Middle East and North Africa. Whereas in **Iraq** reconstruction has already begun and the lessons learned could be incorporated into this concept, the situation in **Yemen, Libya or Syria** has not yet permitted specific plans to be developed for large-scale reconstruction at national level. This is precisely why the recommendations made in this report are relevant for interventions in those countries. DC should, at an early stage, strengthen local capacities for reconstruction and shaping the future. The long-term vision for development and the future must be incorporated into all crisis management measures, in line with the HDP nexus. Moreover, the recommendations can be followed as soon as large-scale reconstruction processes get under way.

The ideas proposed in Building for Peace are also relevant for other fragile contexts, such as Lebanon, and in **other regions of the world**. As such, they can be shared and applied more widely than just in the MENA region.

2 | The **BMZ 2030 reform process** defines six quality features for German DC: 1) human rights, gender equality and inclusion; 2) anti-corruption and integrity; 3) reduction of poverty and inequality; 4) environmental and climate impact assessment; 5) conflict sensitivity; and 6) digitalisation.

Any support for transformative reconstruction or new construction can only succeed if there is interaction between all policy fields. BMZ therefore coordinates its activities closely with those of the German Federal Foreign Office and other ministries of the German Government. The lessons learned and the recommendations presented here are based on the German Government's guidelines "Preventing Crises, Resolving Conflicts, Building Peace", the associated inter-ministerial strategies, the BMZ strategy "Development for Peace and Security", and the "Operations Manual on the Inter-ministerial Approach". They help Germany fulfil its international commitments under the Global Compact on Refugees and the Third German Government Action Plan on the Implementation of United Nations Security Council Resolution 1325 on "Women, Peace and Security" (2021–2024).

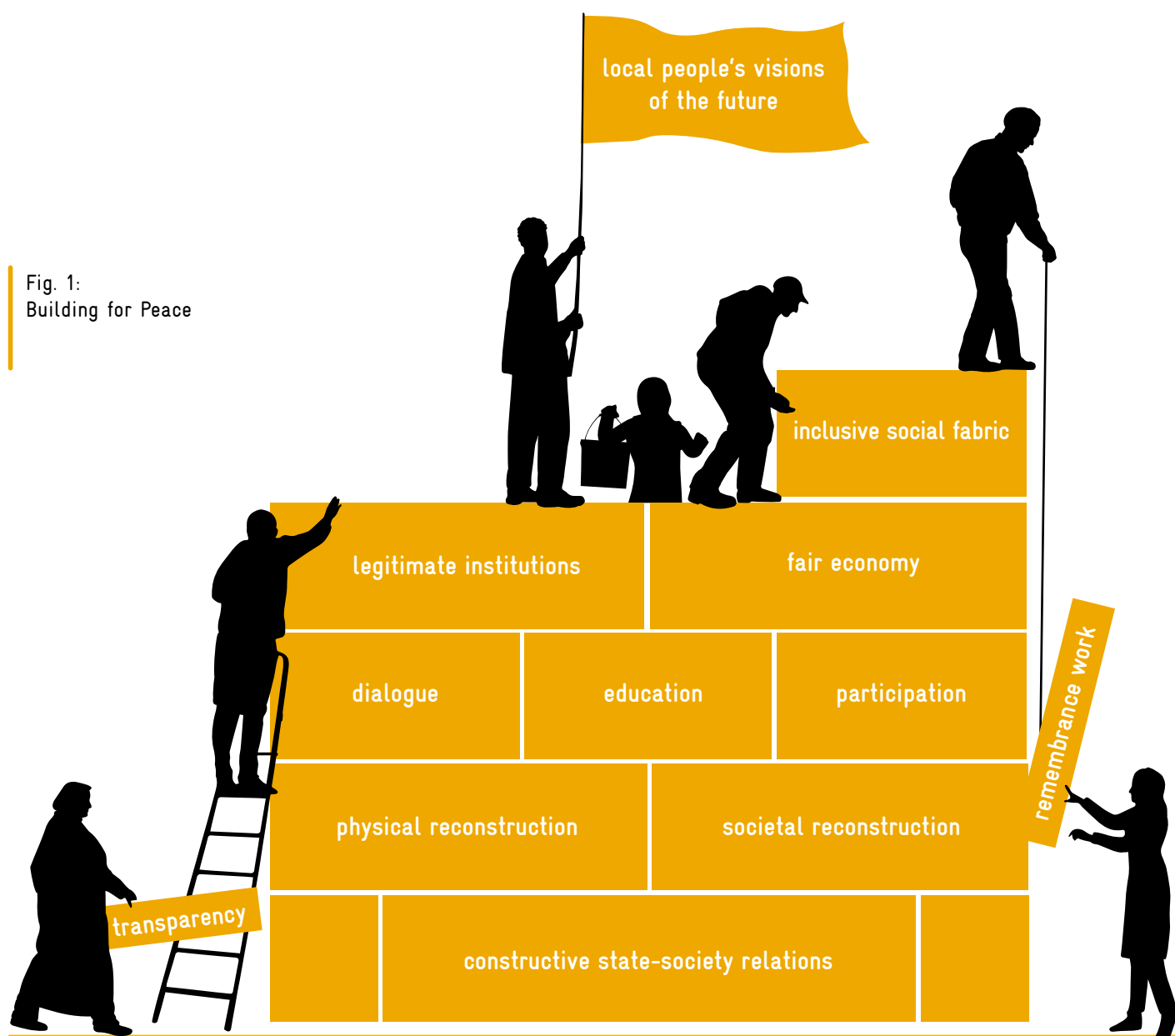
3. Defining Building for Peace and its relevance in the HDP nexus

Building for Peace...

... encompasses **physical, social, economic and societal reconstruction**. The rehabilitation of destroyed physical infrastructure and the restoration of state functions are an important foundation for reconstruction. However, reconstruction efforts must go beyond this and focus on measures to promote accountable, legitimate institutions, a fair and inclusive economic order, and an inclusive social fabric. Support for constructive relations between state and society forms the basis for all action.

... should be seen as a **long-term, transformative process** that contributes to inclusive, sustainable development and peacebuilding. This process must be owned and carried out

Fig. 1:
Building for Peace



3 | Lessons learned in such diverse places as the Balkans, Afghanistan, the Palestinian territories, Philippines, Somalia, Sudan, South Africa and Ukraine were also included.

4 | Dealing with the Past and Reconciliation (Transitional Justice), Promoting the Rule of Law and Security Sector Reform.

by endogenous actors, and should be supported by external actors, in line with "The New Deal for Engagement in Fragile States".

... is guided by a **vision of the future owned by the local people, with the aim of a new social contract**. It goes beyond political agreements and peace accords and involves all levels of society. Building for Peace strengthens social cohesion between social groups, respect for human rights, gender equality and inclusion. It also aims to improve constructive relations between state and society.

... should lay the **foundation for peaceful coexistence** and for shared development opportunities in the future. Building for Peace addresses immediate, short-term needs to improve living conditions as well as medium-term structural reforms. It also pursues a long-term conflict resolution and conflict prevention approach.



Visible destruction is just the tip of the iceberg

In 2017, a comprehensive study by the World Bank on the consequences of the war in Syria confirmed what many practitioners had known for a long time: the visible and physical destruction of infrastructure and housing have been massive in Syria, but the economic impact of the corrosion of social cohesion, economic networks and trust is much greater. The longer this war continues, the more disruptive that intangible damage will be. German DC must therefore adopt a systemic perspective and also address the much more difficult issue of social reconstruction.

... is part of the **HDP nexus**, where it addresses above all the dimensions of development and peace. Building for Peace bridges the gap between short- and medium-term development of basic infrastructure and services on the one hand, and the longer-term strengthening of resilience, capacity development and peacebuilding, on the other. The different interventions must fit into a coherent overall approach towards Building for Peace. Unlike the traditional understanding of post-war reconstruction, a violent conflict does not necessarily have to be over before Building for Peace can start.

... requires **cooperation with the state** in many areas and involves state structures at all levels. Long-term, large-scale investments in reconstruction are only possible in cooperation with an internationally recognised government or a transitional administration that is capable of making its own financial, personnel and technical contributions and which can also perform steering and coordination functions. If these requirements are not met, support should rather be provided through smaller-scale infrastructure measures that do not involve direct cooperation with central government actors.

... involves **civil society actors** as part of a coherent overall approach. Building for Peace depends to a great extent on an active, constructive and organised civil society. Actors from many different fields (religious organisations, associations, non-governmental organisations, educational and research institutions, etc.) serve as multipliers and help to integrate peaceful structures in society. They often provide significant impetus for peacebuilding and replace services that weak state institutions are (temporarily) unable to provide.

