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## Capacity Development in Situations of Conflict and Fragility

German Approaches and Lessons Learned by GIZ

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# **Capacity Development in Situations of Conflict and Fragility**

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Sector Network Governance Asia  
Working Group - Security, Peacebuilding and Statebuilding

June 2015

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# List of Abbreviations

AA	Auswärtiges Amt (Federal Foreign Office)		Development Institute)
ACHA	Areas of holistic activity	GDP	Gross Domestic Product
ARC	Administrative Reform Component	GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH (German Agency for International Cooperation)
BMZ	Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (German Federal Ministry for Economic Cooperation and Development)	GoN	Government of Nepal
CIM	Centre for International Migration and Development	GoSL	Government of Sri Lanka
CLIL	Content and Language Integrated Learning programme, Sri Lanka	HCD	Human Capacity Development
COSERAM	Conflict Sensitive Resource and Asset Management, Philippines	ICRC	International Committee of the Red Cross
CPA	Comprehensive Peace Accord	ICT	Information and Communication Technology
CPS	Civil Peace Service	IDPs	Internally Displaced People
CSO	Community Service Organisation	INCAFI	International Network on Conflict and Fragility
DAC	Development Assistance Committee	INGO	International Non-Governmental Organisation
DENR	Department of Environment and Natural Resources, Philippines	KP	Khyber Pakhtunkhwa Province, Pakistan
DRRC	District Rehabilitation and Reconstruction Committee	LLRC	Lessons Learnt and Reconciliation Commission, Sri Lanka
DwP	Dealing with the Past	LTTE	Liberation Tigers of Tamil Eelam
ECCC	Extraordinary Chambers in the Courts of Cambodia	MDGs	UN Millennium Development Goals
ENÜH	Entwicklungsorientierte Not- und Übergangshilfe (jetzt: ESÜH) (Transitional Development Assistance)	M&E	Monitoring & Evaluation
EPSP	Emergency Peace Support Project (World Bank funded)	MNLSI	Ministry of National Languages and Social Integration, Sri Lanka
FLICT	Facilitating Initiatives for Social Cohesion and Transformation, Sri Lanka	MoPR	Ministry of Peace and Reconstruction, Nepal
GA	Government Agent	MRP	Malakand Rehabilitation Project, Pakistan
GDI	Deutsches Institut für Entwicklungspolitik (DIE) (German	MRRR	Ministry of Relief, Rehabilitation and Reconstruction, Sri Lanka
		NAP	National Action Plan for Implementation of the UN Security Council Resolution 1325
		NGA	Non-Government Actors

NGO	Non-Governmental Organisation	SIO	Social Integration Officer
NOC	Non-objection Certificate	SNGA	Sector Network Governance Asia
NPFSI	National Policy Framework for Social Integration	STEPS	Skills through English for Public Servants
NPTF	Nepal Peace Trust Fund	STPP	Support of Measures to Strengthen the Peace Process, Nepal
NRP	Northern Rehabilitation Project, Sri Lanka	TC	Technical Cooperation
OECD	Organisation for Economic Cooperation and Development	TIQA	Targeted Individual Quality Activities
PCA	Peace and Conflict Assessment	TJ	Transitional Justice
PDMA/PaRRSA	Provincial Reconstruction, Rehabilitation and Settlement Authority, Pakistan	TMA	Tehsil Municipal Authority in Barikot, Pakistan
PFS	Peace Fund Secretariat, Nepal	UN	United Nations
PIP	Performance Improvement Project for Development Actors in the North and the East of Sri Lanka	UNPFN	UN Peace Fund Nepal
RCDF	Regional Capacity Development Fund, Afghanistan	WDR	World Development Report
REPSI	Rehabilitation of Social, Technical and Productive Infrastructure		

# Preface

In my long journey as public servant of Nepal, I kept on pondering on questions like: Why are state and government insufficiently responsive towards the conflicts in our society? Why don't we have a contract between state and citizens engaging them in meaningful discourses to resolve the emerging conflicts and which could address the underlying causes behind them? Is it the issue of gaps in capacity of actors (supply side), or, expectation management (demand side), or, understanding the context for proper responses? Why is it that, despite all the peacebuilding and statebuilding efforts of partner countries and donor agencies, based on sound theorizing and empirical studies, Nepal and many other countries alike could not build strong and resilient institutions to deal with development dilemmas and conflicts? Why have we gradually slipped into more divided and conflict/violence prone societies?

When I read the manuscript of this work, "Capacity Development in Situations of Conflict and Fragility: German Approaches and Lessons Learned by GIZ", surprisingly, I found that many of my questions have been dealt with in an honest and straightforward way. German approaches and GIZ lessons in my own country, Nepal and similar countries facing conflicts and fragilities like Sri Lanka, Pakistan, Afghanistan, Philippines and Cambodia, have dealt specifically with the dilemmas of capacity building of institutions at different levels of society. In these countries, the relationship between the state and the society is under debate and keeps on changing. The modalities of engagements have to also change with the contexts of altering relationships between various stakeholders, either within the government or in the wider context of non-state actors and contributors of peace, development or conflict. I found that flexibility for results, the support to institutions practicing inclusiveness at different layers of the society and the government, and using immediate external support or present institutions in transition to craft long term

institutions with sustained local capacity to deal with future conflicts, are some of the key messages that one can learn from the GIZ lessons and German approaches on capacity development in situations of conflict and fragility.

I must congratulate the team who have produced this paper and who have vigilantly captured the dilemmas of context. For me, in Nepal, the three dilemmas of state services vs. non-government providers (NPTF's support to non-government actors), technical vs. political intervention (technical support to NPTF for broadening Government's capacity to engage with multi-stakeholders including donors and political parties), and, more importantly, the dilemma of immediate community-based security vs. long-term state guaranteed stability (STPP's support to community initiatives for security and peace-building), are very important dilemmas of context. The other three dilemmas, viz., external vs. local capacities, short term vs. long term institutional strengthening, and, planned vs. emergent approaches are also very important context specific dilemmas, and are relevant to Nepal and other countries in conflict and fragility. The lessons learnt by GIZ and the case studies from various countries deal at length, without much theorizing, with the essence of ground realities of capacity development works from some countries in Asia who are experiencing conflict and fragility. The work gives insight into successful approaches of capacity building of domestic stakeholders that have understood the context and state-society relationships. Under complex and transitional institutional environments, they have adopted innovative mechanisms that pay special attention to local ownership and inclusivity as well as sustainable institutional strengthening. The work is very relevant and useful not only to German or GIZ capacity development (CD) professionals, but all development workers, action researchers, peace-building agencies, partner country agencies and everyone who has to produce results on the ground and who quickly come to

know that the theoretical underpinnings in their kits have stopped producing results for them on their own.

I wish, the work could have expanded more to other geographical areas and countries in transition and a comparison with capacity development experiences from Africa and Latin America would have enriched the lessons learnt exercise of GIZ. This would have equally benefitted CD experts working in Asia and the Pacific region. Similarly, a more detailed scrutiny of context, challenges and criticalities of the situations where the studies have been made could have helped more to comprehend the complex nature of contexts and challenges that a donor or partner country's professionals have to face.

Finally, I would wish that development professionals of donor and partner countries, researchers interested in context-specific approaches for countries in conflict and fragility, and, everyone interested in peace-building through capacity building of local actors and strengthening local institutions, should read this paper for insights on context-specific approaches of their interventions.

I hope, the reflections from this paper will not only lead to a better understanding of the issues presented in the paper, but also to better development practices, contributing to more benefits for citizens of the countries affected by conflict and fragility.

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# Introduction

The 2014 edition of the Fragile States Index<sup>1</sup> again illustrated the precariousness of the situation in an alarmingly high number of countries in the world. 139 out of 178 countries covered in the report are considered to be unstable. 34 countries of them are listed on 'alert'. According to the Organisation for Economic Cooperation and Development (OECD), 1.5 billion people live in conflict-affected and fragile states and the affected countries are furthest away from achieving the Millennium Development Goals (MDGs).

Subsequently, the engagement in fragile states was declared as a key area within German Development Cooperation<sup>2</sup>. Already, about 25% of German development funds are spent in states that are considered fragile<sup>3</sup>.

How can these countries be efficiently supported by development cooperation? The 'New Deal for Engagement in Fragile States' (2011)<sup>4</sup> acknowledged that international development partners have often bypassed national interests and actors, providing aid in

a technocratic way. One of the options most discussed and developed in the international conceptual and practical discourse over the last years<sup>5</sup> is capacity development<sup>6</sup>. In situations of conflict and fragility capacity development facilitates working on critical issues such as leadership, inclusiveness, and the often prevailing lack of trust. It can build upon the interests and needs of state and non-state actors with a view to medium- and long-term sustainable results.

Capacity building therefore also lies at the centre of German Development Cooperation and has been the core competence of GIZ – Deutsche Gesellschaft für Internationale Zusammenarbeit for more than 30 years. The backbone of all programmes realised by GIZ on behalf of the Federal Ministry of Economic Cooperation and Development (BMZ)<sup>7</sup>, its partner countries and other commissioners, is the context-specific design and implementation of a strategy to strengthen its partners' capacities<sup>8</sup>.

However, while capacity development is a powerful and efficient approach for international development cooperation to achieve sustainable positive impacts in situations of conflict and fragility, a number of challenges arise at implementation level. The specificity of fragile contexts confronts practitioners with dilemmas of competing needs or objectives, such as the need for immediate service delivery (e.g. in post-conflict situations) that may easily oppose or undermine the need of medium- to mid-term institutional strengthening.

This publication is therefore geared towards the dilemmas most frequently experienced in the work of GIZ and which are highly relevant for its work in fragile contexts. In line with the commitment of GIZ as a 'learning organisation', and in order to continuously and jointly reflect on approaches and lessons learnt, this publication calls upon the community of practitioners to engage in dialogue on further adjustment and refinement. It also aims to trigger discussions with the international development cooperation community on the ability and willingness to respond to specific contexts with versatile use of available measures and instruments of development cooperation. It finally invites those responsible for policy making and programming to consider that capacity development can significantly contribute to tackling the impacts and root causes of fragile and conflict situations, when applied with flexibility, risk disposition, and continuous learning. These should allow for comprehensiveness, and enable implementers to cautiously orchestrate a variety of support options, such as technical support through national and international experts, training, coaching, facilitation of networks, but also targeted

1 See <http://ffp.statesindex.org/rankings-2014> (last accessed 11.07.2014).

2 See BMZ (2011).

3 See [http://www.bmz.de/en/what\\_we\\_do/issues/Peace/fragile\\_states/german\\_commitment.html](http://www.bmz.de/en/what_we_do/issues/Peace/fragile_states/german_commitment.html) (last accessed 10.11.2014).

4 See OECD (2011a). The 'New Deal' was endorsed as the outcome document of the 4th High Level Forum on Aid Effectiveness in 2011, by the g7+ group of 19 fragile and conflict-affected countries, development partners, and international organisations.

5 See e.g. DFID (2005); Steputat (2007); AusAID (2011); OECD (2011); Asian Development Bank (2012), International Dialogue on Peacebuilding and Statebuilding (2012).

6 See e.g. Brinkerhoff (2007).

7 GIZ is owned by the German Government and receives commissions from German ministries and international donors. As a federal enterprise for international and development cooperation, it is mandated with the provision of technical assistance to partner countries within the framework of Germany's international and development cooperation.

8 For a discussion of concepts and approaches, see chapter 3.



*STEPS participants with their trainer © GIZ, PIP*

financial support provided by the commissioning party – not withstanding their legitimate request and need for evidence-based results.

Under the auspices of the Sector Network Governance Asia (SNGA) – a regional GIZ learning and exchange platform – the working group ‘Security, Peacebuilding and Statebuilding’ took off in 2012 to assess existing experiences in the field of capacity development in situations of conflict and fragility in Asia. The aim was to identify good practices as well as to highlight factors for success and failure in these specific contexts. The development practitioners discussed the experience of their capacity development initiatives in countries such as Afghanistan, Cambodia, Nepal, Pakistan, the Philippines, and Sri Lanka. The respective projects have been operating in a vari-

ety of sectors, reaching from administrative reform to reconciliation; from post-war reintegration to natural resource management as a proxy for conflict transformation, and from support to government institutions to cooperation with civil society, private sector, and community-based organisations. Therefore, the recently published manifesto “Doing Development Differently”<sup>9</sup>, highlighting six principles of develop-

9 “Doing Development Differently” is the title of a Manifesto published during a workshop with the same heading, jointly organised by the Building State Capability (BSC) program at the Center for International Development at Harvard University, and the Overseas Development Institute (ODI) on Oct. 22nd to 23rd, 2014, (<http://bsc.cid.harvard.edu/doing-development-differently>).

ment cooperation, strikes a chord with the contributors of this paper.

Brief discussions of both the challenges and characteristics of situations of conflict and fragility (chapter 1) and the concept of capacity development in German Development Cooperation (chapter 2) place the practical lessons learned in the larger conceptual framework. Derived from practical experience, chapter 3 discusses the dilemmas, first in general terms, and then illustrated by short case studies. Chapter 4 then blends the specific experiences to draw more general conclusions on the strengths and potentials of the approaches used for German Development Cooperation in situations of conflict and fragility.

## Part 1 Dilemmas

# 1. Challenges to Development Cooperation in Situations of Conflict and Fragility

Coping with conflict, fragility, and violence is a great challenge to many countries. More than half of the partner countries of the German bilateral development cooperation<sup>10</sup> are affected. Germany's support for these countries is a key contribution towards their sustainable development, taking not only the developmental implications into account but also recognising that fragile states and conflict affected areas pose a risk to regional and global security. This poses professional challenges when operationalising development cooperation interventions.

In this publication the term 'state' is used to describe a highly institutionalised and centralised form of political organisation. A state is comprised of a territory, society and authority. Ideally the state successfully claims the legitimised monopoly of violence through which it upholds the social order. Its processes are organised along rational-bureaucratic principles. The term 'government' can be distinguished from the state as it relates to a group of people that controls the state apparatus and executes state power at a given time.

### International debate

The peacebuilding concept - a theory and term developed in 1975 by Johan Galtung<sup>11</sup> - emphasises that through peacebuilding, adequate structures must be identified that remove causes of wars and offer alternatives to violent conflict. These observations are at the centre of today's notion of peacebuilding, which can be summarised as an endeavour aiming to create sustainable peace by addressing the root causes of violent

conflict and eliciting local capacities and institutions for peaceful transformation of conflict.

Based on the peacebuilding concept and taking on board the statebuilding discourse on fragility of the late 1990s and early 2000, OECD-INCAF<sup>12</sup> developed the Policy Guidance 'Supporting Statebuilding in Situations of Conflict and Fragility'<sup>13</sup>. The publication and the ensuing debate on the matter highlighted the need to view state fragility in the wider context of a low capacity of governance, prevalent in many conflict prone situations.

The discourse on fragility calls for context specific interventions under the premises of 'staying engaged but differently'<sup>14</sup>. While the discourse acknowledges internal dynamics as a paramount factor, it also requests a sensitive and flexible external support to strengthen resilience of partner countries.<sup>15</sup>

10 Bi-lateral aid of German Development Cooperation consists of those funds earmarked and directly expended for the cooperation between Germany and individual partner countries. Multi-lateral aid is channelled through donor funds, basket financing or other multi-lateral and international mechanisms.

11 Galtung (1975).

12 INCAF is the International Network on Conflict and Fragility merging the two previous groups, i.e. the Fragile States Group and the Conflict Prevention in Development Cooperation (CPDC) group.

13 OECD (2011b).

14 See e.g. BMZ (2007).

15 See OECD (2008).

There is particular concern that if state-society relations are not managed constructively, countries or areas within a country can descend into or cannot get out of violence and conflict. The international debate recognises a vicious cycle of conflict, fragility and violence. Causes of conflicts – be they economic, social, or political – are often closely intertwined. Organised crime may thrive on fragility, further erode statehood and thus have further negative impact on already low levels of governance and weak state capacity, while nurturing the presence of non-state armed groups and militias<sup>16</sup>.

The term ‚society‘ is here generally used for the totality of all individuals, living in a country’s territory, covering different (social) entities such as households, the economy as well as the state. Although these individuals are interconnected and interdependent in various ways, it does not imply some sort of coherence. Moreover, the question ‘who and who does not belong to a society’ is continuously negotiated by the individuals.

16 BMZ (2013).

The International Dialogue on Peacebuilding and Statebuilding<sup>17</sup> culminated in the ‘New Deal’. It focuses on new ways of engaging in international cooperation and proposes five key goals, which are designed to guide the identification of peacebuilding and statebuilding priorities at country level. They contribute towards a national vision, inform international and country-level funding and cooperation decisions, and ensure that key priorities are supported<sup>18</sup>. Concurrently, the 2011 World Development Report (WDR) on Conflict, Security and Development stresses the importance of security, justice and employment when tackling issues of violent conflict in the short and long term. This approach should incorporate quick response measures and a strong willingness to incur risks.<sup>19</sup>

17 A general view defines ‘civil society’ as the part of the society, which cannot be affiliated to state nor economy. In contrast to public and private sector, it is often called the ‘third sector’. More specifically here the term relates to those groups that are featuring a certain degree of organisation, usually on a voluntary, not-for-profit basis, pursuing political aims. In contrast the term non-state actor comprises a bigger spectrum of diverse actors, including the civil society organisations, but also the private sector and even armed groups.

18 E.g. the Principles of Good International Engagement in Fragile Situations 2007, the Accra Agenda for Action 2008, the consecutive G7+ Statements 2010-2011 and the Monrovia Roadmap 2011.

19 WDR (2011).

### Five Peace and Statebuilding Goals of the ‘New Deal for Engagement in Fragile States’ (2011)

1. Legitimate Politics - Foster inclusive political settlements<sup>20</sup> and conflict resolution
2. Security - Establish and strengthen people’s security
3. Justice - Address injustices and increase people’s access to justice
4. Economic Foundations - Generate employment and improve livelihoods
5. Revenues & Services - Manage revenue and build capacity for accountable and fair service delivery

### The German position and approach

German Development Cooperation started to look at the issues of crisis prevention, conflict transformation, and peacebuilding in the late 1990s and adopted their first policies at the beginning of 2000. Subsequently, Peace and Conflict Assessments (PCA) became mandatory to ensure conflict sensitivity of all projects in situations of conflict and fragility<sup>21</sup>. A special feature of German Development Cooperation is the Civil Peace

20 Although not specifically stated in the New Deal, this must include issues such as state society relations, political empowerment as well as the need to manage expectations between state and citizens, etc. as the BMZ ‘Peace and Security strategy’ (2013) also emphasises.

21 BMZ introduced 2005 a marker for this – following the idea of e.g. the gender marker of OECD-DAC (BMZ 2005; for the Peace and Conflict Assessments see also BMZ/GTZ/KfW 2008).

Service Programme (CPS), which seconds international and national peace advisors to local partner organisations to facilitate non-violent conflict resolution and strengthen civil society capacities.

In 2012, all peace- and statebuilding goals of the New Deal and the OECD ‘Principles for Good International Engagement in Fragile States and Situations’ were incorporated into national policy through inter-ministerial guidelines<sup>22</sup>. This is reflected in the BMZ strategy paper ‘Development for Peace and Security’<sup>23</sup> of 2013. It provides a framework for reaching a better understanding of the partner countries’ contexts and guides policy makers designing adequate support measures for fragile and conflict affected states.

The framework builds on a study of the German Development Institute (GDI)<sup>24</sup>, which proposes to examine three key dimensions in situations of conflict and fragility as the basis for assessing the specific country context and statehood. These interrelated dimensions, namely authority, legitimacy and performance<sup>25</sup>, each represent a particular type of state-society relation.<sup>26</sup>

Authority refers to the control of legitimate use of force by the state in relation to the freedom of the people, and enforcing generally binding rules. The degree of authority

22 BMZ (2012).

23 BMZ (2013).

24 Grävingholt (2012).

25 In contrast to Grävingholt et al. who call this dimension ‘capacity’ the authors of this paper propose to refer to this dimension as ‘state performance’ in order to avoid confusion and to stress that capacity development is needed for all three dimensions.

26 Grävingholt (2012).

required to maintain a stable state is dependent on context factors such as citizens’ expectations.

Legitimacy is a type of state-society relationship in which society itself is active, in that it accepts, or refuses to accept, the state’s claim to be the only rightful actor to set and enforce generally binding rules.

State performance represents a state-society relation that is characterised by the state providing services to the citizens. These services include not only basic education and health care, but in an increasingly globalised world they encompass also a basic institutional setting for economic activities (legal framework, tax system, governance of common goods etc.), macroeconomic policies and other basic state functions.

Building on the GDI approach, a detailed assessment of deficits in each of the three dimensions provides further insights into the status of fragility in a partner context as well as into root causes of conflict in a country or specific area. This is currently used for selected BMZ country assessments.<sup>27</sup>

### Challenges for operationalization

In spite of increasing conceptual clarity and the good practice of comprehensive context analysis, it is not unusual to have different interpretations of the situation as well as diverse perspectives on the ways forward. Many of these contentious perceptions reflect

27 GDI works since 2011 on a comparative country analysis, which includes Burundi, El Salvador, Kenya, Kyrgyzstan, Nepal, Philippines Senegal and Timor Leste (see <http://www.die-gdi.de/en/research/projects/details/transformation-and-development-in-fragile-states/>).

‘meta conflicts’<sup>28</sup> on potential solutions. In cases where consensus on the context analysis and development priorities is reached, the agreements tend to be very general.<sup>29</sup>

Hence, in practice the operationalization of concepts and approaches outlined above requires responding to two key challenges:

- How to manage conceptual as well as practical dilemmas that particularly arise in situations of conflict and fragility?<sup>30</sup>
- How to design and implement context-specific capacity development measures?

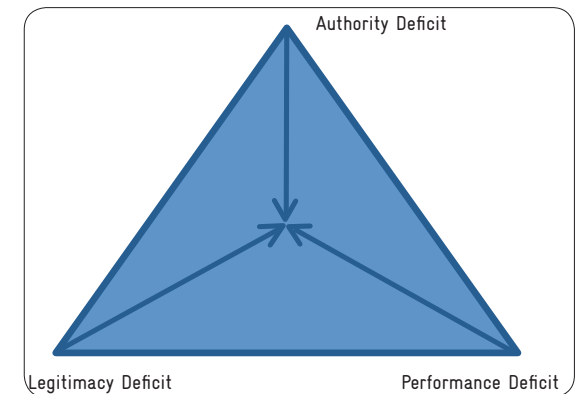


Figure 1: Three Dimensions of Fragility

28 Horowitz (1991).

29 OECD (2007).

30 See also Brinkerhoff 2007.



© GIZ, RCDF Afghanistan

## 2. Capacity Development in German Development Cooperation

German Development Cooperation acknowledges that more externally-provided financial support, greater harmonisation, and increased use of partners' systems is crucial but does not automatically result in the partners' ability to negotiate divergent interests within society and to deliver services. The 'New Deal', firmly points at capacity development as a core necessity to

support reform processes in partner countries.<sup>31</sup> In line with this recommendation, capacity development is a core task within German Development Cooperation in general and GIZ in particular. For GIZ two different multi-level approaches are of high relevance.

<sup>31</sup> GIZ (2013) Supporting Capacity Development. A Guiding Framework for Practitioners, Eschborn.

### The levels of People – Organisation – Society

In line with OECD-DAC<sup>32</sup>, GIZ stresses that the notion of capacity goes beyond the experience, knowledge, and technical skills of individuals. It is rather acknowledged that the effectiveness of capacity development at the individual level also depends on

<sup>32</sup> See e.g. OECD-DAC (2006).

the organisations in which people work and act. Furthermore, an enabling environment at institutional level largely influences the behaviour of both organisations and individuals by the rules and framework it provides.<sup>33</sup>

Therefore, GIZ bases its capacity development approach on a concept involving three levels: people - organisations - society. The latter is further categorised as ‘cooperation and networks’ and ‘enabling environment’, which reflects the already identified core factors for a successful and comprehensive capacity development strategy.

People	Organisation	Society	
Human Capacity Development	Organisational Development	Development of Cooperation and Networks	Development of an enabling framework

Figure 2: Levels of Capacity Development

Low performance in partner countries has a variety of interconnected causes. It is not only determined by the capacities of people and organisations but also linked to the society’s ability to develop an enabling framework.

Any change at one level will also influence performance at the other two levels. Hence GIZ sees the need for a capacity development strategy that assesses how competencies and capabilities at different levels (people, organisation, society) interrelate and how they support overall state performance.

### The levels of Micro – Meso – Macro

Especially in situations of conflict and fragility it has become evident that reaching an accord at macro-level is hardly sufficient to build long-term peace and stability. Any meaningful agreement will have to move beyond top-level negotiations, and involve a much more comprehensive multi-level approach. It relies on multiple tiers of leadership and participation within the affected population, thus also needing to be accompanied by capacity development of mid-level and grassroots leaders<sup>34</sup>.

Accordingly, GIZ often simultaneously supports capacity development at micro, meso, and macro-level. Ideally capacity development at macro-level responds to demands originating from micro-level, while the capacities to put policies into practice at micro-level are enhanced at

the same time. The meso-level serves as a crucial transmitter between the two, communicating interests and expectations of both sides and facilitating their convergence.

### Instruments for Capacity Development

For both multi-level approaches GIZ has a variety of instruments available to support capacity development, namely international/national experts, financing, material/equipment<sup>35</sup>. These instruments can be combined flexibly according to the need of partners. They enhance capabilities of people, organisations and societies in articulating, negotiating and implementing their goals for reform and development.

GIZ’s programmes are designed around the assumption that continuous learning processes lead to the necessity to regularly realign its measures, according to changing conditions.<sup>36</sup> This is facilitated by medium- to long-term commissions provided to GIZ by the German government and other international commissioning parties.

### Challenges in Situations of Conflict and Fragility

Change, understood as developing a basis for dialogue and renegotiating relationships, is specifically complex when the basic political and/or social contract is debated or at stake. In situations of conflict and fragility one often observes formal and informal rules and actors competing with each other for resources as well as authority and legitimacy, resulting in deficits in state performance.

The following case studies demonstrate the practical experience that successful capacity development in situations of conflict and fragility requires in-depth understanding of the specific context. The success depends on the chosen entry points of engagement, and the strategic design of the intervention as well as its sequencing.

33 See also DFID (2003).

34 See Lederach (1997).

35 See Annex 1.

36 GIZ (2013).





*STEPS Institute in Jaffna, Northern Sri Lanka © GIZ, PIP*

### 3. Dilemmas for Development Cooperation in Situations of Conflict and Fragility

Development Cooperation interventions are generally expected to contribute to solving numerous seemingly obvious problems that require targeting directly. However, practitioners find themselves intervening in a highly sensitive and complex political arena. This is particularly true in situations of conflict and fragility.

Brinkerhoff inspired the discourse by proposing to consider five basic dilemmas and trade-offs when undertaking capacity development in situations of conflict and fragility.<sup>37</sup> Critically reviewing and further expanding these ideas, it is here suggested to look at dilemmas in the following way:

Dilemmas are distinct from problems as they cannot be simply solved but need to be managed over time until the inherent tensions dissipate;

<sup>37</sup> Brinkerhoff (2007).

While trade-offs indicate that one side can only be done at the cost of the other, the notion of dilemma acknowledges that there is no zero-sum game.

Acknowledging dilemmas requires a preparedness to take risks, to accept tensions between controversial interests and expectations and to continuously renegotiate them.

Based on this and derived from the programmes' experience, six dilemmas have been identified and are first presented in general terms. This is followed by outlining the GIZ approach to deal with these dilemmas and then illustrating them with specific case studies from past or on-going work in Asia.

For a deeper understanding, the second part of this publication provides case studies on each dilemma in the broader context of the respective programmes, outlining their approaches, challenges faced, and lessons learned.

#### Six dilemmas faced in situations of conflict and fragility

1. External vs. local capacities
2. Short-term/immediate service delivery vs. long-term structural and institutional strengthening
3. State services vs. services provided by non-governmental providers
4. Technical vs. political intervention
5. Planned vs. emergent approach
6. Immediate community based security vs. state guaranteed long-term stability

# Dilemma 1: External vs. Local Capacities

*How can external actors fill local capacity gaps without bypassing local solutions and substituting state functions?*

**Basic Dilemma:** In situations of conflict and fragility, local capacities, resources, and trust among actors especially and between state and citizens are rather scarce. At the same time, enhancing capacities and re-building trust in the state and among various sectors of society is a long-term process. To respond to urgent needs, external expertise and resources may become necessary to fill capacity gaps in managing public resources and to support the (re-) establishment of structures to ensure public service delivery.

However, the inflow of foreign aid and expertise can increase the risk of a mismatch with local solutions, and consequently might not build on or include existing human resources. External offers, opportunities, and speed of implementation may overwhelm local stakeholders, especially state institutions, capacity for coordination and management of the support. In such a situation, external actors tend to quickly fill this function often bypassing local structures. At the same time, limited capacities and performance of local institutions and actors increase the risk that a sudden increase of resources cannot be absorbed, but may be misused, and eventually rent-seeking takes place. This may consequently trigger conditionality on the side of external actors and the application of ready-made solutions from other parts of the world with limited applicability to the local context. This may, in turn, be perceived as foreign interference in local affairs and may easily lead to rejection by, or consequential loss of legitimacy of local key stakeholders. A strong trade-off between pursuing a value-based approach and the practicality of implementation is the result.

In addition, perceptions of inequality may emerge when international agencies offer more privileges and higher wages for qualified local experts, causing ‘brain drain’ from local structures. Such discrepancies easily lead to resentment among the target population and further aggravate dysfunctional or asymmetric relationships between donors and local partners. External experts’ ‘interference’ may then be perceived as patronising. It also makes international experts prone to disconnecting their strategies from local approaches instead of ‘working with the grain’, thus applying pre-conceived responses to the issues that are insufficiently localised. That way, external actors begin to substitute and fill existing gaps by bringing in external technical expertise instead of investing in efforts to recognise feasible local solutions, and of developing strategies that will increase local ownership and thus, potential for sustainability.

In turn, external solutions applied in volatile situations, ignoring present social capital and capacities, further weakens public confidence in local capacities and may therefore have negative impacts on state-society relations, feed into conflict, and even increase fragility. In the worst case, the disregard of local values and solutions, paired with perceptions of interference and inequality, may lead to a total breakdown of dialogue between external and local actors.

**German Development Approach through GIZ:** Making use of its variety of different support mechanisms, German Development Cooperation’s approach facilitates covering different societal levels and can be applied in a

versatile way. Programmes have the flexibility to develop customised approaches to address local actors’ needs and capacity deficits while tapping existing resources and being able to quickly react to changing dynamics. Working in intercultural and interdisciplinary teams ensures that synergies between local solutions and international expertise are created. With experts working directly within existing partner structures (e.g. through so-called ‘Integrated International Experts’, development workers, and local professionals) it is possible to identify and strengthen local capacities. This decreases the risk of substitution as well as possible perceptions of patronisation, while minimising the risk of asymmetric relationships.

To this effect, GIZ conducts regular and systematic – as required by its main commissioner BMZ – context analyses with the participation of partners and beneficiaries. This helps to clarify roles and functions from the outset. Continuity and long-term presence help to build trust, provide incentives, and accompany change processes over extended periods of time which is particularly needed in fragile situations. GIZ is hence often accepted as a neutral broker that can facilitate negotiation processes between state, society – and civil society in particular –, and development partners, creating ‘Communities of Practice’ to disseminate local and external approaches for mutual benefit across levels. By creating and supporting networks, GIZ encourages cooperation over competition and provides platforms for joint learning.

# Justice and Reconciliation in Cambodia: Developing Hybrid Solutions in Transitional Justice

**Country:** Cambodia

**Project:** Civil Peace Service (CPS): Justice and Reconciliation in the Context of the Khmer Rouge Tribunal in Cambodia

**Context:** Since the 1960s, Cambodia has experienced decades of civil war and destruction. Violence culminated during the Khmer Rouge regime (1975-1979), turning the country into a prison without walls'. The Extraordinary Chambers in the Courts of Cambodia (ECCC) were officially established in 2003 as a hybrid tribunal with UN assistance to try senior leaders and those most responsible for crimes committed during the Khmer Rouge period. The Trial Chamber started its proceedings in 2009. Providing a window of opportunity for a broader process of Dealing with the Past (DwP) and for deeper social dialogue about the country's war-torn history, the criminal proceedings at the ECCC turned into a catalyst to bring the Khmer Rouge era back into public discourse after decades of silence and political power struggles.

**Activities:** The CPS programme has supported a variety of state and non-state partner institutions at all levels of society with an explicit focus on capacity development. Placing CPS experts and advisors within local structures has allowed the programme to effectively respond to emerging needs and deficits at different capacity levels and maximise local ownership. In combination with small-scale funding support, this approach has proved to successfully overcome the challenges that foreign intervention into social processes brings about.