... calls for a minimum level of physical and human **security**. As such, violent conflict should largely be over and mine clearance should be under way. There is a need for local **contextualisation, flexibility and agility**, however, as well as **realism, a willingness to take political risks and expectation management**, because violent confrontations can flare up again at any time.

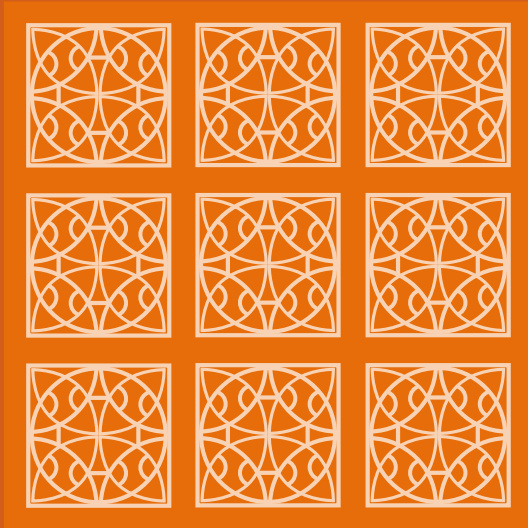
... takes place in the **context of peace processes** and can set incentives in the sense of a peace dividend. Building for Peace is understood as an overarching approach for all interventions, not as a specific sector.



Building for Peace as an element of peacebuilding

Building for Peace covers one section of the broad spectrum that consists of conflict prevention, conflict management and peacebuilding. Elements in that spectrum include preventing or overcoming conflict, fragility and violence; improving capacities for peaceful conflict resolution; and putting in place the conditions for peaceful and inclusive development. Although Building for Peace represents an aspect of peacebuilding, it does not include, for example, demobilisation or security sector reforms.





EXPERIENCE AND PRINCIPLES

The foundation of Building for Peace

The World Bank's Building for Peace approach (B4P) offers a broader perspective on promoting and sustaining peace through reconstruction. Some of the propositions of B4P are well known in German DC, especially in its development-related peacebuilding activities. In the early 2000s, discussions were already being held in these circles about approaches to reconstruction that contribute to conflict prevention.

The following principles build on these considerations. They draw on lessons learned in the context of German DC, and to some extent have already been incorporated into a number of BMZ's sector strategies. Here, they are combined with more recent considerations, such as climate-sensitive reconstruction, and updated to create a holistic concept of Building for Peace.

1. Reconstruction as a transformation process

Reconstruction should not restore the past, together with the original causes of the conflict, but must contribute to **transformation**. As with the "building forward better" logic currently guiding the response to the COVID-19 pandemic, the opportunities of reconstruction should also be used to invest in a sustainable and more equitable future.

Building for Peace should be based on an **inclusive vision** of peaceful coexistence that is shared by as many social groups as possible. Usually such visions cannot be developed and implemented at short notice, but require a longer-term commitment. The necessary transformation processes often take 30 years or longer.

"Small is beautiful": We need to set very long-term goals, but we also have to be satisfied with small incremental changes and iterative approaches in a highly challenging day-to-day context.

In practice, when supporting the development of future visions, DC actors are facing several **dilemmas** of how to deal with time pressure, instability and uncertainty. For example, urgent measures to stabilise a situation in the short term and initial steps towards crisis recovery cannot wait for a vision to be developed in a participatory and inclusive manner. Also, decisions often have to be made despite shortfalls in information. These dilemmas cannot always be resolved, but they

should at least be made transparent in planning processes and in communication with local actors and the population. Nevertheless, early decisions, for instance in the context of stabilisation measures, can lead to **path dependency**. For this reason, a vision should be developed as early as possible and guide all interventions. **Conflict sensitivity** must also include the strategic level of planning for reconstruction and not be reduced to the project design stage, which is something many practitioners criticise.

In line with a **multi-level approach**, vision and dialogue processes must ensure that local perspectives take centre stage in reconstruction planning and reforms. Actors at the national level may be detached from local realities, although they control the overall planning, financing and coordination of reconstruction measures. The mid-level local and provincial government structures, as well as organised civil society, should play a connecting and mediating role. They can often act as a **"transmission belt"** between the desirable bottom-up approach and the top-down approach that more often dominates in international support for reconstruction.

2. A people-centred approach

Building for Peace can be successful in the long term only if it **focuses on people** with their diverse perspectives, potentials, resources and needs. All affected sections of the population should participate in needs assessment, planning, design and implementation. Strengthening participation takes place at three levels:

1. creating safe spaces and formats for dialogue;
2. enabling and empowering people to get involved;
3. strengthening the capacities of state actors to be constructive and to facilitate and encourage participation.

This kind of approach requires a **comprehensive and inclusive understanding of all relevant actors**. DC should promote the equitable participation of different stakeholders through approaches that are both context-sensitive and as gender-transformative as possible. These include women and other disadvantaged groups, such as young people, minorities, refugees and internally displaced people, people living in extreme poverty, people with disabilities and members of the LGBTI community. With respect to intersectionality, it is important to be aware of the possibility of **multiple discrimination**.

In crisis contexts, many people have to live with the consequences of war-related injuries. Often too little is known about the exact numbers or needs for support. Moreover, some estimates put the proportion of people living with a disability in fragile contexts as high as 30 per cent.

When it comes to promoting dialogue, the participants must have legitimacy and be representative, and they must come from a wider circle than just the "usual suspects" from civil society. The inclusion of non-state armed groups poses a special challenge. They are involved in peace processes as

parties to the conflict but are often excluded from governmental DC in the field of reconstruction. It is hardly possible to adopt an inclusive approach, however, if local actors do not take on the task of getting these groups involved.



Removing blinkers

DC actors should be aware of their own blind spots and as far as possible should take off their blinkers in order to develop a systemic understanding of the respective context. Based on the B4P report, certain perspectives often dominate (e.g. capital city, important NGOs, male adults, etc.) the context analysis because of the choice of respondents. Meanwhile, other opinions are excluded due to a lack of access to some geographical contexts or to political, cultural or ideological interests. The focus on analysing conflict lines and actors can also lead to the neglect of other factors relevant to sustainable reconstruction, such as climate and natural resources.

The process of planning reconstruction measures itself must be inclusive and requires a participatory approach. However, this often clashes with the desire for quick, visible results. Community-based approaches are particularly conducive in this regard, but the principle of participation must apply to central **government planning processes** as well.

Inclusive participation can also shed light on conflicts of interest and may lead to further tension. It requires safe spaces as well as **targeted protective measures**, if powerful players suppress other stakeholders. The altered social conditions during the crisis can create **new spaces**, for instance for gender-transformative approaches at the local level. DC actors should use these in a conflict-sensitive way.



Creating space for young people's concerns

In the crisis contexts of the MENA region, the population is very young. About half the people living in Libya are below the age of 30. As either victims or perpetrators, young people are strongly affected by violence in many ways. Yet their voices go largely unheard in community structures and among the authorities. There are hardly any state or civil society institutions for youth work. It is in this area that, among others, the GIZ project "Promoting Youth for Peaceful Development in Libya" has become active. The project supports the peaceful youth participation and political involvement at the local level. It creates safe spaces such as youth and training centres and develops capacities in local administrations to deal with young people and their concerns.

An inclusive approach requires a shift of perspective, because marginalised groups often bring special resources, knowledge and skills to the reconstruction process. To enable them to participate, it is frequently necessary to first overcome the crisis and improve living conditions. Support measures can create opportunities for them to contribute to shaping reconstruction activities. DC should above all involve refugees and returnees in reconstruction activities. Their potential and experience are often important resources. Even if they have not (yet) returned home, they can also become involved in the reconstruction effort as part of the diaspora.

We are often faced with a dilemma: we want to strengthen social cohesion while also encouraging participation and emancipation. But by doing that we're also creating conflicts! How can we include 'disruptive' forces, but above all encourage the integrative actors?

Psychosocial support is often necessary to lay the foundations for trust, social cohesion, peacebuilding and social change. Community-based approaches can address the psychosocial needs, for instance, of people who have been displaced and since returned home. Accessible psychosocial support services and self-help groups can be associated with programmes involving infrastructure reconstruction, livelihoods and food security or employment, which should, as far as possible, be set up for the long term.

In practice, the transformative claim of resilience sometimes falls short. In contexts of ongoing violence and unstable living conditions, the term can create the impression that it is right to encourage people to 'endure' the crisis by strengthening their adaptive capacities as well as their coping strategies. We need to emphasise the broader and more transformative understanding of resilience. Transitional development assistance offers some starting points in this respect.

3. The political economy of reconstruction

The basic principles of German DC – act in a conflict-sensitive manner, prevent violent conflicts and promote peace – also apply to Building for Peace. All plans and activities begin with a **holistic conflict and context analysis**, including a gender-sensitive analysis of the potential for peacebuilding. The analysis needs to focus on the **local level** of the respective reconstruction locations, as country-wide analyses are usually too superficial.