Partner staff and international experts worked closely together to develop initiatives that capitalise on the combination of local resources, foreign expertise, and experience from other contexts. Thus as a network, CPS has served as a community of practice. In combination with the 'Khmer Rouge Tribunal Fellowship', implemented by the Human Capacity Development (HCD) department of GIZ, the programme has helped local practitioners, lawyers, and educators to develop their capacities through international exposure and knowledge transfer. Through these approaches,

they have become aware of the specifics of the Cambodian context and the resources Cambodian culture and society provide to tackle the challenging task of multi-stakeholder dialogue and, in dealing with the past. Working closely with the Victims Support Section of the ECCC, CPS and local partner organisations have supported the tribunal in enhancing victims' participation. By designing, funding and implementing collective and symbolic reparation projects that respond to the needs and requests of civil parties, CPS partners have significantly increased the population's knowledge and understanding of the trials.

**Fragility Dimensions:** Capacity deficit of local actors regarding acknowledgement of past crimes and the need to address them; legitimacy deficit of state actors

**Capacity Development areas:** Networking amongst relevant stakeholders; individual and institutional capacity development



# From Afghans for Afghans: Local Capacities for Targeted Service Delivery in North Afghanistan

**Country:** Afghanistan

**Project:** Regional Capacity Development Fund (RCDF)

**Context:** In North Afghanistan, the Provincial and District Governments struggle to provide adequate services to the population. This situation results from a lack of basic infrastructure, the shortage of manpower and funds as well as the governments' limited capacities of knowhow and managerial skills. In turn, the governments' capacity deficit leads to citizens' perceptions of their reduced authority as the key developmental actors. Although external actors (e.g. international NGOs) could take over the responsibility for such service provision and provide quality services, the (Afghan) state, despite its deficits, is still seen as the most important service provider. The BMZ

has, therefore, tasked the Regional Capacity Development Fund (RCDF) implemented by GIZ to develop the capacities of sub-national government institutions and to enable them to carry out their core functions as basic service providers.

**Activities:** The RCDF supports a broad range of measures of capacity development for civil servants including targeted on-the-job trainings, formal off-the-job courses as well as 'learning projects', i.e. selected development projects implemented by the Afghan authorities, while receiving coaching support from GIZ, thus merging training and implementation into one process. A variety of measures are designed to meet the specific needs of the partners' organisational setup and development. These include standard managerial skills (e.g. Monitoring and Evaluation, Reporting, Accounting, Procurement, Office and ICT Management); more advanced strategic capacities (e.g. Project Planning,

Proposal Writing and introduction to the national and provincial development strategies), and organisational development needs (e.g. Human Resources Management and Development, Gender Equality, Financial Auditing and Anti-Corruption). In addition, the RCDF supports infrastructure measures implemented under the responsibility of Afghan partners. Such projects include girl dormitories, administrative buildings, roads and bridges. GIZ only plays an advisory role thus guaranteeing Afghan ownership in pursuance of the idea of 'From Afghans for Afghans'.

**Fragility Dimensions:** Capacity deficit at individual skill level and organisational level, legitimacy and authority deficit of the state actors at local level

**Capacity Development Areas:** Individual and organisational capacity development



# Dilemma 2: Short-Term/ Immediate Service Delivery vs. Long-term Structural and Institutional Strengthening

*How to deliver quick services while systematically strengthening local institutions responsible for service delivery?*

**Basic Dilemma:** Situations of immediate humanitarian needs often lead to reliance on international actors (both Non-Government Organisations (NGO) and private contractors), and on local non-governmental service providers, especially in fragile situations. However, there is little disagreement that immediate response to the needs of the population in the first stage takes priority over actions to build state capacities to assume lead responsibility. In a second stage, the success of the intervention cannot be sustained without support to the state to assume responsibility for continued delivery of services in the mid-long term. But the resources (including time) for capacity development compete with those required for immediate and continued public service delivery.

The need to address this dilemma is exacerbated when both the pressure from the citizens for immediate services and donors' interests for quick, visible results is very high. Quick-fix solutions side-lining existing

state structures and/or paying insufficient attention to institution-building often create parallel support structures and/or establish dependency on them. This approach neglects the support necessary for increasing state capacity and for promoting its legitimacy.

German Development Approach through GIZ: GIZ is not involved in delivering immediate humanitarian aid, but uniquely comes in directly for the transition from working with flexibility in post-emergency contexts to longer term development assistance. In order to ensure effective aid delivery and enable ownership and sustainability of the development measures, GIZ attempts to develop strategies together with key operational stakeholders from the outset. This includes establishing a common understanding on the most pressing needs of the citizens and the capacity development needs of the state actors, and the allocation of clear roles and responsibilities of the stakeholders involved.

Priority setting ensures that at least some measure of services is provided quickly whilst other support is directed at strengthening institutions. Versatile support to developing state actor's capacity combines enabling them to deliver immediate services, with planning and implementing of capacity development measures for the mid-term.

Whilst serving the citizen's needs, this adaptable approach addresses the state's capacities at the individual and networking level in the first instance, but also achieves improvements at the institutional level. The GIZ approach contributes to strengthening the state's service delivery performance and thus increases its output legitimacy.

# Quick Service Delivery while Strengthening Long-term Structures: Supporting Post-flooding Supply and Demand in Pakistan

**Country:** Pakistan

**Projects:** Malakand Rehabilitation Project (MRP) / Administration Reform Component of the GIZ Governance Programme

**Context:** Malakand Division in Khyber Pakhtunkhwa Province was badly affected by armed conflict between Pakistani Military forces and the Taliban in 2009. This was the result of the subsequent military push to re-establish the government's authority, the lack of which in recent years had contributed to a decrease of state-citizen relations and created space for militant activities. In 2010, a devastating flood occurred, one of the most severe natural disasters in Pakistani history, causing widespread destruction of livelihoods, infrastructure, services and resources.

**Activities:** Whilst the situation demanded a fast return to normalcy, the 'Development-oriented Emergency and Transitional Aid' (ENÜH) project MRP worked through and with local structures as far as possible to achieve this end. Interactive forums were established between affected citizens, representatives of front-line government departments, and NGOs. Through these networks using participatory planning mechanisms, the communities' primary needs were addressed by relevant service providers.

The Malakand Rehabilitation Project also collaborated with the Administrative Reform Component (ARC) of the GIZ Governance Programme where a common partner – the Tehsil Municipal Authority (TMA) in Barikot – was supported in order to provide better municipal services for the longer term. MRP supported the TMA with two Local Subsidy Contracts to recon-

struct a causeway, a link road and a retaining wall; training for planning and monitoring of activities were provided as well as IT equipment and office furniture was delivered. ARC supported in parallel the development of TMA's capacities to fulfil their roles and functions, generate local revenues, and improve their services. This approach enabled immediate support for the affected population and, in parallel, strengthened the institution responsible to provide sustained public services.

**Fragility dimensions:** Capacity deficit at the level of local Government actors

**Capacity Development areas:** Networking amongst relevant stakeholders; development of institutional legitimacy; institutional capacity development



# Supporting an Immediate and Sustained Post-tsunami State-driven Response in the North of Sri Lanka

**Country:** Sri Lanka

**Project:** Northern Rehabilitation Project (NRP)

**Context:** In the immediate aftermath of the tsunami that struck the north-eastern coast of Sri Lanka in December 2004, the insurgent ‘Liberation Tigers of Tamil Eelam’ (LTTE) claimed direct oversight and coordination for relief efforts to the affected population. Whilst Jaffna District was ‘officially’ under the administrative purview of the Government of Sri Lanka (GoSL), the LTTE had a very strong presence.

**Activities:** Alongside many international agencies compelled to coordinate with the LTTE to ensure provision of basic services to the crisis-affected population, the NRP, as a ‘Development-orientated Emergency and Transitional Aid’ (ENÜH) project, supported its counterpart the Ministry of Relief, Rehabilitation and

Reconstruction (MRRR), by adapting and concentrating efforts on a fast analysis and identification of gaps within the international assistance. Support was provided in the form of female sanitary material, neglected by all other agencies.

In parallel and continuing its collaboration with the GoSL district administration, the NRP assisted the Kachcheri (Central Government Offices) in setting up a Tsunami Information Unit. Here, data on the affected population was centralised: all existing actors had to report to the Government on their aid activities; new actors were obliged to register, and to firstly understand other agencies’ interventions before starting their own.

With versatility, NRP promoted and supported the transition from international coordination taking place separately with the LTTE and the GoSL, and facilitated one common platform in the Kachcheri, where the main actors – LTTE, Sri Lankan Army, INGO’s,

UN, ICRC and other agencies, under the oversight of the District Administration, coordinated activities. NRP further supported the establishment, structure and reporting mechanisms of Government-led Sectoral Working Groups, linking them to the international assistance. Another GIZ project, ‘Rehabilitation of Social, Technical and Productive Infrastructure’ (REPSI), then continued to work collaboratively with the Kachcheri in its support to the GoSL post-tsunami response.

**Fragility Dimensions:** Capacity and legitimacy deficit of state structures

**Capacity Development Areas:** Institutional capacity development; support to legitimatise networking and institutional position



# Dilemma 3: State Services vs. Services by Non-Governmental Providers

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*How to support readily available and, at times, more credible non-government provided services while strengthening the state's regulatory and service provision role?*

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**Basic Dilemma:** In fragile situations, but even more so in conflict-ridden societies, it is crucial for donor and implementing agencies to carefully identify partners for cooperation, accepted by communities and other beneficiaries and at the same time credible and trustworthy for the agencies. Therefore, there is a tendency to work with those readily available and most accepted by communities, which are often not state-structures but non-state actors such as community based organisations, NGOs and well-connected individuals. This might be a problematic trade-off. In many fragile and conflict settings mainly non-state actors (esp. NGOs, people organisations, volunteer movements etc.) possess capacity and credibility for having been present on the ground for years, knowing the situation well and being of direct support to communities. Contrarily, the state is often perceived as serving elites in the capitals, as a rather slow and bureaucratic service provider. In some contexts, working through or with the state may be understood as part of the state counter-insurgency. From the state's perspective, working with and through non-state actors who often function as 'watch dogs', critically monitoring state structures, may easily be perceived as a threat. The latter may be seen as allies of contesting movements and supporting social uprisings.

Working through non-state structures may further undermine the need of the state to (re-) build legitimacy

within the population and to (re-)establish its function as regulatory body and service provider. Furthermore, while non-government actors are often highly capable and promptly available, especially in the short term, they are scarcely able to ensure sustainable and long term structures for service delivery. Therefore, nascent or embryonic state organisations have to be strengthened to develop long-term structures for service provision.

**German Development Approach through GIZ:** GIZ works closely with various state-actors as their immediate project partners. Given their proximity to partners they are in a good position to know the partners' pressing needs, anxieties, and priorities, providing a thorough basis for the establishment of trustful partnerships. The latter is a precondition for the challenging change processes that states in fragile and conflict situations have to undergo. Further, it is an important entry point for GIZ's approach to support constructive state-society relationships and adequate cooperation of the state with non-government actors, identifying synergies without under-mining state functions.

GIZ is working at all levels of state and society; it is operating in state capitals as in remote and/or conflict-affected areas. Programme teams – with a mix of national and international experts – are aware of the necessity to be

familiar with their working environment and context and, therefore, seek close interaction with a range of relevant stakeholders, including NGOs, peoples' organisations, and the private sector. This is particularly important in fragile and conflict situations as the divides between and within different interest groups are vast, going beyond often perceived boundaries of groups.

The German approach through GIZ includes various technical as well as financial support mechanisms to strengthen state as well as non-state players, where GIZ can function as a trusted facilitator between both. Through targeted cooperation with and support of non-state actors, and by recognising their potential, GIZ strengthens both their associative as well as dissociative roles<sup>38</sup>. The dissociative role of non-state actors is important for monitoring and watchdog purposes – having a certain distance to state practices and, thus, increasing credibility and trust within society. Emphasising the associative strategy, strengthening of links between state structures and non-government actors by identifying common agendas, is a particular strength of GIZ's approach. Through this, state actors increase their networks and outreach, while establishing constructive state-society relationships.

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38 Galtung (1996).

# Improving State-Society Relations: Natural Resource Management in Conflict-Prone Areas in the Philippines

**Country:** Philippines

**Project:** Conflict Sensitive Resource and Asset Management (COSERAM)

**Context:** In 2004, Butuan City and the Department of Environment and Natural Resources (DENR) entered into a co-management agreement for an area covering ~11,000 ha, previously, up to 1999, used by a timber company. In 2010, the local government and DENR as responsible line agency wanted to secure parts of the land for private investment. However, incidences of violence and killings occurred when government officials tried to enter the area. Being idle land for many years, settlers

commenced occupying the land – while this is generally illegal many made it semi-official by paying taxes to the City. Due to human rights violations by the timber company, the area was also known at length for the active presence of the armed wing of the Communist Party of the Philippines. Public service delivery was absent in the area for years.

**Activities:** GIZ supported the government agencies to analyse the historical context and the needs of the population in the area. For this analysis the support of an NGO but also other civil society representatives (e.g. priests of the area) was sought. Initially introduced to the partners by GIZ, the NGO was later on contracted by the state partners directly to support their conflict sensitive

re-entry into the area. Through a staged multi-stakeholder dialogue the government was able to connect to the communities and all relevant stakeholders in the area. Participatory land use and development planning for the area became possible and criteria to ensure an adequate selection of investors were developed.

**Fragility Dimensions:** Legitimacy, authority and capacity deficit of Government

**Capacity Development Areas:** Network development: Connecting the different stakeholders at different levels (community, civil society, local government and national line agencies) to identify common agenda

# Supporting State-Civil Society Relationship Building in Nepal: Pilot Initiative ‘Peace Fund for Non-Government Actors’

**Country:** Nepal

**Project:** Support to the Nepal Peace Trust Fund (NPTF)

**Context:** The Nepal Peace Trust Fund (NPTF) focuses on the successful implementation of the Comprehensive Peace Accord (CPA) of 2006, its subsequent peace related agreements and the accompanying realisation of a tangible peace dividend for the wider population. The NPTF is financed by the Government of Nepal and eight contributing donors. The NPTF is institutionally affiliated with the Ministry of Peace and Reconstruction (MoPR) and steered by a board in which the five major political parties are represented. It provides not only the opportunity for channelling funds in a transparent and relatively efficient manner but also represents a forum for donor coordination and donor-government dialogue on peace related priorities and issues. Until November 2013, the NPTF has approved and funded 63 projects with a total budget of approx. 169 Mio EUR. Until early 2013, the fund has

exclusively entered into implementation agreements with government agencies.

**Activities:** As part of its support to the NPTF, GIZ administered a pilot initiative that envisaged the inclusion of Non-Government Actors (NGA) into the NPTF. The pilot initiative 1) acknowledged the important role NGAs played in the peace process and was therefore prepared to provide funding for projects implemented by NGA; 2) provided a platform for a coordinated donor support to NGA under the umbrella of the government-led NPTF; 3) built capacities and confidence of state agencies to collaborate with NGA and to synergise potentials and expertise for contributing to peace. The overall objective of the initiative was to facilitate relationship-building between state and NGA, thus strengthening capacities of the partner Ministry of Peace and Reconstruction (MoPR)/ NPTF for effectively cooperating with NGA.

GIZ developed procedures for selecting NGA for participation in the pilot initiative as well as for the appraisal and approval of concept notes and project

proposals. It acted as intermediary between involved NGA and government representatives but facilitated government ownership of procedural steps and decisions by acting upon the recommendation of a Steering Committee chaired by the Secretary MoPR. In December 2013, GIZ entered into Financial Agreements with seven NGA which are expected to complete their projects by September 2014. Experiences and lessons learned from the pilot initiative will be included in the current NPTF strategy development process and form the basis for future involvement of NGA under the NPTF umbrella.

**Fragility Dimensions:** Capacities and legitimacy deficit of national Government actors

**Capacity Development Areas:** Networking amongst relevant stakeholders; strengthening institutional legitimacy; individual and institutional capacity development

# Justice and Reconciliation in Cambodia: Enhancing Complementarity in Transitional Justice

**Country:** Cambodia

**Projects:** Civil Peace Service (CPS): Justice and Reconciliation in the Context of the Khmer Rouge Tribunal in Cambodia

**Context:** Cambodia has seen decades of civil war and destruction since the 1960s. Violence culminated during the Khmer Rouge regime (1975-1979) which turned the country into 'a prison without walls'. The Extraordinary Chambers in the Courts of Cambodia (ECCC) started working in 2006 as a hybrid tribunal with UN assistance to try the senior leaders and those most responsible for the crimes committed during the Khmer Rouge period. Providing a window of opportunity for a broader process of Dealing with the Past (DwP) and for deeper social dialogue, the criminal proceedings at the ECCC acted as a catalyst to bring the Khmer Rouge era back into public discourse after decades of silence and political power struggles.

**Activities:** CPS supported the Transitional Justice (TJ) process in four areas: (1) ECCC outreach and

history education, (2) Victim participation in the legal proceedings, (3) Mental health support, and (4) Remembrance, truth-seeking and social dialogue. The CPS programme assisted a variety of state and non-state partner institutions with an explicit focus on capacity development. CPS partners worked on all levels of society - empowering grassroots communities and local multipliers, strengthening civil society networks at the meso-level and assisting state institutions to fill capacity gaps at the macro level.

Placing CPS experts and advisors within state (ECCC and universities) and non-state structures (NGOs and victim's associations) and supporting reparation projects that were conceptualised in joint Working Groups (ECCC and CSOs), CPS strengthened the associative role of non-government actors and helped to improve cooperation between civil society and the state. At the same time, CPS provided support to CSOs to fulfil their dissociative roles - to closely monitor the proceedings at the ECCC and to advocate the government on behalf of civil parties and victims to ensure a meaningful judicial process. In assisting the state to reach out to rural populations, providing information on the cases

and possible ways of participation, and mainstream relevant topics into university curricula, the legitimacy of the ECCC has been strengthened and capacity deficits reduced. As a network, CPS convened both sides around shared interests. In combination with a CIM (Centre for International Migration and Development) advisor at the Trial Chamber, an HCD program for lawyers and memory workers, and bilateral support for the Victims Support Section at the ECCC, Germany contributed significantly to a TJ process led by the state but closely monitored and complemented by CSO initiatives, thereby balancing the politicisation of history and memory and widening the scope for socially acceptable views on the past.

**Fragility Dimensions:** Capacity deficit of local actors; legitimacy deficit of state actors.

**Capacity Development Areas:** Networking amongst relevant stakeholders; individual and institutional capacity development

# Dilemma 4: Technical vs. Political Intervention

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*How to respond to the legitimate expectation of local partners for technical solutions when many challenges in highly dynamic contexts are inherently of political nature?*

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**Basic Dilemma:** Actors on the partners' side tend to see capacity development largely as a technical matter. They expect that this can be addressed through supporting service delivery. In fragile situations, partners frequently ask for skills development and organisational strengthening – based on the pressing needs and immediate priorities of the respective beneficiaries at various levels. These types of interventions such as training, providing technical and financial resources, strengthening management systems are then often understood as capacity development. However, this narrow understanding does not reflect the broader concept of capacity development. Such a limited concept becomes even more problematic in fragile situations where the political context for all kind of interventions, including capacity development, is even more decisive and the apparently technical issue becomes political.

The mandate for capacity developers is more often than not framed in technical terms, while the actual work expected to be done is, in many cases, implicitly political. It is however the political context, with all its formal and informal power structures and dynamics, that counts. The political consensus of decision-makers – both national and international – is necessary as a basis for external development interventions. However, it is also important to acknowledge that at the core of most development challenges are highly political issues, such as the lack of access to resources, the marginalisa-

tion of societal groups, the monopolisation of power in the hands of a few and/or the unwillingness of elites or their radical challengers to bring conflicting interests to a compromise.

**German Development Approach through GIZ:** GIZ as a capacity development agency for many different German ministries is generally in close contact with the German Embassies as well as other Embassies of its international donors. This is of utmost importance since not only the official commission,<sup>39</sup> but also the political representatives on the ground define the space within which GIZ can operate.

GIZ works on the basis of partners' requests and takes them as an entry point to develop cooperation and trusting relationships. In an effort to achieve the expected quick impact and to gain trust, GIZ implements specific measures of skills development and organisational strengthening. As early as possible, these measures are combined with a joint analysis of the political-economic context, involving partners and stakeholders as far as possible. Such an analysis is to facilitate a joint understanding that any intervention,

chosen from a range of options, will unavoidably have (implicit) political implications.

From the outset GIZ emphasises local responsibility, whilst not implying that local actors necessarily have to refrain from every initiative that may be considered as politically not opportune. A calculated risk when challenging existing power holders and power relations may, at times, be the best way of shaking up the status quo, reducing the hurdles to more transparency, more public participation, and more inclusive and accountable decision making. In all such situations however, roles have to be clear. Local actors have to develop ownership in order to increase political influence.

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<sup>39</sup> When implementing contributions of German Development Cooperation the legal basis of GIZ services in partner countries is a binding commission by a ministry stating objectives, methodological approaches, time-frame etc.





# Flexibility and Pragmatism: Entry points for addressing political dimensions in the context of Technical Cooperation in Nepal

**Country:** Nepal

**Projects:** Support to the Nepal Peace Trust Fund (NPTF)

**Context:** The Nepal Peace Trust Fund (NPTF) focuses on the successful implementation of the Comprehensive Peace Accord (CPA) of 2006, its subsequent peace related agreements and the accompanying realisation of a tangible peace dividend for the wider population. The NPTF is financed by the Government of Nepal and eight contributing donors. The NPTF is institutionally affiliated with the Ministry of Peace and Reconstruction (MoPR) and steered by a board in which the five major political parties are represented. It provides not only the opportunity for channelling funds in a transparent and relatively efficient manner

but also represents a forum for donor coordination and donor-government dialogue on peace related priorities and issues. Until November 2013, the NPTF has approved and funded 63 projects with a total budget of approx. 169 Mio EUR.

**Activities:** GIZ supported the MoPR / NPTF in achieving its aspiration through capacity building measures on individual, organisational and inter-institutional levels. Since all programmatic activities of the NPTF had to be based on the political consensus of its stakeholders, the adoption of a flexible and pragmatic approach in response to political opportunities and continuously changing expectations from MoPR and other stakeholders was necessary.

By combining the provision of technical expertise with carefully supporting the mutual understanding of political

motives and different perspectives, GIZ emerged as a trusted interlocutor between the donor community and the Nepalese government and earned high acceptance from both parties. This further strengthened the basis for successful cooperation and allowed GIZ to combine technical support with facilitating reflection and analysis on the political implications of decisions and measures to be taken.

**Fragility Dimensions:** Capacity deficit of national Government actors

**Capacity Development Areas:** Networking amongst relevant stakeholders; strengthening of institutional legitimacy; individual and institutional capacity development.

# Skills through English for Public Servants in Sri Lanka: STEPS towards Mitigating Conflicts of Ethnicity and Class

**Country:** Sri Lanka

**Project:** Performance Improvement Project (PIP) for Development Actors in the North and East of Sri Lanka

**Context:** The war may be over in Sri Lanka but the issues behind the conflict remain unresolved. Language is one of them. In the aftermath of the fighting, victims of conflict, military authorities, civil servants and international relief agencies communicate together in English. In the past, English was considered divisive. The Sinhalese called it kaduwa – the sword that cut between the classes. But English continues to be used as the language of management in public service, of commerce, of international development, and in refugee camps between the military and the IDPs. People all over Sri Lanka, regardless of class or ethnicity, are keen to learn it.

**Activities:** PIP responded to this great demand for technical skills in English and used it to introduce a political dimension. It supported the Northern and Eastern Provincial Councils to encourage English as a

link language and a tool for conflict transformation. The project developed a sustainable Content and Language Integrated Learning (CLIL) programme, STEPS (Skills through English for Public Servants), which combined good governance and development topics with skills in critical thinking, cross cultural communication, conflict resolution, and English. Government staff and their civil society counterparts gained confidence in problem solving, distinguishing factual information from media hype, finding ways of achieving equity in a deeply divided society and understanding the value of dissent – all within a neutral and across all conflict lines attractive space: the English classroom. The support of technical skills provided a vehicle for cross-cutting conflict transformation skills and allowed to tackle also very sensitive political issues in units such as domestic violence, child soldiers, responsive service delivery in education, disaster management etc. over a four week intensive course.

STEPS worked towards removing traditional barriers within a largely hierarchical, seniority based management system. A placement test was used to group participants according to their English language needs alone. This threw together people from diverse back-

grounds - from Sinhala, Tamil and Muslim communities, rural and urban districts, central and devolved government structures, and from different age groups and management positions. English worked here as a connector, encouraging people who would never normally meet, to sit down together and share ideas in an environment that inspired them to work together towards a more tolerant and diverse society. A critical mass of over 4,000 like-minded change agents has been built and the STEPS Institute in Jaffna continues to train about 400 government servants per year.

**Fragility Dimensions:** Performance deficit in public service management and delivery; legitimacy deficit of central/local government in minority areas

**Capacity Development Areas:** Individual capacity development combined with networking across traditional lines of class, ethnicity and religion; critical thinking, conflict resolution, good governance, development and English language skill

# Dilemma 5: Planned vs. Emergent Approach

*How to balance the need for pre-determined objectives and operational frameworks with the need to flexibly respond to a fragile and highly dynamic context?*

**Basic Dilemma:** Long term planning in situations of conflict and fragility is often challenged by dynamics on the ground, requiring adaptation, capability and flexibility in order to come up with adequate responses. At the same time, development partners legitimately require an agreed upon framework and set of indicators to ensure that chosen approaches and activities serve the situation on the ground as well as the envisioned objective(s). They also need this for accountability to their respective constituencies. The dilemma aggravates if interventions fail to strike an adequate balance between these requirements.

An overemphasis of planning implies linearity, manifested in a pre-set plan of operations. This accentuates aspects such as performance management, accountability, efficiency, and effectiveness, and transparency en route to the realisation of pre-defined objectives. This planned approach is prone to a rigidity that fails to take the persistent need for context-specific adjustments into account. In contrast, the 'emergent approach' rather focuses on finding a pattern of opportunities for capacity development in the structure and behaviour of the political, economic, cultural, social, and psychological systems. Since neither the oppor-

tunities nor the solutions are likely to be clear from the outset, effective manoeuvring in a volatile context requires learning, constant reflection and adaptation, and communication rather than strict management along pre-defined objectives.

The risk related to this emergent approach is to lose sight of the overall purpose while constantly reacting to the perceived requirements of the situation. It is also more challenging for measurement and provision of evidence for actual achievements.

**German Development Approach through GIZ:** GIZ recognises clients' (donor as well as partner side) interests in pre-determining the objectives and identifying overall indicators of a specific intervention. Supported by the trust and scope of action granted by the German government, especially its main commissioner BMZ, GIZ prefers to use the definition of a common vision and needs for its operations. Any intervention then contributes and responds to these defined goals. Throughout the implementation process, vision and needs serve as safeguards against arbitrary implementation of activities and to ensure working towards defined outputs. While the envisaged (mid- to long

term) objective is clear, approaches may vary, according to the dynamics and corresponding emerging opportunities in a given setting. GIZ uses its flexible and variable methods of capacity development and puts emphasis on developing trustful relationships with its partners on all levels. With trust and a mid- to long term perspective, GIZ supports its partners in developing capacities to identify adequate responses to the changing requirements of a volatile context.

This prevents from planning in a straitjacket and ensures guidance and technical support to pursue the identified objective. It contributes to addressing immediate, situation-specific requirements with necessary flexibility while it strengthens state actors' capacities to effectively respond to changing situations in the medium term. It thereby increases their ability to effectively deliver services to citizens and thus contributes to enhancing the state's legitimacy.



# Responding to a Changing Context: From Facilitating Local Initiatives to Strengthening Cooperation between State and Civil Society Actors

**Country:** Sri Lanka

**Project:** Facilitating Initiatives for Social Cohesion and Transformation (FLICT)

**Context:** For almost three decades Sri Lanka has experienced a violent conflict between Government forces and the Liberation Tigers of Tamil Eelam fighting for an independent Tamil homeland. During a period of ceasefire in 2002, German Development Cooperation was invited to facilitate local initiatives towards conflict transformation in order to support civil society to build peace from below. After the breakdown of the ceasefire, political polarisation gradually increased, thereby reducing the space for the transformative agenda from below. While the eventual military victory of the Government forces and the eradication of the LTTE in 2009 changed the setting fundamentally, the need for reconciliation between Sri Lanka's diverse ethnic groups remained evident. Since then GIZ has been asked to support the Ministry of National Languages and Social Integration (MNLSI) in not only working

towards reconciliation, but also addressing the broader issue of exclusion and supporting equal access to public services and opportunities.

**Activities:** During the initial 2-3 years of the project, GIZ focussed its attention almost exclusively on strengthening civil society in general and local initiatives in particular towards a conflict transformation agenda. Small grants for local initiatives were combined with investments into their institutional and networking capacities in three major fields of intervention: dealing with cultural identity in an inclusive society, strengthening inter-religious and inter-ethnic links and forging civic participation in governance. With increasing tensions and huge support to civil society also in the post-Tsunami rehabilitation efforts, the overall vision and main topics remained the same but the implementation strategies changed. Adjusting to the context and using emerging opportunities, the work was more and more steered to have a stronger focus on the relation of state and civil society actors in addressing the above topics and their endeavours to reach out to civil society and communities.

With the end of the war in 2009, the Government requested FLICT to make use of its expertise in order to support the newly established MNLSI and its agenda of Social Integration. FLICT responded by amending its objective and adjusting its mode of operation. On the one hand, the MNLSI was supported in formulating and implementing a new National Policy on Social Integration, both on national level as well as in five pilot districts. On the other hand, civil society organisations, private sector and cultural actors are supported in their initiatives towards reconciliation and social inclusion. In doing so, FLICT invests into relationship building of state and non-state actors to jointly address key challenges in Social Integration.

**Fragility Dimensions:** Capacity deficit of local actors; legitimacy and capacity deficit of Government

**Capacity Development Areas:** Networking amongst relevant stakeholders; strengthening of institutional legitimacy; individual and institutional capacity development

# Expectation Management in a Fragile and Highly Dynamic Context in Pakistan

**Country:** Pakistan

**Project:** Support to Good Governance Programme, Result Area: Taxation Reform

**Context:** At international and national level it is acknowledged that revenue collection is crucial to ensure sustainable statebuilding. It is indispensable to ensure public financing of core state services such as security, health and education. A stable inflow of inland revenues indicates the existence of an effective social contract and a minimum degree of state society dialogue. Effective service delivery can further foster the trust of citizens towards the public institutions and thus enhance state legitimacy. Pakistan has one of the lowest tax-to-GDP-ratios worldwide. The federal and provincial taxation system does not sufficiently reach out through registration to potential tax payers nor do registered tax payers regularly pay taxes. The tax system is also assessed as lacking sufficient equality and transparency. On the one hand this is due to a high amount of and regularly changing tax exemptions for specific sectors and groups in society. A comprehensive tax policy is awaited to guide the reforms within government as

well as towards society. On the other hand tax enforcement and audit procedures need to increase in effectiveness. The situation of violent conflicts in the country is an obstacle to develop a resilient social contract on revenue collection.

**Activities:** GIZ is supporting the tax authorities in Pakistan at federal and provincial level to increase their performance towards more transparency and effectiveness. The programme is focussing capacity development on the following fields: enhancing the quality of tax administration procedures (especially registration and enforcement), organisational development of tax authorities, evidence based tax policy as well as tax payer education. While the initial approach was focussed on the implementation of the added value tax policy, experience proved that due to the highly dynamic context a more flexible approach should be agreed between the partners. The capacity development strategy is now geared towards the effective linkage of improved performance within the existing legal tax laws with the enhancement of state authority in the field of revenue collection. Within this broad framework the capacity gaps of individuals to fulfil their tasks was identified and respective trainings provided. These trainings were

institutionalised in the public training institutions. Ex-post evaluations with the counterparts and their tax officers in the field provided opportunities to detect demand for organisational changes or cooperation requirements with other stakeholders to enhance institutional performance. Once measures in these fields are implemented it contributes to addressing policy advice (tax) and reducing authority gaps.

The possibility to agree on supporting functions and tasks of revenue collecting bodies rather than on the reform of specific taxes allowed the programme to plan measures but stay flexible enough to answer to the specific demands of the counterparts.

**Fragility Dimensions:** Contradictions within the legal and political framework (authority) and institutional performance deficit.