Context sensitivity requires extra effort, for example, when assessing the role played in the conflict by construction contractors to be involved. It often seems easier to bring in outside companies and resources, also because of the dearth of local capacities. But of course, we want to strengthen the local economy, so we have to invest time and resources to carry out analysis.

A particular challenge is to take into account the effects of violent conflict and its termination on political, social and economic **power relations**. Especially when there are no political solutions to a conflict, it requires a conflict-sensitive approach to its – real or even perceived – “winners and losers”. Building for Peace must reflect these tensions and support efforts to deal with the past and transitional justice.

Building for Peace follows the **comprehensive human rights approach** pursued by German development policy. As such it also takes access to resources and infrastructure into consideration, as well as distributional equity and the protection of property. It is important to remember that in the context of reconstruction, interest groups may propose measures that could violate people's rights along existing lines of conflict, require forced resettlement, or could manipulate demographic structures. For this reason, **comprehensive analyses** are necessary for all DC projects. They can reduce the risk of (unintended) negative impacts in the context of an intervention (do no harm).

It is important to give special consideration to the **role of the state** – and of the various actors at all its levels. Reconstruction takes place in cooperation with state actors at the national level, although in the course of the conflict those actors have often undermined public trust and weakened the legitimacy of state action. Even before the crisis, the state often served as a resource base for the power elites. Its dealings were characterised by particularistic patterns of distribution as well as discrimination against civil society and the reduced scope for action. Building for Peace should contribute to lasting change in these structures. In the short term, however, it often has to first come to terms with the existing power structures and can only contribute to change through gradual incentives for reform. Here, conflict-sensitive action also entails reflection on these **dilemmas**.



Dealing with elites

Reconstruction measures are negotiated primarily with political, economic – and even civil society – elites, in other words with individuals and groups that enjoy a higher social status and have greater influence. In general, women are seriously underrepresented in all leadership positions. These elites can play a constructive role in DC as multipliers and reform actors. However, the stakeholder and power structure analyses conducted by DC actors must pay special attention to the informal and sometimes destructive negotiations and power-sharing between elites. This also includes potential ‘elite capture’ of public offices and resources, as well as social and political norms that make such behaviour possible. This understanding of how to deal with elites should shape the logic of reconstruction activities in order to contribute to the diversification of reconstruction actors and reduce resistance and conflicts of interest.

Promoting accountability must play a prominent role in Building for Peace. It is a question of promoting transparency and tackling corruption, both within state institutions and in the context of DC measures themselves. The resource flows associated with reconstruction must be made transparent so that the use of resources can be verified, for instance, by civil society actors. Furthermore, financial transparency with respect to reconstruction has a positive influence on **expectation management** and helps avert crises by reducing mistrust and making it more difficult for reconstruction to be politicised and instrumentalised by powerful actors.

According to Transparency International, the construction sector worldwide is most vulnerable to corruption, and fragile contexts are hardest hit by corruption.

Greater **awareness of the political economy** of reconstruction is crucial. Powerful actors often want to appropriate the resources of reconstruction – as is the case in the political economy of war or in the contexts of organised crime and the shadow economy. However, uncovering such influence is risky for local as well as for international actors. Here, DC is faced with various dilemmas, for example when it is dependent on the cooperation of power actors in order to gain access to certain target groups or reconstruction areas.

When we conduct analyses, we have to break free of our Western models of state and society and learn to understand the functionality of supposedly dysfunctional structures and customs. We must also take greater account of the social norms that shape how the population views corruption.

Reconstruction measures must create **transparency and trust** in order to increase public acceptance of state structures and institutions. DC must not allow a continuation of the war economy or new forms of abuse of power and misappropriation of state resources. In interaction with other policy areas, development policy must pay particular attention to the **macro level**, while reflecting more strongly on its **own role in the political economy** of reconstruction. A zero-tolerance policy towards corruption should include self-critical reflection and a culture of dealing constructively with mistakes.

Reconstruction should systematically strengthen **“community accountability”**, for example through (anonymous) complaints mechanisms, ombudsman offices and other feedback mechanisms, including in social media. It is important for credibility vis-à-vis the population that the information is actually checked and followed up by independent bodies, that the whistleblowers are protected and that punishable acts are investigated.

In reconstruction contexts, **capacity building** is needed to strengthen the role of civil society initiatives and media as watchdogs. Partnerships with universities, media and the private sector can be helpful in this regard. In this way, local actors can develop **integrity standards** and promote long-term public monitoring of reconstruction. Local partners, anti-corruption activists, whistleblowers or project staff who uncover corruption need **special protection** in reconstruction situations that are still mostly characterised by violence.



Digital potential for participatory monitoring and transparency

KfW's open-source tool TruBudget helps all project partners, including state actors, to practise using development funds in a trustworthy, accountable and transparent manner. The tool offers a common working platform, which allows processes to be more efficiently designed. At the same time, transparency and a commitment to accountability are strengthened – the latter with the use of blockchain technology – while using the partner structures and budgets. This way, TruBudget can help reduce parallel structures of different donors, such as often occur during reconstruction, and promote ownership by project partners.

4. Building institutions, not parallel structures

Reconstruction should **begin as early as possible** and, during the crisis itself, should build on the ongoing existing institutions and maintenance of their functional capacity. The crisis situation, often still acute, calls on DC to demonstrate special **flexibility and agility**.

The **institutional capacities of the state** are often too weak to meet these challenges. They need support – also in the shape of substitute measures. However, **parallel structures** established through external aid must not be allowed to replace state action for the long term, or indeed to undermine it. For this reason, DC should promote the necessary state capacities gradually and systematically from the start of reconstruction and base its technical and financial support on specific local potentials and needs. In this way, DC can promote civil society and state capacities for stabilisation, transition and transformation. The **partners' actual capacities** to implement reconstruction measures must be the determining factor in reconstruction plans and reform agendas, and the expectations and targets of the donors must be **realistic**. This also applies to incentive systems and the setting of conditions for DC funds that are intended to promote reforms.

The transition from short-term measures to sustainable structural development plays a central role in reconstruction. DC actors must therefore plan for and demand inputs from governmental partners from the outset, without overburdening the partner structures with overly extensive reforms. DC should focus on those areas that, in the respective context, **increase public acceptance of and trust in the state**, as well as a belief in **state legitimacy**. Opinion barometers and opinion polls, but also already established community monitoring measures, can help to make the local views and needs of all social groups useful for setting priorities in reconstruction and for agreeing on reform steps.



Regular monitoring of changes to state-society relations

In order to evaluate the intended effects on relations between state and society, it is necessary to continuously gauge public perception. In Afghanistan, for instance, German DC has for many years been accompanied by **regular, external and systematic monitoring** of how it is perceived by the intended beneficiaries of its measures. The results help to verify assumed impacts and bring to light any misconceptions among DC actors. One such misconception was that the provision of physical infrastructure would automatically increase public acceptance of the state. These findings, and many other international evaluations of DC in Afghanistan, call into question the widespread 'hearts-and-minds' approach, according to which DC contributes to security in Afghanistan, increases acceptance of the state and reduces support for violent non-state actors such as the Taliban. However, it has now become clear that although DC can improve people's living conditions, the population does not necessarily attribute these improvements to the Afghan state.

The **sustainability** of investments in infrastructure and related government services poses a particular challenge. Often, even before a crisis, states are unable to provide their citizens with comprehensive services or to maintain social and material infrastructure. Reconstruction must take this lack of capacity into account from the outset – despite the demand for partner contributions and realistically plan expenditures for the maintenance of investments. DC must adapt its standards to the local context in order to avoid disappointing the population and diminishing their trust in the state if the infrastructure cannot be adequately maintained.

5. Climate-sensitive reconstruction

The links between climate change, conflict and security are well known, not least from the Syrian crisis. Nevertheless, the reduction of greenhouse gas emissions and adaptation to climate change are still side-lined all too often in the face of the complex and immediate challenges of crisis management and reconstruction. In order to have a conflict-preventive and sustainable impact in the medium to long term, peacebuilding reconstruction must address the challenges of climate change. **Climate and disaster risks should be integrated into planning with foresight.**

Changes in climate have fuelled tensions in Syria's political crisis. Climate change can exacerbate inequalities and tear apart the fragile social fabric, if the political will to find constructive solutions is missing.

In the MENA region, Building for Peace offers a big opportunity to combine a new start with an **ecological transformation process** that is already urgent, considering the vulnerability of the region. This will target the climate-sensitive rehabilitation of physical infrastructure, buildings and resource management. At the same time, it will also address social issues like education, business, science, culture and social networks as they relate to climate change. In the process, a framework will be created for the systematic integration of climate protection as well as climate and disaster risk management into reconstruction measures.