**Capacity Development Areas:** Individual and institution capacity development

# Dilemma 6: Immediate Community-based Security vs. State-guaranteed Long-term Stability

*How can you strengthen community resilience and security without side-lining or replacing the responsible state institutions?*

**Basic Dilemma:** Protection from violence is a non-negotiable right that needs to be addressed. In all fragile and conflict situations the safety of civilians is of high concern and people call for immediate security services, which the state agencies are rarely able to provide, for basically two reasons. Firstly, the authority of state agencies is not trusted by all members of society as they often constitute one of the conflicting parties. Secondly, the state often does not possess the necessary capacities to handle delicate issues of peace and security, especially in remote/rural areas.

As security is among the foremost priority of the communities, they themselves start building structures that provide immediate security and may depend on external agencies for capacity development support. The dilemma for external agencies is that in such situations, support to community resilience is crucial and immediate response to the needs of the population takes priority over actions to build state capacities to assume lead responsibility. On the other hand, without proper linkages and eventual capacity development support to the state security structures, long term stability is not possible.

There is also a risk, especially in volatile contexts, that community groups may arm themselves and take things into their own hands, creating another poten-

tial threat of violence. Therefore, striking a balance between strengthening community structures and facilitating their linkage to state owned security agencies as well as increasing the legitimacy and authority of the latter is necessary but difficult to attain at once.

## **German Development Approach through GIZ:**

Adhering to the principles of ‘conflict sensitivity’ and ‘do no harm’, GIZ in the first place supports capacity development of ‘self-made’ community structures. Due to its long-term presence on the ground, GIZ has easy links with communities but also ensures from the beginning the linking back to state structures, building on its mandate based on bilateral/multilateral cooperation.<sup>40</sup> It conducts capacity development measures in the field of community mediation and dialogue facilitation to create a trustful environment, thus preventing insecurity and violence at local levels. GIZ ensures that all the community groups are adequately represented in such community structures promoting peace and security, with the ultimate mid- to long-term goal of

improving state-society relations and strengthening the state’s role and legitimacy at the same time.

Once trust is established and there is no more perceived threat from the ‘other side’, GIZ facilitates trust-building measures between the various community groups (e.g. Village Development Committees), and state agencies (e.g. local police, local judiciary agencies and District Administration Offices). Gradually state structures start receiving support from the community structures to maintain peace and security. Eventually all the cases are handed over to the state owned security structures by the communities. Thus the GIZ approach enhances legitimacy and authority of state structures through capacity development of both communities and the state-owned security structures at individual, institutional, and networking levels.

40 Bi-lateral aid of German Development Cooperation consists of those funds earmarked and directly expended for the cooperation between Germany and individual partner countries. Multi-lateral aid is channelled through donor funds, basket financing or other multi-lateral and international mechanisms.

# Support to the Peace Process: Supporting Community Initiatives for Security and Peacebuilding in Nepal

**Country:** Nepal

**Project:** Support of Measures to Strengthen the Peace Process (STPP)

**Context:** With larger groups of the 15,600 ex-combatants and their dependants settling down all over Nepal, there was an increased sense of insecurity and mistrust in the communities due to their past experiences. Furthermore, many smaller armed groups emerged in recent years. In the post-conflict scenario, any small tension easily escalated to bigger conflicts, since fears and feelings related to the past are involved. Unsolved root causes of the armed conflicts, such as

conflicts over resources, triggered violence at local level. The state security structures did not have sufficient capacity to handle arising conflicts at an early stage, neither were they fully trusted by all community members, as they were one of the conflicting parties.

**Activities:** STPP supported inclusive community groups comprised of ex-combatants and old community members, such as 17 Social Dialogue Groups, 270 Self-Help Groups, and four Youth Peace Councils. Its capacity development and empowerment measures contributed to peaceful co-existence and reintegration. The groups also promoted human rights, rights of women and children, and combating violence in their communities.

To ensure that these community groups did not replace and/or bypass the state and its institutions, the project built the capacity of its implementing partners to establish linkages with the local authorities. The formal registration of the community groups with local authorities strengthened the capacity of the district and village level Government structures.

**Fragility Dimension:** Capacity, legitimacy and authority deficit of state actors at local level

**Capacity Development Areas:** Individual and institutional capacity development; networking of relevant stake holders





*TMA Barikot Link Road © GIZ, ENÜH Pakistan*

## 4. Summary of Strengths and Potentials

The experiences rendered in the present paper offer a variety of insights and lessons potentially helpful for future programmes in support of capacity development in situations of conflict and fragility. Some of these insights provide more generic conclusions and can be considered as examples of good practice. Others are rather lessons learned from the specificity of the situation, under which the respective programme was carried out. In both cases, the diverse experience from the variety of countries and contexts has informed later interventions of GIZ. The intention of the present documentation is to share the knowledge with a broader audience among development practitioners.

### **Capacity Development: Limitations and Opportunities**

Years of experience in the field of capacity development in fragile and conflict contexts indicate that supporting the development of capacities at all three (i.e. individual – organisational – societal) levels of a system at the same time is often not possible or not even advisable. This links back to the observation that drivers of change and the political momentum for change are generally not the same at all levels, and that they vary over time. It seems therefore strategic to concentrate on measures at one or two selected levels. However, it is imperative to observe the inter-de-

pendence between the levels and to monitor any changes at other levels to avoid imbalances or even destabilisation within the system. Thus, the theory of change at one level has to anticipate consequences at the other levels to avoid negative impacts and to increase effectiveness and leverage.

In the context of fragility and/or conflict, capacity development should not be seen as an isolated measure contributing to reform and change, but should implicitly respond to the long-term requirements of peace- and state-building such as improvement of state-society relations, strengthening the political will and skill for

conflict transformation, and empowering institutions and individuals. At the same time capacity development must be connected to visibly tackling more immediate needs as they typically occur in post-conflict settings or in emergency situations. This is a special characteristic of ENÜH<sup>41</sup> projects as the example from Sri Lanka shows. Special attention should, therefore, be paid to the capacity of individuals and organisations to cope with the emergency, to resolve conflicts while strengthening their legitimacy and capability to take part in often tedious change processes. This is a prerequisite to achieving a basic resolution of conflicts that is inclusive and also supports any political settlement geared towards resilience and durability.

### Core Topics and Shared Ideas

In the elaboration of this report some fundamental themes and ideas recurred time and again and were shared by all contributors. Even though they had surfaced in different contexts, in different countries, and in different programme settings, these concepts can be considered as the gist of the debate on how to address capacity development in situations of conflict and fragility. Reaching beyond the more operational conclusions, they touch on central issues such as conduct and attitude. These ideas circle around two core thematic clusters: ‘versatility - balance – attentiveness’ as well as ‘trust-building and learning’.

41 ENÜH (Development-oriented Emergency and Transitional Aid) is the German DC approach to provide assistance in the period between immediate humanitarian assistance and mid- and long-term technical assistance. Besides delivering the immediately needed help, this approach aims at empowering the individuals and instructions to cope with the humanitarian crisis.

### Versatility – Balance – Attentiveness

All case studies show that either simultaneously addressing one or more levels of any given system or shifting from one to another level calls for alertness and swift reaction. But at the same time it allows for seizing and adapting ably to emergent opportunities. This *modus operandi* can be built in to addressing the different dimensions of capacity development. Such a multitude of entry points is evident e.g. in the example from the Philippines as the project moves between the local and the national level, while the case of the governance project in Pakistan shows the shift from the policy to the operational level. The multi-level approach opens space for shifting attention and efforts between the actors at various levels and for emphasising and combining them as necessary. The necessity to refocus and to shift to another approach is often due to rapidly changing conditions. Hence, such a versatile approach avoids the risk of putting all eggs into one basket by narrowing the focus on only one aspect of capacity building and its respective target group.

A major experience of all the projects was the imperative to balance the various – at time contradictory – needs, expectations, and agendas and the necessity to negotiate and re-negotiate time and again the operational and political space for the programme. The examples from Nepal are good cases in point. While balancing and accommodating contradicting trends in a volatile context, attentiveness is also required to ensure that the project’s strategic direction is not overcast. It is a permanent task to strike an effective balance between the long-term objectives and emerging opportunities.

‘Versatility’ and ‘balancing’, however, do not work in isolation, but have to be grounded in an attitude of ‘attentiveness’ and ‘openness’. Project managers and team

members have to be open-minded and to constantly monitor the context as it changes: altering national policies will impact local agendas; donor policies can change due to shifting domestic priorities; economic interests are influencing politics etc. This volatility requires continuous communication in both directions: with partners as well as with commissioners to adjust strategy and implementation. Attentiveness and open-mindedness appears to be the pivot for appropriate and effective action as the second set of ideas also hinges on this fundamental attitude.

### Trust Building – Learning

The second set of frequently occurring ideas describes features of the relationship between the various actors in the arena, i.e. ‘trust’ and ‘learning’. Versatility and openness to altering conditions and shifting priorities requires a close proximity to the partners, their institutions and their individual actors. Communication and trying to understand the partner, their situation and their specific demands is a permanent task. One experience shared by all projects is the reward arising from working on a good and reliable relationship with partners and stakeholders. Long-term engagement and presence in the partners’ countries fosters trust, which is the cornerstone for a relationship standing the test of stressful and volatile conditions. Gaining partners’ trust brings GIZ into a position to suggest new perspectives and solutions or to even challenge the system. A special feature of this partner orientation is the drive to be practical and to find pragmatic solutions that can solve the immediate problem while still aligning with the broader strategic direction. Despite all this proximity and trust GIZ remains clear about her role as an external actor.

To build trusted and reliable ties with the partners requires openness and willingness to frank and honest communication: to being questioned and to ask questions, to

continuously reflect and learn. In parallel, an equally frank discourse with head offices and commissioners is required to differentiate wishful ambitions from realistic objectives to find the appropriate strategy. Joint learning processes create a sense of shared goals among the partaking actors and build the required environment for exchange and debate. Local knowledge is an important source in this learning process. Developing various learning formats to facilitate this exchange and investing human resources pays off. Acting persons, be it representatives of state institutions or non-governmental organisations, be it field workers or programme managers, are empowered to cope with a variety of challenges and tasks. This is all the more important, since situations of

conflict and fragility are irksome and demanding. All staff therefore require careful preparation before deployment and intense and continuous backstopping and counselling during their engagement.

Capturing complexity and the demands of situations of conflict and fragility and translating them into effective practice requires jointly analysing possible entry points for capacity development, and to review and adjust the strategy regularly. The current set-up of German Development Cooperation allows GIZ to support its partners with demand-driven, tailor-made, and effective services for sustainable development.

The following part explains the broader context of each of the case studies presented in the first part under the various dilemmas. The background information of each of the cases helps to contextualise the specific approach and related experiences and points out the strategic considerations of the respective project.



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## PART 2 - Case Studies

# Dilemma 1: External vs. Local Capacities

*From Afghans for Afghans – Using ‘Learning Projects’ for capacity development: The Regional Capacity Development Fund (RCDF), Afghanistan*

**CONTEXT:** The security and conflict situation in Afghanistan has deteriorated significantly in recent years. Sustainable development in North Afghanistan is impeded by public institutions at district and provincial level that lack the capacity to effectively carry out their responsibilities and tasks, i.e. benefiting the poorest, marginalised sections of the population. The reasons for this are embedded in structural deficits in public administration at local and regional level as well as in an unsuitable framework for strengthening sub-national structures. Administrative personnel and elected representatives in the local and district authorities lack the

competences required to properly carry out their tasks and responsibilities. Shortfalls in procedures and organisational arrangements hinder activities considerably. The physical resources of the district authorities, such as administrative buildings and equipment used at the workplace, do not meet the (functional) requirements. There is insufficient horizontal coordination or effective cooperation among the line departments. Finally, legal provisions are widely incoherent, and finances are insufficient due to a lack of revenue and limited appropriations from central government, preventing implementation of an active pro-development policy.

**DILEMMAS FACED:** German Development Cooperation in Northern Afghanistan faces the fundamental dilemma whether the effective improvement of the populations’ living conditions are to be achieved by direct intervention through external actors – in this case GIZ – or through local capacities, which are not able yet to cope with the challenges and do not hold the trust and the legitimacy necessary to fulfil the task.

**THEORY OF CHANGE THAT HAS BEEN PURSUED:** The RCDF measures were designed to initiate changes in the delivery of state services, and thereby

to stimulate the population's acceptance of state structures, eventually resulting in an increased legitimacy of these institutions. The programme aimed to build well-functioning administrative structures through capacity development measures, actively contributing to an improvement of the living conditions of the Afghan population. By incorporating different actors in the processes of decision-making, implementation and monitoring, the programme helped the Afghan state to assume responsibility and ownership. This in turn increased the citizens' satisfaction with the state. At the same time, state institutions at district and provincial levels indirectly benefited from their increased acceptance among the population since people regarded them as important and competent decision-makers and actors for development. State institutions used these outputs and the resulting opportunities to further improve their local and regional governance and intensify participation in development processes. Thus, provincial and district administrations and line departments commenced to carry out their core duties in a more needs-driven and service-oriented manner; the population began to regard the state structures as having the required competences to improve their living conditions. Now people accept them as legitimate decision-makers and actors in the development process.

The Regional Capacity Development Fund (RCDF) implemented by GIZ was designed to develop the capacities of sub-national governmental institutions (district and provincial authorities, as well as line departments) and to enable them to carry out their core functions as basic service providers to the general population in a service-driven, needs-oriented, and conflict-sensitive manner. Capacity development measures included targeted on-the-job and off-the-job trainings as well as 'learning projects' for civil servants, i.e. selected development projects implemented by the Afghan authorities, while receiving coaching support from GIZ, thus

merging training and implementation into one process. Various measures were designed to meet the specific and variable needs of the partner organisations, including capacity development to improve project management (incl. report writing, monitoring and evaluation, proposal writing etc.), human resources management, accounting, procurement, IT; introduction to the national and provincial development strategies; financial auditing, anticorruption, gender equality and office management. Infrastructure measures, including girl dormitories, administrative buildings, roads and bridges, were implemented entirely by the Afghan partners with only advisory support measures being provided by GIZ experts. This way, Afghan ownership (following the idea of 'From Afghans for Afghans') were created and guaranteed.

**BENEFICIARIES:** The project partners and beneficiaries were selected through a consultative process in the steering committee facilitated by representatives of the Afghan and German government. The programme's direct target group was the personnel of district and provincial administrations and line departments along with representatives in selected committees at those levels. The respective Provincial Development Committees decided upon the particular measures and 'learning projects' to be implemented by the respective partners. Indirect beneficiaries are the population of North Afghanistan, profiting from the improved service delivery capacities of local state structures. The programme paid special attention to improving the public participation of women, religious and ethnic minorities, as well as underprivileged groups and their respective living conditions. The Afghan institutions themselves are now ensuring that their projects are inclusive, addressing all groups of society.

**IMPACT:** At national level, awareness has been created regarding the needs of sub-national level governmental institutions and the current insufficient capacities of

governmental structures. At regional and district level, capacities with the partner institutions have been built enabling them to better fulfil their tasks as service providers to the population.

**KEY LESSONS LEARNED:** The concept of 'Afghan ownership and learning projects' works. Some of the RCDF's partners considerably lacked required capacities and competencies to independently manage development projects. This required flexible adjustments on a case by case basis.

The programme combined two key elements. Targeted training for various audiences as a comprehensive capacity development approach, and 'learning projects' were used. These were selected development projects implemented by the Afghan authorities, while they were receiving continuous support and coaching from GIZ experts, thus merging training and implementation in one process. The combination of this dual approach was the basis for the programme's success. Implementation showed that, especially in fragile situations, it needs time to develop mutual trust and to let ownership grow. The dual approach succeeded in bringing local authorities into the driver's seat to assume their responsibilities while still receiving the necessary support to gain confidence in the newly acquired role and to eventually improve their performance. While there was still a need for external actors to assume an implementer's role, the ownership approach helped to address, from the beginning, the dilemma described above by emphasising the role of local partners. Thus available capacities and structures were utilised and thereby strengthened. Once, both the responsibilities and opportunities become obvious, the approach can be very efficient and effective. However, the degree of efficiency and effectiveness largely depends on the partners' commitment.