Local concerns, vulnerabilities and needs for adaptation should be at the centre of reconstruction and DC should promote a context-specific understanding of sustainability ("situated sustainability"). Adaptation to climate change and environmental and climate protection should not be perceived as an external agenda, but rather as a contribution to improving local living conditions, for example in terms of managing scarce water resources, electrification or reducing heat in residential buildings. This requires a **community-based, participatory approach**.

Climate sensitivity is not synonymous with conflict sensitivity. As with all development measures, climate protection can also exacerbate conflicts, for instance when it comes to distribution issues. At the same time, natural resource conflicts and climate change must be understood as part of the complex conflict system and cannot be addressed in isolation.

Local knowledge of the impacts of climate change, scientific education and local and regional data and information systems about the environment and weather are all prerequisites for risk-informed activities. Building for Peace requires **new social narratives** and visions to guide it, and ecological transformation must play a significant role.

Climate protection and adaptation to climate change are tantamount to protecting human lives, but the links to reconstruction are often not appreciated and need to be better communicated, even to donors. We also need to find solutions to conflicts of interest.

In view of the large-scale **destruction of cities** during crises and the simultaneous **urbanisation** in the MENA region, DC should pay particular attention to the rehabilitation of infrastructure and sustainable urban planning and development. Cities are considered important **climate drivers**, as the construction sector consumes a very large share of the available carbon budget. Cities are particularly vulnerable to the impacts of climate change. At the same time, they are innovation spaces where climate mitigation and climate

and disaster risk management can have a major impact.

In the short term, climate adaptation and mitigation can already be taken into account, for example by **using renewable energy** in the rehabilitation of destroyed infrastructure.

In the medium term, DC should support reform efforts to promote a **circular economy**, for instance for the recycling of waste or building rubble. To prepare for this properly DC actors must raise awareness of the concept of **green economy** as a new economic paradigm, from the outset of their reconstruction activities. To achieve **long-term** impact, they should seek to implement conflict prevention measures that also **reduce climate and disaster risks**. This includes the systematic implementation of the Sendai Framework for Disaster Risk Reduction 2015–2030. In particular, activities should uphold the imperative to "build forward better" in order to prevent further crises emerging in reconstruction contexts and to improve risk governance.



6. Collective and risk-informed action by donors

The HDP nexus commits actors to a new level of cooperation in crisis contexts. The promotion of peace through reconstruction supports local ownership more effectively if the international donor community **implements it as coherently** as possible and in coordination with humanitarian aid. To this end, German DC follows a whole-of-government approach and holds discussions with all relevant donors. Building on each actor's comparative advantage and division of labour, the aim is to create **synergies** while avoiding duplication and gaps. This approach helps increase **the collective impact** of individual measures.

When engaging in reconstruction measures, BMZ should place collective outcomes at the centre of its planning processes and should develop long-term, cross-sectoral strategies for cooperation with other donors, based on shared analysis and with the ambition of achieving systemic impact.

Collective approaches by donors, such as multi-donor trust funds (MDTFs), joint programming, Team Europe initiatives and co-financing arrangements can be used to implement Building for Peace interventions while promoting donor harmonisation. BMZ should also make more targeted use of institutional strategies and the methodological development of analysis and planning processes in multilateral organisations in order to guide their policy agendas towards Building for Peace.



Contributing to the design of MDTFs

MDTFs present greater opportunities for influence and more leverage in reconstruction processes than bilateral programmes. They reduce the risk and the costs for individual donors and offer potential for donor coordination. However, financial participation should go hand-in-hand with active contributions to the design of the trust funds, and it should be tied to ownership by national actors. Designing trust funds is not just a question of defining programme objectives. Consideration should also be given to harmonising collective donor approaches and strengthening analytical, reform and steering capacities, as well as the donor coordination skills of the partner government. The stakeholders must also be flexible enough to respond quickly to needs and to opportunities for reform.

This approach is followed, for example, by the "Iraq Reform, Recovery and Reconstruction Fund (I3RF)" established by the World Bank, to which the United Kingdom and Canada contribute, alongside Germany. During the design phase, KfW on behalf of German DC encouraged the positioning of the fund as a platform for coordinated financing as well as a forum for dialogue between the donors and the Iraqi Government on reform, reconstruction and development. It focuses on national reforms and investments in socio-economic reconstruction as well as on the cross-cutting issues of gender equality and peacebuilding.

the same time, however, the **responsibility of local actors** must not be undermined. Even with such joint approaches, participatory and conflict-sensitive approaches must be maintained. In addition, the challenges of joint donor action must be mastered. These include conflicts of interest and reduced steering options.

The donor community has to make it easier for our local partners. We shouldn't apply dozens of different approaches to building schools, for instance. How can partners be expected to take over planning and maintenance in situations like this?

Regular collective and systemic conflict analyses should serve as a basis for collective donor action. **Scenario planning** and regular monitoring of the reconstruction progress and reforms can help actors reflect on the collective action and adapt as needed. Building for Peace should be ready to adapt at short notice to changes and opportunities as they arise, but the concept also requires to be prepared for further (external) shocks and crisis developments.

This demands a **risk-informed approach**. Even if reconstruction presupposes a minimum level of security, there are still risks attached to the interventions. In this context, it is important to consider the extent to which an influx of external resources will further fuel violent conflict. This could happen, for example, if conflict parties instrumentalise project or external funding. Links between violence, corruption and abuse of power should also be taken into account. German DC has a comprehensive **security and risk management system**, which supports as strong a presence as possible on the ground. In this respect too, a collective donor approach can expand the scope for action available to individual donors, for example through joint analyses, remote control and third-party monitoring approaches, and by triangulating each organisation's separate findings.



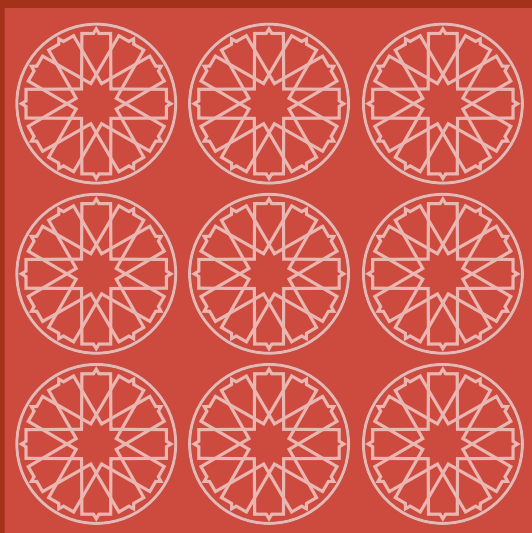
A joint donor approach and transparency are particularly necessary when coordinating **incentives and conditions** for government reforms. But it is also important to reduce the coordination effort for the partner organisations. At

The lessons learned from reconstruction processes also show that donors should make greater use of collective approaches to **monitoring, evaluation and learning** (MEL) than they have in the past. They should give more support to local learning, take greater account of local partners and encourage the development of creative and innovative approaches to improve interventions in fragile and crisis contexts.

The first inter-ministerial evaluations of German engagement in crisis contexts generate robust evidence useful for interventions in other fragile countries. Learning requires not only supportive structures but also, above all, a culture of dealing constructively with mistakes. However, this remains a challenge when facing tremendous pressure to perform.

Finally, DC organisations must provide special protection and care for their **employees** in crisis contexts. While several German organisations have already developed appropriate strategies, this is not yet the case for many local partner organisations. German DC should ensure that local partners can finance and implement measures appropriate to the context.





KEY AREAS OF INTERVENTION

Building for Peace touches many sectors and responds to local perspectives, potentials and needs. Individual projects do not need to address all areas of intervention. These four areas, which are closely interlinked, are described below and are illustrated with examples of projects financed by BMZ.⁵

1. Improving state-society relations: reliable service delivery, trust and transparency

Relations between state and society and the perceived legitimacy of the state depend on many different factors. The central factor is the delivery of state services, enabling all social groups to benefit from administrative services (registry of births, marriages and deaths, issuance of passports, land registry, etc.) as well as basic services, according to their needs. To this end, as part of the reconstruction process it is necessary to build physical infrastructure (such as hospitals, schools, public administration buildings, etc.), strengthen institutional capacities

and facilitate inclusive, transparent and reliable access to basic services. The main focus must be on building a new sense of community.

This support should focus on efforts to practice constructive interactions, participation, balance of interests and mechanisms for conflict resolution between state institutions, civil society organisations and different groups of the population. Thereafter, newly gained trust in local institutions can boost local involvement in reconstruction, as well as ownership and locally financed investments.



Insights from Yemen: health care for vulnerable communities

Health care is one of the state's core responsibilities. In conflict regions, however, it is often not possible to provide adequate medical services. The dysfunctional health facilities of Yemen can provide only insufficient care for people

5 | These areas of intervention sometimes overlap. They can also be further developed, according to needs.

wounded or weakened by war. The project “Strengthening Resilience by Improving the Capacity of Health Facilities in Yemen”, run by KfW and the United Nations Office for Project Services (UNOPS), supports particularly vulnerable communities. It improves their vital access to health care as well as the quality of public health facilities. In terms of community mobilisation, it particularly targets women. The project aims to strengthen trust in state authorities by improving state services and by involving the population, and to give a voice to vulnerable groups and those who have been affected most severely by the war.



Insights from Iraq: participatory, community-based reconstruction

The project “Strengthening Resilience in Dealing with Crises and Conflicts in Nineveh”, being implemented by GIZ, takes a multi-sectoral approach. It contributes to employment promotion, the rehabilitation of public infrastructure and the promotion of social cohesion. It uses cash-for-work activities and vocational training measures to support vulnerable people and it assists small and medium-sized enterprises with financial grants. By promoting skills for peaceful conflict transformation, it also strengthens social cohesion. Project implementation takes place in a community-based manner and closely involves state and civil society actors, including local peace committees. As such, it designs planning processes in an inclusive and participatory way and conducts needs assessments together with local stakeholder groups. In rehabilitating social infrastructure, it also integrates the interests of women, young people and other vulnerable groups. This improves interaction between state actors and marginalised groups and makes access to basic infrastructure more equitable.



Insights from Iraq: examining trust between state and society

In 2020, the Syria/Iraq office of the Konrad Adenauer Foundation in cooperation with the Iraqi NGO Masarat for Cultural and Media Development, published a study assessing the relationship of trust between state and society against the backdrop of protests at that time in the country. The study drew upon 2,000 personal interviews with supporters and opponents of the protest movement as well as representatives of Iraqi government institutions. It indicates widespread public mistrust of state institutions and provides recommendations to build lasting trust. Corruption, socio-economic challenges and weak public services are cited as the biggest problems. This reveals the interdependence between effective service delivery by the state and trustful state-society relations.



Insights from the Palestinian territories: improving local governance

The Palestinian authorities’ capacity to act is severely limited by extreme political uncertainty, internal disputes and the conflict with Israel. This is compounded by a prolonged economic crisis, which has in turn been exacerbated by the COVID-19 pandemic. Local authorities play a vital role in the

provision of basic public services and in the people’s perception of state action. Together with the EU, the World Bank and various bilateral donors, KfW and GIZ are supporting the “Municipal Development and Lending Fund” (MDLF), which finances basic infrastructure in all 158 Palestinian municipalities in the West Bank and Gaza Strip. To incentivise improvements to local governance and encourage the municipalities to act on their own initiative, the allocation of project funds is linked to their performance. This process uses 21 performance indicators from the field of local governance, which also take into account the input legitimacy of the state. The indicators include, for example, citizen-orientation, transparency or the introduction of international standards. Along with targeted measures to build municipal capacities, this contributes to the fight against corruption, building trust in the authorities and a long-term transformation of the social contract at the local level.



2. Empowerment to shape the future: education, livelihoods and agency in crisis contexts

For many people, regaining control of their lives in a new place and also in the home country is demonstrated by their children going to school, families generating their own income and having better opportunities for the future. Building for Peace therefore promotes both short-term employment opportunities, for example in the rehabilitation of infrastructure, and medium- to long-term professional development and income opportunities. In this area of intervention, the focus is on strengthening people’s agency, their ability to act and shape their own lives.

Schools that were destroyed are rebuilt and equipped with improved classrooms. New learning materials are often developed in consultation with state authorities. Above all, these schools should teach life skills, reflect the new reality of children and young people, help develop new prospects for the future and pave the way for the transition to vocational training.

Reconstruction could include running an IT course for young women in Iraq and so open the way to new forms of participation.

Peace education and psychosocial aspects also play an important role in enabling young people to deal with experiences of violence and to show renewed vigour. Reconstruction measures should also include psychosocial support for adults, for example in vocational training or livelihood activities. Not only does this increase people's psychosocial well-being, it also improves their concentration levels and capacity to engage in economic activities.

In addition, there are special challenges for entrepreneurial and private-sector empowerment in order to counter the dominance of state-owned enterprises and bloated public sectors of previous economic structures. Digitalisation offers young people, and especially young women, new opportunities to test their own ability to act, but it can also reinforce existing inequalities and marginalization



Insights from Yemen:

improving future prospects through education

The project "Improved access to quality education through the creation of a safe, child-friendly and equitable learning environment for boys and girls affected by conflict" implemented by CARE Deutschland e.V. is improving educational opportunities for children from vulnerable communities in Aden. The project provides children with better access to schools and promotes a child-friendly learning environment that treats boys and girls equally. A particular focus is on enabling girls to attend classes on a regular basis. Teachers and employees of the Ministry of Education receive training, and educational institutions are renovated and better equipped. In addition, 6,000 young people have benefited from vocational training that is tied to classes in entrepreneurship. This allows the graduates to significantly increase their chances on the labour market or to create a livelihood by setting up a business.



Insights from Iraq:

incomes and revitalisation of the local economy

Enjoying financial independence not only has a positive effect on one's immediate family, it also has an impact on society and the local economy. This is the objective of the project "Contribute to the Economic Recovery of Iraq through Employment Creation and Revitalization of Local Economies", which KfW is running in Iraq, together with the International Organization for Migration (IOM). The intervention strengthens the local economy and creates income opportunities for internally displaced people, returnees and disadvantaged citizens. In this way it is contributing to (re)integration and social cohesion. At the same time, it supports state institutions in more effectively coordinating efforts to improve living conditions and employment and in supporting local enterprises. Through grants for small and medium-sized enterprises (SMEs), worth up to USD 50,000 per company, the project creates or secures longer-term and permanent jobs. In addition, short- and medium-term employment measures help boost income. This support is supplemented by the restoration of basic municipal infrastructure, which should make it easier for companies to set up business.



Insights from Iraq:

job prospects for modern youth

Reconstruction presents opportunities for new concepts and spaces, especially in terms of the possibilities offered by digitalisation. The project "ICT – Perspectives for the Modern Youth in Iraq", being implemented by GIZ, supports the tech ecosystem in Iraq by promoting the development of sustainable infrastructure for technology applications and digital entrepreneurship. Innovation centres are being established and expanded in selected cities, offering training as well as co-working and maker spaces. Young Iraqis, especially young internally displaced people, can improve their practical skills, gain access to a broad network of like-minded people and benefit from the support of mentors to develop their business ideas. In this way, the project creates employment prospects for employees and young entrepreneurs in the local digital economy.

3. Inclusive social fabric: dialogue, participation and social cohesion

Reconstruction is not negotiated with the state alone but should be discussed at all levels of society (multi-track dialogue), considering specifically the everyday realities of those involved. Support for dialogue processes combined with actual activities designed to improve living conditions can pave the way for people to participate in shaping reconstruction. Participatory events can impart an understanding of reconstruction as a longer-term transformation process and link it to discussions about important reform issues. In addition to the 'grounded' nature of the dialogues, creative and innovative ideas are also necessary for finding new solutions to problems. Reform actors play an important role here.

DC should support structures and processes that enable this transformative impetus, promote inclusive dialogue and the development of visions for the future, and empower actors to participate in, and to shape and moderate these processes. To this end, special support formats are often necessary for marginalised groups such as women, young people and minorities, in order to break down physical, communicative and socially or culturally conditioned barriers and to protect these groups from possible attacks or disadvantages.

In its "Third National Action Plan on implementing the Women, Peace and Security Agenda" (2021-2024), the German Government has committed itself to paying more attention to the needs and interests of women and girls in reconstruction measures. This requires approaches to gender equality that also engage men in the transition.



Insights from the MENA region: supporting change agents

The Friedrich Ebert Foundation supports young leaders in 12 MENA countries, including Iraq and Yemen. The participants, at least 50 per cent of whom are women, are selected to ensure all parts of the country are represented. The programmes are designed to motivate young adults to engage in socio-political activities in the long term, to create networks, to improve their communication skills and to enable and encourage them to play an active role in shaping socio-economic developments. The programme is adapted to the respective country contexts. As such it also accommodates the particular challenges people face in Iraq and Yemen.



Insights from Iraq: strengthening social cohesion through reconstruction

Social reconstruction takes time and space; and it may also require intermediaries, as violent conflicts often destroy trust between communities. For this reason, since 2018, Malteser International has been working together with seven local and international NGOs and three church-based organisations in Northern Iraq to support the return of internally displaced people from different ethnic and religious groups (including Christians and Yazidis). The project pursues a multi-sectoral approach. It supports the reconstruction of houses damaged during the war, while also promoting employment, the creation and expansion of educational institutions, social cohesion and dialogues between ethno-religious groups. This last component is key to the project's success: to create the space for dialogue and to rebuild trust, it is rehabilitating community and youth centres, supporting radio broadcasts about peaceful coexistence and cultural heritage, and designing inclusive recreational and educational programmes.