# Dilemma 2: Short-Term/ Immediate Service Delivery vs. Long-term Structural and Institutional Strengthening

*Development orientated Emergency and Transitional Aid (ENÜH), Sri Lanka*

**CONTEXT:** Sri Lanka is a small island state in the Indian Ocean with a population of some 20 million inhabitants of mixed ethnic and religious backgrounds. This island paradise has been tragically torn apart by a protracted civil war since 1983. For over 20 years, the war (predominantly carried out in the north and east of the country) caused significant hardships for the population, environment and the economy the country, with an estimated 80,000–100,000 people killed during its course. The tactics employed by the Liberation Tigers of Tamil Eelam (LTTE), against the Sri Lankan Government Armed Forces, i.e. suicide bombing, resulted in their listing as a terrorist organisation in 32 countries. At the same time, the Sri Lankan government forces have also been accused of human rights abuses, systematic impunity for serious human rights violations, and forced disappearances.

After more than two decades of fighting and four failed attempts at peace talks, including the unsuccessful deployment of the Indian Army from 1987 to 1990, a lasting negotiated settlement to the conflict appeared possible when a cease-fire was declared in December 2001, and a ceasefire agreement signed with Norwegian mediation in 2002.

This peace lasted for just two years, though it was rather more stagnated than progressive. Throughout 2004,

this lack of momentum had a large negative effect on the lives and aspirations of the people in all parts of the country, though more so in the north, who still held onto limited hopes for a brighter future. Towards the end of the year, several small scale tensions arose throughout the north and east, and were only mitigated by the tragic circumstances that struck with the Tsunami on 26 December.

The Jaffna Peninsula, like many other coastal areas in Sri Lanka, experienced the disastrous effects of the waves. In Jaffna, and the two Districts of Killinochchi and Mullaitivu (the latter two under the ‘control’ of the LTTE), approximately 30,000 houses were destroyed, and 60,000 people displaced to temporary accommodation centres. Whilst, as is the case in most directly-post crisis situations, the local population were the first to commence emergency response activities, the LTTE with an ability for rapid deployment used the opportunity to establish immediate ‘oversight’ of the disaster response in these three districts, setting up ‘coordination points’ for the delivery of aid, and setting up management of the temporary accommodation centres. The Sri Lankan Government machinery in the north arrived shortly afterwards with their own structures and processes for support to the victims of the tsunami.

This devastating natural disaster, on top of the building tensions between the two conflict parties, impacted strongly on the mode of delivery of many international agencies involved in post-conflict rehabilitation and development. This included the GTZ<sup>42</sup> Northern Rehabilitation Project (NRP), who, in collaboration with their counterpart the Ministry for Reconstruction, Rehabilitation and Reconciliation (MRRR), and together with the District Government, had been in the process of establishing and implementing medium term development plans within the district.

**DILEMMAS FACED BY THE PROJECT:** Given the above extenuating circumstances, and whilst the context was still an ‘emergency situation’ (though no longer directly related to conflict), the BMZ allowed and provided funds for the project to adapt its intervention strategy immediately to operate under these new conditions. This concretely meant that the mid-term Development Plans for the coastal areas affected by the tsunami became null and void, and an alternate mode of delivery was required. The project’s adapted strategy had to factor in several new challenges in this changed context:

<sup>42</sup> This programme was implemented before GTZ was merged with other German implementing organisations into the new GIZ. Therefore, the historically correct reference is made to GTZ.

1. The government and the population's (specifically in coastal areas) situation and priorities had changed dramatically, with a demand for provision of immediate assistance and services to the victims of the tsunami, not medium-term planning.
2. The authority of the state was called into question by the LTTE who initially responded faster, more visibly and more effectively in providing support. However, the legitimacy of their own role and presence created a real dilemma for both GTZ and other international actors, obliged now, if they were to provide assistance to the affected population, to coordinate with and channel their aid through a registered terrorist organisation.
3. In the previously more stable operating environment, inter-agency coordination took place, each with, and presenting its own projects and programmes. Several partnerships had existed, i.e. other agencies, building on the qualitative and participatory approach GTZ had taken with the elaboration of development plans, contributed to supporting some of the priority interventions from within them. In this new context, several agencies 'dropped' their specific area of expertise to rush to the coast to provide assistance in fields of intervention that they did not necessarily know, this alone making sector-wise coordination far more complicated. This was predominantly due to a large influx of donor funds made swiftly available, due to increased media coverage and visibility, and the enormity of the disaster.
4. GTZ, amongst a few other bi and multi-lateral agencies, continued to work with the Government structures in the district, but due to the Sri Lankan Governments slower capacity to 'get on the ground', had to continually and equally run back and forth from the Government offices to the LTTE compounds to try to avoid gaps and overlaps in the emergency response. Additionally, with increased demand placed on the state institutions, their per-

formance suffered in relation to the carrying out of their normal daily functions.

5. Finally, within just a couple of months the number of international agencies operating in the Jaffna district had increased from just 16 to over 53. Without questioning too deeply what the existing agencies were doing, how and with whom, the new arrivals also rushed to the coast with funds [and flags] to provide their assistance. Coordination was the biggest challenge in this context.

#### **THEORY OF CHANGE THAT HAS BEEN PURSUED:**

The GTZ team immediately acknowledged that they were not geared up to, nor mandated for providing immediate emergency assistance to the affected population. Instead, a 'gaps analysis' was undertaken to identify where the other agencies had not provided a comprehensive response. This was found to be in the supply of female sanitary towels. With the procurement of two trucks to deliver this essential commodity, and visits to all the possible pharmacies in the region to buy stocks, the team worked round the clock visiting all the temporary relocation centres, and through the LTTE organisers, ensured distribution of these products to the affected women.

In parallel, the project starting working on promoting the need between the two main coordination bodies – the Government Agent's (GA) office, and the LTTE, to see the advantages of coming together on the issue of a coordinated response. This included the requirement to bring in the additional weight of the Sri Lankan army, with its prowess in disaster response.

The project's previous role had been in supporting the government in development planning, wherein a multi-stakeholder approach was promoted and facilitated. Based on this experience, and with the willingness to support from two other key international agencies, GTZ took the lead on a return to inter-agency coordination,

but this time placing the government (under the purview of the GA) in the pole position. GTZ supported the GA in establishing government-driven 'sectoral working groups', that each reported to one oversight body, ensuring that all relevant stakeholders coordinated their interventions from one central point. This initiative led to more actors joining in where required, including finally the LTTE and LTTE-affiliated NGOs, the Sri Lankan Army, UN agencies, the ICRC, and other international and local organisations.

Additionally, GTZ assisted the GA in establishing a 'Tsunami Information Unit' in the government offices (Kachcheri), wherein data collected was stored and shared centrally. Victims' families could go to receive assistance, advice and the latest information regarding their family members. Here, status reports on activities from all the agencies providing sector-wise assistance was collated and displayed for ease of access and decision-making. New stakeholders arriving on the disaster scene (37 new agencies within three months) had to present themselves and register in this unit, and were obliged to look at reports and maps and the current and planned interventions of other agencies, before setting up and heading to the coast.

These initiatives meant that coordination was more efficient and effective; time was not lost in running backwards and forwards between government and LTTE offices, and distribution of work was arranged sectorally to avoid further gaps in support to the tsunami affected population.

Aside from the above, one geographic-administrative area, remained untouched by the chaos and aftermath of the disaster. GTZ was able, although hindered by having to spread itself more thinly on the ground, to continue to support activities related to the implementation of project-supported Divisional Development Plans.

The GTZ thus followed, with versatility, three approaches in parallel:

1. Continued support to development planning in the areas unaffected by the tsunami
2. Capacity development to the government structures placing them legitimately at the spearhead of the tsunami response, and backstopping their authority in this role
3. Gap filling emergency assistance to female victims of the disaster.

**BENEFICIARIES:** Five beneficiary groups were supported through the above interventions. Direct beneficiaries included female victims of the tsunami receiving essential hygiene items; government departments, responsible for coordination and oversight of response, with technical assistance in running and managing sectoral working groups and reporting, and the establishment and infrastructure (hardware and software) required to set up the Tsunami Information Unit; government departments, international NGOs and communities involved in the development planning process in tsunami-unaffected areas, and projects implemented through these.

Indirect beneficiaries included other victims of the tsunami due to the establishment of a better more efficiently coordinated response, and international agencies, that were enabled to more effectively utilise their resources, by avoiding gaps and overlaps

**IMPACTS:** In general, six positive impacts were seen and felt due to the approach of the project:

- **Short-term:** Victims of the tsunami received improved service delivery, though only to a certain extent as some agencies still did not comply with proposed mechanisms and structures.

- **Medium-term:** The Government assumed authority for oversight and coordination for response, in particular with both the international agencies including those not necessarily mandated to work in collaboration with them, and more importantly with the LTTE. The establishment of centralised reporting and sectoral delegation of responsibility to international agencies was how this authority was manifested.

- **Medium-term:** A negative physical impact (tsunami) was used to create a catalyst for a positive one (dialogue between parties in conflict);

- **Medium-term:** The performance and capacity of key Government officials on information sharing and management was enhanced.

- **Long-term:** The Government bodies and structures regained their legitimate role as the key players for overseeing and coordinating the disaster response.

Long-term: New knowledge and skills related to participatory development planning were taken on by the multiple stakeholders involved in supporting the elaboration of divisional development plans. The beneficiary communities' socio-economic conditions improved, as did their involvement in the processes leading up to the diverse projects implemented through these plans.

**KEY LESSONS LEARNED:** The main lesson learned was that a combination of GTZ's versatility and BMZ's willingness in providing immediate funds and a more flexible mandate, allowed the project to address three different priorities, with three different time-perspectives, in unison. This correlated with the project's approach featuring both emergent and planned interventions. International donors, and agencies working

in volatile contexts, need this level of capability and willingness to adapt to rapidly changing operational contexts.

Two aligned issues would require addressing differently in a similar scenario. Firstly, a stronger 'obligation' would be required for newly-arriving agencies to compliment what the actors already on the ground were doing. In reality this is quite difficult with donor pressure, organisations' needs to be visible and present at the heart of the response, and time constraints in delivering short-term emergency aid. Secondly, to use a commonly-designed and adhered to the 'Needs Assessment Form' would have saved time, caused less trauma to victims' families continuously responding to a barrage of 'what are your needs?' questions. Where different formats were being used, gaps in the services required and needed appeared. Again, agency mandates and priorities demanded that they carry out assessments geared towards the services they could provide, but as a first round, and to get a reasonable picture of the ground reality, a common form could have been utilised, highlighting which sector-specific needs a family/group may have had. This information would then be channelled accordingly, through the established Sectoral Working Groups, to the respective organisations for response.



**CONTEXT:** Pakistan has witnessed a progressive deterioration of its public services and rule of law during the past couple of decades, resulting in an increased dissatisfaction of its citizens and a consequential gap-filling by non-state actors in certain parts of the country. The accumulated distrust between the State and its citizens is a breeding ground for adding to the existing fragility of the state and its various institutions. The political economy and governance patterns in Pakistan serve the elitist groups and structures. Social sector development receives the least resources in national priorities as debt servicing and defence imperatives consume the major portion of the national budget.

At the provincial level in Khyber Pakhtunkhwa (KP), there exist obvious gaps and lack of coordination in the planning and provision of public services at different levels of authority, and within different institutions. Capacities to provide basic public services at a local level are limited. The legislation of line departments is often not aligned but rather overlapping, which has frequently been used by departments to maintain their influence on local levels. Planning processes are often highly influenced through provincial politicians and bureaucrats and received development budgets are not allocated based on elaborated development plans, nor in a timely manner.

With this background, the Malakand Division of the KP Province, suffered additionally. As a primary region of the country where militancy was rife, armed conflict between the insurgents and the state armed forces had been on-going since the early 90s. On top of this, severe flooding in 2010 caused more destruction in and displacement from the Malakand region of KP than

the Indian Ocean Tsunami of 2004, the earthquake in Kashmir in 2005, and the 2010 earthquake in Haiti all together, with estimates of over 19 million people displaced. Livelihoods were lost and destroyed, and much social and physical infrastructure washed away.

**DILEMMAS FACED BY THE PROJECT:** In the aftermath of both armed conflict and natural disaster, operations in the Malakand region faced many challenges.

1. Government structures and capacities themselves, weakened by the circumstances, or indeed lacking in the first place, potentially contributed to the context of which armed conflict was an outcome. Their level (quality and spread) of delivery of services, particularly under the extreme conditions and pressures presented to them, also highlighted gaps and deficit in their performance.
2. The context and needs, being so vast, created a dilemma for the project in terms of what strategic approach made the most sense in addressing the key issues, identifying where the support was most needed, and how the project should move forwards, and with whom – as both beneficiaries and partners. Additionally, with the KP Province ‘high profile’ for many international donors and agencies, how the project would ‘stand out’ visibly presenting German Development Cooperation - was another challenge.
3. Access and security, with the requirement for ‘Non-objection Certificates’ (NOC) provided by the Pakistani Security Forces, but scrutinised by the Intelligence Services, were of particular constraint; the requests for NOCs gave no guarantee

of a return, neither when, nor if an NOC would be provided. International staff had to wait on occasion up to 12 weeks to obtain clearance to visit project staff and sites, thus creating a dilemma related to how to manage finances, support staff on the ground, and oversee processes in the implementation

4. Trust of the citizens toward the state, and the state toward non-government/civil society organisations (NGO/CSO), was at low ebb, predominantly due to the militant activities, and the foreseen ‘lack of authority’ of, and the state’s actual presence in the region. Additionally, NGOs/CSOs working in the province, in a manner exclusive of the state, i.e. interacting directly with affected communities, did not promote good coordination or support the oversight function of the relevant state actors, and dissipated the legitimacy of the state in the eyes of the citizens.

**THEORY OF CHANGE THAT HAS BEEN PURSUED:** Rebuilding community-prioritised infrastructure (the predominant engagement of the project), whilst in parallel developing the capacities of local government actors to better provide these services themselves to the population, and in turn enhancing the trust of the citizens in these actors, was the multiple challenge taken on.

In a first phase, addressing the immediate needs of the flood and conflict victims was paramount. However, by already promoting the fact that German Development Cooperation was undertaken in collaboration with the Pakistani authorities, the process of trust-building commenced. The Malakand Comprehensive Stabilization and Socio Economic Strategy

adopted by the provincial government in 2009 underlined the need for reforming local government institutions and strengthening lower administrative tiers. The project, in a second but overlapping phase, aimed at strengthening the capacities of municipal and district authorities by supporting them in the planning and implementation processes of rehabilitation and reconstruction projects. All the measures were carried out in cooperation with the project's partner, the Provincial Reconstruction Rehabilitation and Settlement Authority (PDMA/PaRRSA).

Working with and through existing state structures, but increasing the dialogue with and at community levels to ensure more accurate targeting of interventions based on peoples' priorities, the project supported small-scale initiatives in four districts the Malakand Division. These took the form of either 'TIQA'<sup>43</sup> (targeted individual quality activities), or 'ACHA'<sup>44</sup> (areas of holistic activity) interventions. The former provided coverage and visibility of the German support throughout the four districts, while the latter focused on impacts in one focal Union Council in each of four districts.

By bringing the key stakeholders (men and women from the community, governmental actors and civil society organisations) together, promoting networking to maximise on their potentials, and through participatory methodologies, the priority rehabilitation and development measures were collaboratively highlighted. This approach concentrated in parallel

43 TIQA means 'ok' or 'fine' in Urdu; above spelling is phonetically similar.

44 ACHA means 'agreed' or 'ok' in Urdu; above spelling is phonetically similar.

on both identifying and responding to the most urgent needs of the population, whilst ensuring that the relevant state actors were involved in their oversight functions, and supporting longer-term capacity development of these structures, i.e. promoting the establishment of commonly-utilised selection criteria for the already-established District Rehabilitation and Reconstruction Committee (DRRC), which met on demand to appraise and approve projects.

Within one of these ACHAs, the communities prioritised support required from the Tehsil Municipal Authority (TMA) in Barikot. After analysis, it was clear that the TMA did not have the funds or capacities available to address these community needs. So, in cooperation with the 'Administrative Reform Component' (ARC) of the Good Governance Programme, MRP supported the TMA with two local subsidy grant contracts to provide the assistance to the communities in their charge. In parallel, and supporting the TMA in better planning and monitoring, an office 'IT package' (computer, printer, stabiliser, scanner, and relevant training in basic MS Office), and office furniture was provided by MRP to improve service provision to the citizens. Alongside this support the ARC assisted the TMA to develop their capacities to fulfil their roles and functions (specifically pertinent in the provision of services – in this case the construction of a causeway and flood protection wall); generate local revenues, and improve their municipal services.

In this way, with the combined support provided by two German-assisted projects in parallel, the TMA were able to regain trust with the population by targeting their support to meet priority needs, improve their own internal functionality, and develop capacities for improved service delivery for the future.

**BENEFICIARIES:** All TIQA and ACHA areas were selected based on in-depth, gender-sensitive<sup>45</sup> discussion forums and consultations, comprising representative sets of community members as well as government and non-government service providers, with each of the District Coordination Officers (DCO) of the four districts, and signed off by the Commissioner Malakand. Thus, project beneficiaries were both citizens from the communities and representatives of the TMA itself. Overall, the project supported 22 projects in 4 ACHAs, 108 TIQAs, and provided technical assistance to 58 government departments. A total of 335,000 persons directly benefitted from the MRP intervention.

**IMPACT:** The strategic approach taken ensured that the TMA was clear about which project (MRP or ARC) was providing what kind of support; how the two interventions would be complimentary, and what each had in terms of expected results. Whilst the MRP worked with the TMA 'through the front door' i.e. on its interface with the citizens it provided services to, the ARC worked with them on their institutional set-up and human capacities, developing performance capacities through trainings and in-house advisory services, so that the TMA could better provide these public services. The interventions supported by both GIZ projects were mutually beneficial, and provided the TMA and the communities with a win-win situation. Services provided by the TMA ensured that the two community projects were successfully completed, whilst their own institutional capacities, knowledge of their roles and functions, and performance for service delivery itself, improved.

45 These fora were, e.g. separated for men and women as this was this only means culturally acceptable to ensure inclusion of all representative voices of the community.

The causeway reconstructed after being washed away in the floods, now again provides access for nearly 10,000 villagers to local producer markets, economic activities (predominantly daily labour in agriculture), and social engagement. The retaining wall and road, before being destroyed in flooding, previously linked two sides of a seasonal river. Without this intervention, especially during rainy seasons access to and from these communities became highly impracticable, leaving them in isolation.

The double-edged support provided by GIZ, assisted the TMA in moving on the right track with the knowledge and basic equipment required to fulfil their roles and functions satisfactorily. Based on this intervention, the TMA were able to deliver to the demands and needs of their communities, building back rapport and confidence amongst the citizens that their government were care taking again.

**KEY LESSONS LEARNED:** The approaches used by MRP have been considered as a basis of engaging the communities in other Technical Cooperation (TC)<sup>46</sup> interventions. Taking the extra time, against the pressures applied by external actors and the context itself; ensuring all stakeholders were on board; building on complementarity with other Germany-supported interventions; following the ACHA/TIQA strategic approach, and promoting trust-building in dialogue from the outset, all reaped dividends.

The interaction between the ENÜH and TC project as a strategic approach is highly recommended for adoption. Having a common partner for an ENÜH and TC project, where both can provide synergised support, inputs and advisory services, offers potential for exponential outcomes (the whole is larger than the sum of two parts).

The cooperation was especially effective considering the number of primary and secondary stakeholders involved; whilst the workload was higher for the project team to ensure that all were kept informed and engaged and aware of their expected contributions, the efforts paid back. However, in a future situation of this kind, perhaps less time spent collecting ideas in a long participatory process, and identifying ‘low hanging fruit’ – i.e. community priorities that may already be residing in government departments, would make the process more effective. Additionally, if the collaboration was actually identified as part of the projects’ strategies in their design phases, this would equally save time and add value from the outset.

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<sup>46</sup> These fora were, e.g. separated for men and women as this was this only means culturally acceptable to ensure inclusion of all representative voices of the community.

# Dilemma 3: State Services vs. Services by Non-Governmental Providers

*Re-entering into State-society Relations through Non-state Support: Conflict Sensitive Resource and Asset Management (COSERAM), Philippines*

**CONTEXT:** The Department of Environment and Natural Resources (DENR) serves as the primary agency for the conservation, management, development and proper use as well as licensing and regulation of natural resources in the Philippines. In order to share responsibilities regarding the management of a certain area, DENR can enter into so-called co-management agreements with the concerned local government unit. Within such agreements, certain user rights can be given to local communities through sub-agreements. The latter, however, are not formal partners in the co-management agreement per se.

The project area in Caraga, Northern Mindanao, is characterised by a highly complex and escalated conflict situation. The area was managed by a timber company until operations were stopped in 1999 due to unsustainable forest management and human rights violations. Since then and despite the formal co-management agreement between DENR and the respective local government unit, the area became an open access area where settlers, with and without tenurial instruments, moved in, engaging in different agricultural activities for subsistence.

A large part of the area's population lives below the poverty threshold (2\$ per day) and indigenous

communities claim part of the area as their ancestral domain. At the same time, public service delivery was absent in the area for years. The area's history in experiencing grievances and conflicts over land use and human rights violations created grounds for recruitment activities by armed groups active in the region. Incidences of violence and killing occurred when government officials tried to enter the area. In parallel, high economic interests (pressure) for investment in the area increased the potential for violent conflicts, affecting the development of the city.

**DILEMMAS FACED BY THE PROJECT:** While the local government had good intentions and motivation to actively engage with the local communities in the area, its absence through a lack of service delivery and legitimacy on the ground limited its entry-points for engagement. The difficult security situation especially did not allow any trials for the potential cost of lives. Due to this acute security threat, GIZ was not able to act as a broker itself. Using an NGO as proxy was the only possibility to pave ways and access the local communities. However, this posed the concrete risk of further undermining the already weakened local government's state structures and legitimacy on the ground, in case the NGO's activities were not linked back thoroughly and carefully with the local gov-

ernment's capacities. It needed carefully developed strategies and actions as well as strong ownership by the local government to ensure that the city's face was visible in the area despite its physical absence in the beginning of the project implementation.

## **THEORY OF CHANGE THAT HAS BEEN**

**PURSUED:** Some years into the project, a land use planning team of the state agencies worked directly in the communities on a participatory land use and development planning process, starting with data gathering with active participation of the local communities. With the support of a financial agreement granted by GIZ, the city government contracted the NGO that originally helped to establish ground for cooperation. This added to legitimacy and trust towards the government agencies and allowed direct consultation and inclusion of local communities. Unlike before, it is now possible for officials to enter the area and engage directly with the present communities. The enhancement of delivery of public services has started, e.g. through the construction of farm-to-market roads, establishment of water supply, and implementation of health and livelihood projects. At the same time, the city officials have learned that the pacified situation in the area is, by no means, guaranteed. Instead, they now consciously acknowledge that the efforts for inclusive

and conflict-sensitive planning have to be maintained in the long run. Conflicts and the security situation in the area have to be monitored continuously, for which the city, with the support of COSERAM, has started to set up a conflict-monitoring system with involvement of local community institutions.

At the same time, the area is still not free of tensions and conflicts. Especially the continued presence of the armed wing of the Communist movement implies a permanent challenge for the local security situation. The co-management structures must engage in permanent efforts to engage in conflict-transformation and sensitivity. Therefore COSERAM's task is also to support a tailored conflict monitoring system that actively makes use of and involves the community institutions.

**BENEFICIARIES:** The re-establishment of relations between official structures and society directly benefits the communities and strengthens their resilience. Their involvement in conflict-, culture- and gender-sensitive planning processes will increase the sustainability of (economic) development of the area. The project further impacted the state agencies by enabling them to actively manage and develop the area, with enhanced understanding and capacities for inclusive co-management; support is further provided to the institutionalisation of the co-management structures.

**IMPACT:** Considering that government officials were not able to enter the area (a clear legitimacy but also authority deficit) and at the same time realising the need to develop the area, the re-entry into the area had to be prepared carefully. Part of the multi-stakeholder dialogue process was the focus on building so-called 'containers of change', i.e. initially targeting smaller groups of people for the re-es-

tablishment of community relations. This required cooperation with civil society structures with higher legitimacy and better capacities to access the communities. A contracted NGO thoroughly assessed the situation on the ground (including stakeholder analysis, conflict mapping etc.) and established relationships prior to any activities in the area.

It was then key to link the NGOs work back to the government's structures, through capacity development measures that enhanced the competencies of the co-management bodies, in particular the co-management project office, e.g. in the fields of Do No Harm; rights of indigenous people; participatory planning tools and approaches, contract and budget management, and conflict-sensitive monitoring and evaluation.

Consequently, city officials were able to enter the area and the co-management project was able to conduct info-drives in the communities to transparently communicate the vision and development direction of the city. In parallel, small-scale infrastructure measures aimed to achieve quick direct impacts to the livelihood of the local communities helped to manage expectations and to increase the confidence in the project as well as the government's intention. Eventually, the city government contracted – for the first time – a NGO and entered into active multi-stakeholder dialogues for the future development of the area, including representatives of the area's communities.

The official agencies, with the crucial support of non-government actors, have successfully used the process of careful social preparation in re-entering the area in a conflict situation. The multi-sectoral land use and development planning team has been able to use their acquired skills to engage in a con-

flict-sensitive, participatory planning process with the local communities, where important aspects were the conduct of a conflict analysis and a conscious effort to ensure inclusive participation.

Consequently, local communities re-gained trust and confidence in the main state actors. This is manifested in an increased participation of community representatives in planning and development activities. Within these, the co-management office is applying obtained skills and capacities to streamline administrative and management procedures while continuously reflecting on their role and functioning in the co-management processes. The engagement in multi-stakeholder processes has led to a higher awareness on the need for inclusive processes among city officials and other involved stakeholders, e.g. private sector.

**KEY LESSONS LEARNED:** Cooperation with civil society can help addressing legitimacy and capacity deficits of weak governmental institutions; however, it can also undermine them/ increase feeling of communities that they can only rely on civil society organisations for support. Thus, one important lesson was to support and enable the local government unit to take the lead - including all contractual relationships (GIZ partly supported the City Government financially to engage with the civil society organisation of their choice and trust to support the process).

At the same time, proximity of non-government actors to state structures may also cause risks, especially regarding the perception by communities and the NGO's dissociative role, which is based on credibility and legitimacy within the civil society. Furthermore it is not without risks and challenges that the NGO acted as the broker between state structures and community. In this case, the NGO even became a target of the

communist rebels. The case was settled quickly but demonstrated that civil society organisations have to make careful and adequate use of their dissociative as well as associative roles.

Conscious reflection among all stakeholders regarding whom are most suitable to take up certain tasks, i.e. decision of what needs to be in governmental hands and lead and where civil society/non-governmental actors, can be of crucial support without undermining the government mandates. Support in linking the two groups proved to be key.

It is important that the co-management has a 'face' in the area. Information drives and social preparation are important milestones but need to be connected to the actual management and decision-making structure, with the state as the relevant agent. In this case, the local NGO prepared the communities for these important activities and contributed significantly to the legitimacy of the local government.

Horizontal and vertical cooperation mechanisms structures and platforms for dialogue at various levels are needed. However, this does not imply that mul-

ti-stakeholder dialogues need to unite everyone. On the contrary for this case, the platforms/fora and info drives had to be crafted in a carefully staged process. It started with 'small containers' and a core group of committed stakeholders willing to work jointly towards the same goal. This was time consuming and a vast challenge when under pressure: many times, especially government but also the private sector, looked for short cuts of these processes.



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## *Justice and Reconciliation in the Context of the Khmer Rouge Tribunal: Civil Peace Service (CPS), Cambodia*

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**CONTEXT:** Since the 1960s, Cambodia experienced decades of civil war and destruction. Violence culminated during the Khmer Rouge regime (1975-1979), turning the country into ‘a prison without walls’. The Extraordinary Chambers in the Courts of Cambodia (ECCC) were officially established in 2003 as a hybrid tribunal with UN assistance to try the senior leaders and those most responsible for the crimes committed during the Khmer Rouge period. The Trial Chamber started its proceedings in 2009. Providing a window of opportunity for a broader process of Dealing with the Past and for deeper historical dialogue beyond officiated narratives, the criminal proceedings at the ECCC acted as a catalyst to bring the Khmer Rouge era back into public discourse after decades of silence and political power struggles. The complex constellation of actors and involvement of some government fractions in the Khmer Rouge regime still make it difficult to address past atrocities in a comprehensive way. The Khmer Rouge past is frequently captured by political elites to delegitimise political opponents or to remind the population of the achievements of the current power holders. State institutions lack capacities and political will to allow for a full revelation of responsibilities and historical facts.

**DILEMMAS FACED BY THE PROJECT:** To ensure that the Transitional Justice process was meaningful to the local population and leads to a deeper process of attitude change, it was imperative to ensure local ownership and take a culturally sensitive approach. Advisors worked with local counterparts who were employed with the respective partner institutions. Khmer Rouge policies and violent conflict depleted the country of its human resources. The overall level of education and

technical capacity is still low. Working closely with individuals and institutions, the project helped to fill these capacity gaps while avoiding substitution. Becoming part of local structures and being directly connected to local capacities allowed advisors to better understand and support existing solutions. This enabled the project to effectively respond to emerging needs and deficits at different capacity levels and maximise local ownership. At the same time, the network of partners helped to bridge capacity gaps and allow for synergies.

The governments ‘win-win policy’ in the 1990s succeeded in co-opting large factions of former Khmer Rouge into government ranks. This constellation of actors however, has made it unlikely for the state to pursue a comprehensive and open process of Dealing with the Past. It was therefore important that civil society actors take a strong role in monitoring and balancing the political capturing of history. With its networked approach and financial incentives, CPS managed to increase cooperation between state and non-government actors and encourage civil society to complement rather than counter government initiatives in the field of transitional justice. State institutions learned to understand the important role that civil society plays in this process and showed increasing willingness to cooperate and learn from NGO experiences.

### **THEORY OF CHANGE THAT HAS BEEN**

**PURSUED:** The CPS programme has been based on the preposition that reconciliation and an effective approach to coping with the Khmer Rouge past is a precondition for sustained national and societal peace, stability, resilience, and ultimately a transition to a more democratic governance system.

Based on this understanding, CPS has been supporting the Transitional Justice (TJ) process in four areas: (1) ECCC outreach and history education, (2) Victim participation in the legal proceedings, (3) Mental health support, and (4) Remembrance, truth-seeking and social dialogue. The CPS program supported a variety of local state and non-government partner institutions with an explicit focus on capacity development. CPS partners work on all levels of society - empowering grassroots communities and local multipliers, strengthening civil society networks at the meso-level, and assisting state institutions to fill capacity gaps at the macro level. Partners included the ECCC Victims Support Section, universities (in the fields of media and psychology), as well as NGOs who now act as intermediaries between survivors and the court.

CPS functions as a network of organisations and institutions and successfully initiated cooperation between organisations, sectors (law, education, health, and media) and levels. The established network allowed for cross-fertilisation in a horizontal (among programmes and sectors) as well as in a vertical way (across management levels) through joint events, memberships, and coordination meetings. It functioned as a channel of interest articulation in that it contributed to linking civil society to the ECCC and transporting victims’ voices to the macro level. The programme targets decision-makers as well as marginalised groups and supported advocacy networks at the meso-level.

The CPS programme was embedded in a larger intervention including different instruments such as a HCD Khmer Rouge Tribunal Fellowship (2008-2012) for lawyers and practitioners working on ECCC related

issues; installing an integrated expert<sup>47</sup> at the national side of the ECCC Trial Chamber, and AA/BMZ support for the Victims Support Section.

**BENEFICIARIES:** Primary and secondary beneficiaries of the different projects spanned a wide range of social groups: ECCC personnel, NGO staff, university staff, survivors in general and more specifically civil parties and survivors of gender-based-violence, the post-war generation (urban and rural, university and high school), ethnic minorities, former Khmer Rouge cadres, and different multipliers at the grassroots level including local authorities.

**IMPACT:** In cooperation with local partners, CPS succeeded in enhancing cooperation between the ECCC and local NGOs, especially in the field of meaningful civil party participation, outreach and reparations. In 2013, various NGO partners started to implement projects that were part of the Victim Support Section reparations scheme (funded by BMZ). Civil Party participation significantly increased over time (from about 90 in case 001 to almost 4,000 civil parties in case 002, although the nature and scope of the crimes under investigation also contributed to this increase). NGOs provided lawyers and knowledge to ensure adequate legal representation. Witnesses and civil parties received mental health support by a partner NGO throughout the process.

In addition, CPS partners successfully brought Khmer Rouge topics and related mental health issues into the formal education system (Royal University of Phnom Penh). Numerous informal educational activities were

<sup>47</sup> GIZ deploys ‘integrated experts’, technical experts positioned as advisors in the middle and top management of institutions and integrated into the line management of their host organisation.

supported to initiate intergenerational dialogue and enhance the post-war generation’s knowledge of history and the ECCC. Crime sites in rural areas that were left to decay started to be preserved. Several memorials, learning centres and small museums were established with the support of CPS.