Insights from Libya: visions for sustainable development after the war

In cooperation with the United Nations Economic and Social Commission for West Asia (UNESCWA), the GIZ project "Social and Economic Dialogue Process in Libya" is supporting the design of a participatory and inclusive dialogue process through which new strategies are to be formulated for the country's social and economic development. Actors from state institutions, the private sector and civil society organisations are working together to draft development strategies geared towards a new social contract and reconstruction.

The design and facilitation of dialogues calls for well qualified moderators, so the project has provided 35 people with the relevant training. In 2021 they formed an association and have already launched a number of sub-national dialogues on topics such as renewable energy, youth and the Sustainable Development Goals. Together they are contributing to visions for sustainable development in post-war Libya.



Insights from Lebanon: strengthening social cohesion between host communities and refugees through peacebuilding measures and participation

The KfW-funded project "Lebanon Host Communities Support Programme" is making an important contribution to improving conditions in informal settlements and municipalities in Lebanon that have taken in a large number of Palestinian and Syrian refugees. One of the project's main components consists of peacebuilding measures, for example through the participatory approach called "Mechanism for Stability and Resilience". Using this mechanism, the project works with the respective municipality, civil society and other local actors to identify infrastructure projects that meet local needs. It also implements measures to prevent violence in schools as well as educational activities that eschew violence. In addition, the municipalities and settlements receive support in providing important basic services to vulnerable Lebanese citizens and to Syrian and Palestinian refugees. A mid-term review has shown that the people involved rate the approach as effective in reducing tensions between different groups. The project is therefore building trust between the different actors and promoting social cohesion. Since 2020, the municipalities have received additional funds specifically to address the health and socio-economic consequences of the COVID-19 pandemic. This is intended to ensure that the fragile social peace is not put under additional strain.

4. Urban reconstruction: space for encounters, remembering and new beginnings

Urban spaces play a key role in reconstruction in the crisis contexts of the MENA region. Conservation, rehabilitation and modernisation must be combined in a context-sensitive manner, while also taking into consideration questions of rule of law. For example, securing housing, land and property rights is essential if these have been violated by armed conflict and the resulting displacement, or if they are affected by the reconstruction efforts.



Building for Peace in cities

In view of the systematic destruction of cities in Syria and Iraq, as well as the cultural values and associated memories (the "urbicide" concept), reconstruction is especially important in the cities. The World Bank B4P report recommends developing a long-term vision for destroyed cities as a social and cultural system. In a holistic understanding, historic city centres should be rehabilitated on the basis of the local history, in connection with their adjacent neighbourhoods. This will allow important aspects of identity and cultural heritage to be integrated during restoration of infrastructure and the support for the municipalities. At the same time, it will create safe public spaces necessary for social encounters and dialogue.

Building for Peace should make it possible for important sites, both of past violence and for the peace process, to play a role in the efforts to address the past and achieve transitional justice. To this end, it must enable people to create places of memory at a time of their own choosing and provide psychosocial support for this process.



**Insights from Lebanon:
alternative urban planning in Beirut**

The reconstruction of Lebanon after the civil war of 1975–1990 was characterised by urban modernisation and profit maximisation, especially in Beirut Central District. The needs of the local people were neglected. International investment projects close to the historic city centre displaced previous residents from the area, which remains an upper-class enclave to this day.

In 2018, together with the Lebanese non-commercial design studio Public Works, the Rosa Luxemburg Foundation held a competition on housing alternatives in Beirut. This was intended to encourage young architects and urban planners to design plans for affordable and inclusive housing in Beirut, thereby asserting the essential social right to housing. In the competition, proposals for sustainable and inclusive urban planning were discussed together with the people living in different residential areas, with politicians and with urban planners. These ideas have gained new relevance due to the reconstruction needed following the explosion in the port of Beirut in the summer of 2020.



**Insights from Syria:
securing claims to housing, land and property**

Refugees often have to leave their houses and belongings behind them for many years before they can return. For political reasons, German DC does currently not support reconstruction

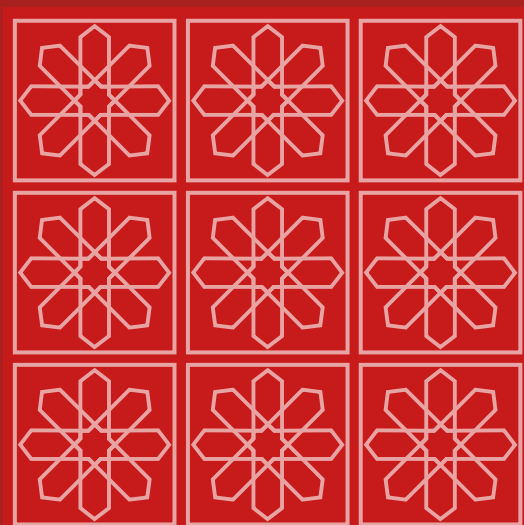
efforts in Syria. Nevertheless, early engagement is important to secure claims and property rights and to facilitate restitution and compensation after a political solution to the conflict has been found. The GIZ project “Securing the rights of refugees and internally displaced persons to housing, land and property in Syria” supports the claims of refugees and internally displaced people to housing, land and property by improving their legal knowledge. It is also testing scalable approaches and procedures for documenting and securing such claims on the part of the displaced Syrian population. This is being done in close cooperation with UN agencies, international NGOs and diaspora organisations in Syria’s neighbouring countries and in Europe. Together with these actors, the project is establishing a network of experts and representatives of Syrian civil society.



**Insights from Lebanon:
participatory design of inclusive public spaces**

In Lebanon, the urban landscape is characterised by closely built rows of houses and a shortage of public spaces. The traces of the 15-year civil war can still be seen in many places. Lebanon has taken in the highest number of refugees worldwide in proportion to its population. Especially in structurally weak areas such as Tripoli, the country’s second largest city, tensions are increasing between the host communities and refugees, as well as within Lebanese society. GIZ’s “Local Development Programme for Deprived Urban Areas in North Lebanon” is working to ease the tension and create new inclusive spaces in the cities. The construction and rehabilitation of community places, sports and leisure facilities are underpinned by participatory processes. New playgrounds and community centres that meet people’s real needs have been designed and built in collective workshops involving the municipality, children and young people. The municipality and local NGOs have been trained in maintaining these public spaces and ensuring their sustainable use.





SUGGESTIONS FOR FURTHER DEVELOPMENT OF THE APPROACH

In future, the following recommendations should be given greater attention in the practical implementation and further conceptual development of the Building for Peace approach. This applies both to the design of German and multilateral DC and to contributions to international cooperation and donor coordination. Many of these points are addressed to BMZ as a donor, but they can only be implemented through the combined efforts of all German development organisations.

The suggestions are the result of five workshops that were held between February and March 2021, which were used to gather examples of good practice and recommendations on Building for Peace. The discussions brought together actors who are involved in designing DC policies and programmes, or who manage or implement reconstruction projects. Many findings from the practitioners' deliberations have already fed into the previous chapters. The following recommendations require further reflection and implementation. More details can be found in the documentation of the workshop discussions (see Annex 2).

Recommendations

With regard to principle 1:

Reconstruction as a transformation process

1. Focus on peacebuilding: Reconstruction and peacebuilding should be considered more closely together. The peacebuilding impact of reconstruction can be strengthened by embed-

ding peacebuilding measures in multisectoral programmes for rehabilitating infrastructure and strengthening resilience.

2. Flexibility doesn't just mean "faster": Indicator-based project planning and the provision of funds on an annual basis creates pressure to use allocated funds, which often obstructs a transformative approach led by local actors. Therefore, flexibility should mean not only a readiness for rapid deployment, but also the possibility to review activities adaptively or to keep funds available for some later use that fits in with local processes. In practice, this is a major challenge which calls for the development of innovative solutions.

3. Effectiveness beyond the individual project: Collective outcomes and effectiveness need to be tested and appraised within the framework of projects and strategy processes. To this end, donors should provide resources for innovation funds, including for accompanying research. These could, for example, be used specifically for the design of donor conferences and transformative funding commitments. The prerequisite for this is reviewing impact assumptions theories of change and improved measuring of peacebuilding impact in reconstruction.

With regard to principle 2:

A people-centred approach

Improve participation in needs assessments and international planning of reconstruction: DC should reassess or expand the methods it has used so far and specifically strengthen the gender perspective. It should supplement its methods with dialogue support at various levels that goes beyond the usual consultations during project design and implemen-

tation. Furthermore, governmental DC organisations should take political and armed actors, as well as the so-called “spoilers” more systematically into consideration n.n.

Participation cannot be delegated to individual projects – DC overall needs to “walk the talk” as a system. This entails co-determination, emancipatory approaches on equal terms and the strengthening of local partner organisations – especially in the context of post-colonial and anti-racist DC.

5. Integrate psychosocial support: Building for Peace should systematically integrate the promotion of mental health and psychosocial support (MHPSS) by strengthening the relevant quality standards and local capacities. There are several entry points:

1. Integrating psychosocial support into activities of physical reconstruction and economic revitalisation;
2. Strengthening mental health care within national health systems;
3. Linking MHPSS with activities of dealing with the past and truth and memory initiatives, which may take place in the context of reconstruction.

6. Protect reform actors: If reconstruction efforts specifically support marginalised groups such as women, young people and refugees in their participation and activism, for example in fighting corruption, then projects should take into account their possible exposure and, accordingly, the need to protect them against threats and violence – including gender-based and sexualised violence. Donors should carry out commensurate risk analyses and support protective measures.

With regards to principle 3:

Political economy of reconstruction

7. Systemic view of political economy: Building for Peace should be guided by a perspective that assumes donor interventions are part of the system. Political economy analyses are available, especially at national level, but they are not used sufficiently or systematically, either in DC planning and implementation processes or at the project level. Power and stakeholder analyses should take greater account of local, gender-specific perspectives on corruption as well as the power structures and actors (“spoilers”) that thwart the transformation process.

8. Downward accountability: Building for Peace must be transparent for all involved, not just regarding the financial resources already spent. Accountability starts with communicating planned activities. Among other things, participation presupposes knowledge of the planning processes. For this reason, DC should use targeted media activities and other approaches to inform people about its procedures in a context-sensitive and transparent manner. German DC can be a role model here and promote greater

transparency, for instance at donor conferences. Corruption on the part of donors often goes unmentioned by local witnesses for fear of negative repercussions on the ground.



Mainstream “downward accountability” in DC

There is a need to mainstream transparency and accountability toward the people on the ground more effectively in DC. In cooperation with the implementing agency, Norwegian Refugee Council (NRC), the KfW-financed project “Market-based Agricultural Rehabilitation and Employment in Post-Conflict Iraq” is succeeding in giving all project participants a strong voice in the planning and implementation of small-scale aid projects. It does so by sharing easily accessible summaries of planning documents in Kurdish and Arabic prior to the start of each project in the context of the traditional community development committees, and by using simple information boards and regular exchange events, such as quarterly focus-group discussions (“listening sessions”) during the project implementation. In addition, the locally adapted Community Accountability Response Mechanism gives the local communities and workers involved an opportunity to contact the project directly with suggestions or complaints. To this end, NRC has set up a free telephone hotline in Kurdish and Arabic, which receives inquiries on a daily basis and responds in a gender-sensitive manner. Moreover, project employees received training on how to record and process complaints. Thanks to the informed and active involvement of all its stakeholders and the easily accessible complaints channels, the project is a good example of how to ensure participation and transparent procedures.

With regard to principle 4:

Building institutions, not parallel structures

9. Prepare early: Building for Peace requires good analytical preparation, which in turn calls for human resources and methodological skills. Donors should plan ahead for collective financing and get their funds ready, while also building local capacities to shape reconstruction even before it begins.

Many programmes provide training to prepare people for their active involvement in reconstruction efforts to come, for example by establishing specific academic programs on reconstruction in Yemen or by providing vocational training in plumbing for Syrian women and men in Jordan.⁶

6 | GIZ projects: “Good Governance Cluster – Supporting Accountability and Inclusiveness in Yemen”; “Vocational Training and Skill Enhancement for Jordanians and Syrian Refugees in the Water Sector”

10. Refine methodology: DC actors should advocate – also internationally – for the further methodological development of community-based, inclusive planning processes and monitoring. For example, with support for citizens' councils DC can strengthen participatory feedback mechanisms aimed at donors and government institutions. Also, behavioural science approaches can help mobilise collective responsibility, ownership as well as self-efficacy.

With regard to principle 5:
Climate-sensitive reconstruction

11. Integrate climate-sensitive perspectives: Conflict analyses must be augmented in a climate-sensitive manner, conflicting objectives need to be exposed, results assumptions must be questioned and further developed in an integrated approach. In future, all areas of intervention of Building for Peace should mainstream contributions to climate change adaptation and mitigation.

12. Mobilise to reduce greenhouse gas emissions: Reconstruction presents an exceptional opportunity to include support for climate change mitigation in the overall transformation processes. This should be given greater consideration in future process design. At the same time, DC actors should consider a quota system for financing climate-neutral reconstruction. Reconstruction provides an opportunity to finance climate change mitigation and prevention measures for which funds might not otherwise be found. Moreover, the link to international agendas like the Paris Climate Agreement can be an important supporting argument for mobilising funds.

With regard to principle 6:
Collective and risk-informed action by donors

13. Break up silos: Donors should create incentives to overcome silos and avoid the rigid sectoral and thematic requirements of priority areas and budget lines. This would permit multi-sectoral and HDP-integrated interventions, as is the case with Transitional Development Assistance and the Special Initiative on Displacement. Also, flexible programme design and multi-annual funding periods are helpful with respect to breaking up sectoral and instrumental silos.

14. Encourage collective learning among donors: Looking ahead, DC should create capacities for collective learning, paving the way for synergies and efficiency gains. German DC actors should become more deeply involved in collective donor initiatives such as "conflict sensitivity hubs". These can also help reveal blind spots and prompt discussions about conflicts of interest between donors. To pave the way for such discussions, safe spaces for confidential reflection, including on one's own (unintended) impacts, are needed.

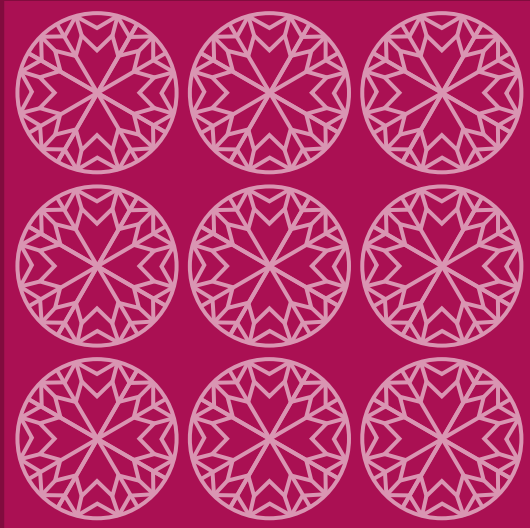
In the MENA region there is a need for more innovation and experiential learning from other reconstruction contexts outside the region. To support the long-term sustainability of reconstruction, the learning cycles should include alternating pilot phases and periods of reflection. German DC actors can host conceptual exchanges on Building for Peace (they could also do this jointly with regional organisations) and mainstream learning and reflection as standard practice.

Overarching recommendations:

15. Staff care: DC actors should take care of their staff and their local partners. This means providing sufficient financial resources, creating protected spaces for reflection, making use of psychosocial expertise and establishing monitoring structures as well as the relevant quality standards.

16. Attitude: Self-reflection and learning require willingness on the part of DC organisations to deal with difficult questions, such as the impositions and moral dilemmas of their work. In spite of – indeed because of – the intense pressure to perform and the stressful circumstances employees face, DC should be based on an attitude that puts the appreciation of people and their dignity at centre stage, one that empowers them and shows solidarity with them.





OUTLOOK AND NEXT STEPS

Building for Peace is not a static concept. Creating a common, vital and development-oriented understanding of Building for Peace is a work in progress that requires continuous discussion and reflection. The aim is not to produce a definitive blueprint or master plan for a given context, but rather to spend time examining the objectives and conflicts of interest, the potentials and challenges, the experiences of good practice and the dilemmas. Answers to the question of the “right” Building for Peace approach will vary from context to context.

The recommendations presented above will be fed into the implementation of the BMZ 2030 reform process, and as such will also help shape the bilateral country portfolios for development in reconstruction contexts – including those outside the MENA region. They can be detailed further and implemented in bilateral portfolios in the context of the country teams of governmental DC and in country-specific discussions with civil society partners.

BMZ will feed the ideas of Building for Peace into the design of multilateral reconstruction programmes with the World Bank, the United Nations and the European Union. Moreover, BMZ also plans to present the concept in regional and international forums so as to stimulate a broader discussion in the international donor community.

Last but not least, the concept can continue to be refined through further operationalisation in the country portfolios, in ancillary learning process and reflection, and through exchange events that are yet to be institutionalised as part of German DC, with the aim of generating further evidence (research/evaluation). You can send your feedback and suggestions regarding the further development and implementation of the concept as well as the learning process to buildingforpeace@giz.de

Annexes

Annex 1: More information about the concepts and additional resources

On reconstruction and transformation

- German Federal Ministry for Economic Cooperation and Development (BMZ): Strategy on Transitional Development Assistance: Overcoming crises – Strengthening resilience – Creating new prospects (2020)
- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ): Concrete Solutions: Construction and Peacebuilding (2021)
- German Development Institute (DIE): Research on Social Contracts (o.J.)
- Institute for State Effectiveness: Lessons from Peacebuilding and Reconstruction Experience. A Background Paper for Building for Peace: Reconstruction for Security, Sustainable Peace and Equity in the Middle East and North Africa (2019)
- United Nations Office for Project Services (UNOPS): Infrastructure for Peacebuilding: The Role of Infrastructure in Tackling the Underlying Drivers of Fragility (2020)
- World Bank: The Toll of War: The Economic and Social Consequences of the Conflict in Syria (2017)
- World Bank, UNESCO: Culture in City Reconstruction and Recovery (2018)
- World Bank: Building for Peace: Reconstruction for Security, Equity, and Sustainable Peace in MENA (2020)

On crisis prevention, peacebuilding and conflict sensitivity

- German Federal Foreign Office: Preventing Crises, Resolving Conflicts, Building Peace (2017)
- BMZ: Development for Peace and Security: Development Policy in the Context of Conflict, Fragility and Violence (2013)
- Berghof Foundation: National Dialogue Handbook: A Guide for Practitioners (2017)
- Bonn International Center for Conversion (BICC): Towards Conflict-sensitive Employment in Large-scale Infrastructure Projects in Fragile and Conflict-affected Settings: Recommendations for Donor Agencies (2018)

On gender and women, peace and security

- German Federal Foreign Office: German Federal Government's Action Plan for the Women, Peace and Security Agenda 2021–2024 (2021)
- Georgetown Institute for Women, Peace and Security: Advancing Women's Participation in Post Conflict Reconstruction (2020)

On MHPSS

- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ): Guiding Framework for Mental Health and Psychosocial Support (MHPSS) in Development Cooperation (2018)

On anti-corruption and political economy

- BMZ, GIZ, CMI/U4 Anti-Corruption Resource Centre, Transparency International: Outcome Document on Results of the International Conference on Anti-Corruption in Fragile States (2019)
- BMZ: German Development Cooperation: Trends and Impacts in North Afghanistan 2016–2018 (2019)

On climate change and reconstruction

- Overseas Development Institute (ODI): Disaster Risk Reduction in Conflict Contexts. An Agenda for Action (2019)
- German Federal Environment Agency (UBA): Guidelines for Conflict-Sensitive Adaptation to Climate Change (2019)
- UN Environment Program, European Union, Adelphi: Addressing Climate-Fragility Risks: Linking Peacebuilding, Climate Change Adaptation, and Sustainable Livelihoods (2019)

Annex 2: Consultative process for the development of the Building for Peace approach in Germany

BMZ commissioned GIZ to conduct a consultative process in order to harness the lessons learned and recommendations of the many implementing and partner organisations associated both with the German government and with civil society. Intended to develop an understanding of Building for Peace, this process comprised a series of virtual workshop discussions that took place between December 2020 and March 2021:

- Building for Peace in the MENA Region. Launch event at the invitation of BMZ on 15 December 2020; 87 participants
- Workshop series organised by GIZ on behalf of BMZ, 60–80 participants per workshop:
 1. 2 February 2021: Dealing with abuse of power and corruption in reconstruction processes – strengthening constructive state–society relations
 2. 9 February 2021: Coordination and financing Building for Peace – challenges and opportunities
 3. 17 February 2021: Promoting common visions for the future and enabling participation in reconstruction processes
 4. 24 February 2021: Psychosocial support – a prerequisite for peacebuilding and reconstruction
 5. 3 March 2021: ‘Building back better’ – climate-sensitive reconstruction

In addition to this, many consultations also took place with regional and international organisations, think tanks, policy-makers and practitioners during the process of developing the World Bank’s B4P approach. As part of its partnership with the World Bank, BMZ organised several national and international events and consultations between 2018 and 2020 that shaped the understanding of Building for Peace:

- Panel discussion during the 2018 Fragility Forum: Managing Risks for Peace and Stability, 5–7 March 2018, Washington D.C., USA
- Workshop: Urban Rebuilding beyond Bricks and Mortar. Towards a New Architecture for Durable Peace for the MENA Region, as part of FriEnt Peacebuilding Forum: Connect – Reflect – Create: Enhancing Peacebuilding Together, 13–14 June 2018, Berlin, Germany
- BMZ discussion event: The Political Economy of Reconstruction in the MENA Region – No More Business as Usual, on 12 June 2018 in Berlin, Germany
- Presentation at the OECD/DAC-INCAF network meeting on 20/21 November 2018, in Paris, France
- Presentation at the MENA-OECD Economic Resilience Task Force Meetings, 4–5 December 2018, Jeddah, Saudi Arabia
- Side event at the World Bank Group Spring Meetings, 9–13 April 2019, Washington DC, USA
- Presentation at the Berlin Summer Dialogue of the Development and Peace Foundation (SEF): Post-Conflict Reconstruction: A Window of Opportunity? The role of external actors in the MENA region, 18–19 June 2019, Berlin, Germany
- BMZ roundtable on reconstruction in the MENA region, with think tanks and political foundations on 18 June 2019 in Berlin, Germany
- Panel discussion at the BMZ International Conference on Anti-Corruption in Fragile States, 5 November 2019, Berlin, Germany
- Presentation at the MENA-OECD Economic Resilience Task Force Meetings, 2–3 December 2019, Berlin, Germany
- Pre-launch presentation of the B4P report for World Bank executive directors, at the invitation of the office of the German executive director, on 25 February 2020.
- Presentation of the B4P report on the occasion of the World Bank Fragility Forum Virtual Series: Partnering for Development and Peace, 8 June – 31 August 2020
- Webinar hosted by KfW Development Bank and the World Bank as part of the World Bank Fragility Forum Virtual Series: Partnering for Development and Peace, 8 June – 31 August 2020
- Webinar hosted by GIZ and the World Bank as part of the World Bank Fragility Forum Virtual Series: Partnering for Development and Peace, 8 June – 31 August 2020

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Registered offices:

Bonn and Eschborn, Germany

Friedrich-Ebert-Allee 32 + 36

53113 Bonn / Germany

T +49 228 44 60 - 0

F +49 228 44 60 - 17 66

Dag-Hammerskjöld-Weg 1 - 5

65760 Eschborn / Germany

T +49 6196 79 - 0

F +49 6186 79 - 11 15

E info@giz.de

I www.giz.de

Responsible:

Dr Matthias Bartels

Main author:

Dr Ulrike Hopp Nishanka

Edited by:

Lena Drössler

Translation:

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Design:

Bettina Riedel, Grafik Design und Konzept

60386 Frankfurt / Germany

briedel64@gmx.de

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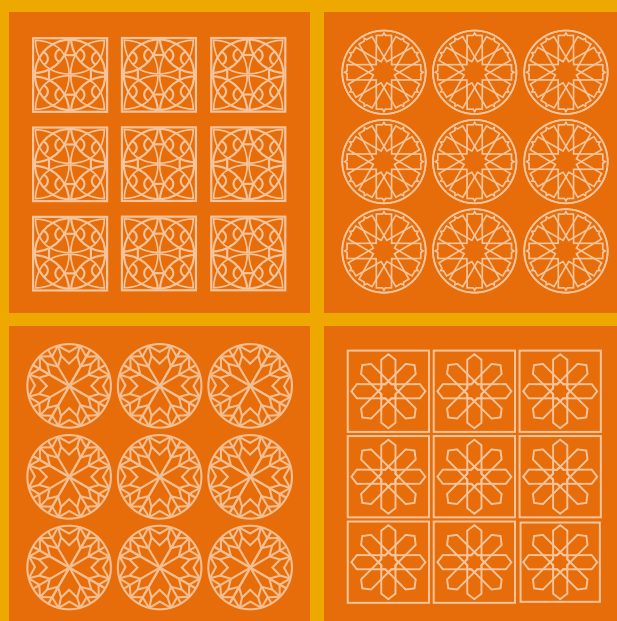
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Deutsche Gesellschaft für
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Registered offices
Bonn and Eschborn

Friedrich-Ebert-Allee 32 + 36
53113 Bonn, Germany
T +49 228 44 60-0
F +49 228 44 60-17 66

Dag-Hammarskjöld-Weg 1 - 5
65760 Eschborn, Germany
T +49 61 96 79-0
F +49 61 96 79-11 15

E info@giz.de
I www.giz.de

On behalf of



Federal Ministry
for Economic Cooperation
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