**KEY LESSONS LEARNED:** Placing CPS experts and advisors within state (ECCC and universities) and non-state structures (NGOs and victim’s associations) and supporting reparation projects that were conceptualised in joint Working Groups (ECCC and CSOs), CPS strengthened the associative role of non-government actors and helped to improve cooperation between civil society and the state. At the same time, CPS provided support to CSOs to fulfil their dissociative roles - to closely monitor the proceedings at the ECCC and to advocate the government on behalf of civil parties and victims to ensure a meaningful judicial process.

In assisting the state to reach out to rural populations, providing information on the cases and possible ways of participation, and mainstream relevant topics into school and university curricula, the legitimacy of the ECCC has been strengthened and capacity deficits reduced. As a network, CPS convened both sides around shared interests and opened space to develop a joint agenda (especially with regard to civil party participation and reparations projects) with a clear division of tasks. In combination with a CIM advisor at the Trial Chamber, an HCD program for lawyers and memory workers, and bilateral support for the Victims Support Section at ECCC, Germany contributed significantly to a TJ process led by the state but closely monitored and complemented by CSO initiatives, thereby balancing the politicisation of history and memory, and widening the scope for socially acceptable views on the past.

A prudent and culturally sensitive approach can eventually win the recognition of the government without jeopardising the support of victims’ organisations and the strengthening of their capacities to play a meaningful role in the process. However, challenges remain with regard to alleged government interference in the judicial proceedings as well as corruption in state and non-government institutions. In some cases, the presence of foreign advisors was perceived as interference or used to silence critical voices in civil society. Balancing the different logics of actions of respective partners and mitigating conflicts within the project required flexibility and participatory steering mechanisms. The long-term engagement enhanced the trust of different actors.



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## *Supporting State-civil Society Relationship Building: Pilot Initiative 'Peace Fund for Non-Government Actors', Nepal Peace trust Fund (NPTF), Nepal*

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**CONTEXT:** In Nepal, a decade long armed conflict between Maoist insurgents and state security forces ended with the signing of the Comprehensive Peace Accord (CPA) in 2006. The Nepal Peace Trust Fund (NPTF) was established in early 2007 to support the implementation of the Peace Accord and its subsequent peace related agreements in order to significantly contribute to a tangible peace dividend for the wider population. Until end 2013, the NPTF approved and funded 63 projects with a total budget of approx. 169 Mio EUR.

According to the Peace Fund Operation Regulation the NPTF can fund both, Government/State Agencies and Non-Government Actors (NGA) as Implementing Agencies. However, in contrast to its principle openness towards NGA, the NPTF had exclusively entered into implementation agreements with government agencies. At times, these Implementing Agencies collaborated closely with semi-government agencies, autonomous bodies or NGOs. Nonetheless, no NGA had been a direct implementing partner for NPTF.

Major reasons for the mismatch between principle and practice were 1) the procurement and audit regulations that NPTF was compelled to follow and which are difficult to apply to NGA, and 2) the anticipation of the Peace Fund Secretariat (PFS) that any NPTF funding of NGA would be difficult to manage and potentially lead to political interventions (as NGA are usually, although to differing degrees, associated with political parties). As a consequence, vast potential resources, capacities, and creativity of NGA could not be tapped to the extent possible under the NPTF umbrella.

**DILEMMAS FACED:** While the important role of civil society in supporting the peace process was generally accepted, the NPTF being a government owned and administered mechanism encountered numerous practical challenges in making the inclusion of NGA happen. This led to the dilemma that donors committed to supporting the NGA involvement did so directly, parallel to their funding of the NPTF, outside of the NPTF priority setting and decision making processes of the NPTF. Unsurprisingly, strong reservations from the side of the Government of Nepal developed over time, criticising donors to undermine the very same NPTF mechanisms they had wanted to strengthen.

**THEORY OF CHANGE THAT HAS BEEN PURSUED:** In early 2013, the Ministry of Peace and Reconstruction (MoPR)/PFS and contributing donors to NPTF came to the conclusion that it would be worthwhile to develop a pilot initiative providing the institutional space to experiment with the explicit inclusion of NGA into the NPTF. Decision was made that the pilot would be managed by an Administrative Agent, namely GIZ, willing and capable to develop transparent procedures for the initiative. In doing so, decision makers of the Ministry of Peace and Reconstruction had to be involved as closely as possible. At the same time, this inclusion required a delicate balance with an approach avoiding the exposure of Government of Nepal officials to undue political pressure. NGA were requested to plan and implement their projects under the pilot initiative so that they complemented on-going NPTF projects.

The results of the projects under the pilot initiative and the demonstrated capacity of NGA to successfully implement projects as lead agencies, while coordinating with government actors and following government procedures, influenced the perception of government representatives in favour of future collaboration with NGA under the NPTF umbrella. Similarly, limitation of political pressure on GoN officials and decision makers due to the intermediary Administrative Agent (GIZ) further supported this change in perception.

Likewise, NGA representatives assessed the cooperation with MoPR/PFS officials as well as other government representatives in the course of the pilot initiative positively. They express willingness to closely cooperate with government agencies in the course of future projects. While it is acknowledged that the pilot initiative did not necessarily lead to a full inclusion of NGA into NPTF right away, it promoted openness for an extended second phase of the 'Peace Fund for NGA', which continues to align with NPTF procedures and projects.

Overall, capacities and confidence of MoPR/PFS officials to collaborate with NGA as Implementing Agencies were significantly strengthened through the pilot initiative. It therefore set the stage for synergizing potentials and expertise for further consolidating the peace process through NPTF-funded projects.

**BENEFICIARIES:** Direct beneficiaries were MoPR/PFS officials who were further capacitated to work with NGA to constructively deal with accompanying factors. Indirect beneficiaries of the pilot initiative were the wider public who benefited from the mobilisation

of NGA and the services provided through their projects under the NPTF umbrella.

**IMPACT:** After years of discussion and recommendations through various reviews, the window of opportunity to experiment with the inclusion of NGA into NPTF was capitalised on. The accompanying costs and benefits of such a step can now be examined, both on the conceptual level as well as with regards to the eventual benefits on the ground. This provides the basis for an informed decision on whether or not to use NPTF as a vehicle for widening and deepening civil society–state relations in order to further contribute to the consolidation of the peace process in Nepal.

**KEY LESSONS LEARNED:** Patience and flexibility to capitalise on a presenting opportunity was crucial for the pilot initiative to materialise; so was the

arrangement of an Administrative Agent. The Administrative Agent (GIZ) decided on the allocation of funds based on a principal government decision to provide space for the pilot initiative and subsequent, repeated government approvals of procedural steps. In essence, the establishment of the Administrative Agent represented a pragmatic approach that continues to balance the governments' interest to be protected from political pressure with the contributing donor partners' interest for strong government ownership of the pilot initiative.

While this arrangement represented a necessary condition for the pilot to happen, there is also the risk that it becomes an obstacle for the full acceptance of NGA as Implementing Agencies of NPTF. Government officials – and NGA for that matter – could decide that having an intermediary who facilitates collaboration is much more convenient than directly dealing with each other.

This could lead to the decision through which the current arrangement is prolonged, while actual and direct cooperation and relationship building between state and civil society actors continues to be postponed.

To address this, capacity building measures need to include taking government officials out of their comfort zone, albeit carefully and in a measured way. This means that the Administrative Agent needs to concentrate on its technical-administrative role after initially shielding the government during the sensitive decision making on the allocation of funds and to increasingly expose MoPR/PFS officials to direct discussions and interaction with NGAs on programmatic issues.

# Dilemma 4: Technical vs. Political Intervention

*Flexibility and Pragmatism - Acknowledging the Inherent Political Side of Technical Cooperation: Nepal Peace Trust Fund (NPTF), Nepal*

**CONTEXT:** The Nepal Peace Trust Fund (NPTF) as a joint government-donor initiative represents a complex stakeholder setting. Besides the eight contributing donors to NPTF, the Ministry of Peace and Reconstruction (MoPR) serves as chair of the NPTF board and as administrator of the Fund through the Peace Fund Secretariat (PFS). The Ministry of Finance acts as co-chair of the board, which also comprises of representatives of the five major political parties. Civil society representatives are involved in the appraisal and approval process of NPTF projects.

In its immediate institutional environment, NPTF is supposed to coordinate and align with neighbouring projects like the UN Peace Fund Nepal (UNPFN) and the World Bank funded Emergency Peace Support Project (EPSP). In this context, changing political dynamics and agendas, differing interests and perceptions among NPTF stakeholders regarding the role, priorities and working modalities of the fund, make capacity building as much a technical as well as a political task.

The GIZ project 'Support to the NPTF' is located within the Peace Fund Secretariat. It advises MoPR/PFS on strategic and programmatic matters and supports MoPR in the implementation of its capacity development strategy, which GIZ has also helped to develop. In view of the volatile operational environment of the project, it is continuously balancing systematic and ad-hoc advisory support to the partner system. The systematic (planned) support is not

based on a separate, formalised plan of operations but orients itself towards the comprehensive 'MoPR/NPTF Capacity Development Strategy' as well as the work plan of the Peace Fund Secretariat. It focuses on specific pre-defined aspects, i.e. strategy development, programme management, Monitoring & Evaluation, communication, as well as implementation of the pilot initiative 'Peace Fund for Non-Governmental Actors (NGA)'. It is especially the ad-hoc (emergent) support, during which the GIZ team responds to situation-specific advisory needs of the partner which often depend on political opportunities and dynamics.

It is this flexibility to combine different advisory approaches that allows GIZ to go beyond addressing purely technical issues in relation to the management of a joint Government-Donor Peace Trust Fund. Instead, GIZ also takes up the role of a facilitator between the Government and Donor side by preparing negotiations and decision making and explaining perceptions between the partners.

**DILEMMAS FACED:** The Government of Nepal established the NPTF as a government owned and administered mechanism and a 'special purpose vehicle' to support the peace process. This raised hopes of donors that their support to the NPTF may not only help to technically improve the professional management of the NPTF but also contribute significantly to consensus building between former parties to the conflict and to eventually finding a political solution. However, in

crucial matters of political settlements such as the rehabilitation of former Maoist combatants, the Nepalese political stakeholders refused to follow donor considerations, which they felt to come close to undue donor conditionality.

**THEORY OF CHANGE THAT HAS BEEN PURSUED:** Increased institutional, organisational and personnel capacities of MoPR/PFS and its staff led to an improved administration and increasingly impact oriented management of NPTF. This, in turn, enhanced the effectiveness and impact of NPTF funded projects, the coordination between national and international actors involved in support of the peace process through the platform NPTF and the monitoring of peacebuilding related projects and initiatives through NPTF. This improvement of technical capacities contributed to a high acceptance of GIZ and helped to open up the space for a constructive dialogue on politically sensitive issues.

**BENEFICIARIES:** Direct beneficiaries were MoPR/PFS officials who were further capacitated to manage NPTF according to its mandate and objectives. Indirect beneficiaries were the wider public who benefited from the services provided through NPTF funded projects.

**IMPACT:** According to the yearly perception survey among the major NPTF stakeholders (MoPR, Donor Group, and Implementing Agencies), NPTF's overall

performance continuously improved. NPTF was able to fund and administer three flagship projects that can be considered as major milestones in the consolidation of the peace process, namely the support to rehabilitation and integration of Maoist combatants, and the funding of two elections (one in 2008 and one in 2013) to the Constituent Assembly.

The instrument NPTF not only provided the opportunity for channelling funds in a transparent and relatively efficient manner, but also represented a forum for donor coordination and donor-government dialogue on these matters. In this regard, in addition to its advisory support, GIZ emerged as a trusted intermediary to donors and government partners alike, facilitating perceptions, interests and common understanding between the two sides.

The project's ability to quickly respond to emerging situations and corresponding advisory needs from within the partner structure contributed to GIZ being able to successfully and continuously fulfil this role.

**KEY LESSONS LEARNED:** While MoPR expected sound technical assistance in administering the NPTF, the particular request was to provide TA in a manner that would respect the political nature of the peace process. How to rehabilitate former ex-combatants or potentially integrate them into the Nepal Army was not only to be conceptualised along international experiences but had to eventually be agreed upon by the former parties to the conflict. In this context MoPR expected GIZ to not only respect the political character of such an agreement, but to even support MoPR in making donors understand that there was no technical solution to a political problem.

The absence of a formalised plan of operation and adoption of a flexible and pragmatic approach of organizing the work in response to continuously changing expectations from MoPR/PFS and other stakeholders, allowed GIZ to accommodate interests, including political interests, of partners and earn high acceptance from the government as well as the donor side. The high degree of operational independence enabled GIZ to maintain necessary flexibility and to effectively ma-

noeuvre in a politically sensitive and a complex actor setting, responding to arising situations quickly and capitalizing on windows of opportunity when they presented themselves. Furthermore, a pragmatic approach regarding the adherence to planned sequencing of activities, application of political conditionality, or range of services that were provided through the project (e.g. through balancing of roles between advisor and working in line function), represented a clear added value for the partner hence further strengthening the basis for successful cooperation.

This, in turn, enabled the project to address the inherent political issues and aspects prevalent in a complex multi-stakeholder setting such as NPTF.

# Dilemma 5: Planned vs. Emergent Approach

*Responding to a Changing Context: From Facilitating Local Initiatives to Strengthening Cooperation between State and Civil Society Actors in Sri Lanka*

**CONTEXT:** For almost three decades Sri Lanka has experienced a violent conflict between Government forces and the Liberation Tigers of Tamil Eelam (LTTE) fighting for an independent Tamil homeland. After the declaration of a ceasefire in December 2001 and the ceasefire agreement signed with international mediation in 2002, German Development Cooperation was invited to facilitate local initiatives towards conflict transformation (FLICT) in order to support civil society to build peace from below.

The year 2005 however can be seen as a milestone in the peace process due to three dynamics that changed the setting fundamentally. Firstly, the overwhelming international response to supporting the tsunami rehabilitation brought into the country a large number of organisations with abundant budgets that were not only searching for projects but often competing for those projects that would fit their agendas and constituencies best. Secondly, with the start of the presidency of Mahinda Rajapaksa in November 2005, political polarisation gradually increased, thereby reducing the space for the transformative agenda from below. Thirdly, limited hostilities between the LTTE and the Sri Lankan forces renewed in late 2005 and the conflict soon re-escalated.

While the eventual military victory of the Government forces and the eradication of the LTTE in May 2009 again changed the setting fundamentally, the need for reconciliation and a constructive dealing with the

past remained evident. However, the 'Lessons Learnt and Reconciliation Commission' (LLRC, May 2010 – November 2011), mandated to investigate facts and circumstances of the failure of the ceasefire, to propose institutional, administrative and legal measures and to promote national unity and reconciliation among all communities met with mixed responses. The Sinhala/Buddhist majority, the electoral backbone of President Rajapaksa, by and large welcomed the LLRC report as fair and appropriate. In contrast, the Tamil opposition, along with international human rights organisations, vehemently criticised the LLRC for insufficiently clarifying the responsibility of the Sri Lankan Security Forces for thousands of civilians losing their lives during the last weeks of the war.

With the transformation of the former Ministry for Constitutional Affairs and National Integration into the Ministry of National Languages and Social Integration (MNLSI) in April 2010 the emphasis again shifted towards 'enhancing the freedom of communities, communal harmony, strong understanding, religious and cultural bonds, and developing a society with equal opportunities for every citizen of this country'. While the need for reconciliation is still accepted, the term 'conflict transformation' is not seen as appropriate. Instead, the MNLSI's mandate is broader, addressing exclusion in all its forms and not only with regards to the Tamil minority in the North and East of the country.

**DILEMMAS FACED BY THE PROJECT:** Dilemmas faced by the project can be described as threefold:

Firstly, while donors (the German Ministry BMZ as well as other co-financing donors such as UK, AusAID, Denmark and the EU) continued to emphasise the need for supporting a conflict-transformation agenda, the GOSL gradually shifted its interest towards a broader, but less explicit and less sensitive mandate.

Secondly, the original focus of the project on strengthening local initiatives, largely originating from civil society, was viewed by the Government as increasingly problematic since they feared donor funds to be channelled into 'anti-government' activities. This turned particularly critical at a time of extreme polarisation, when the Government tried to mobilise all forces behind their decision to fight the war to the end.

Thirdly, when after 2009 trying to adjust to the changing setting by increasingly supporting the MNLSI in addition to working with civil society, the project faced scepticism that its attempt of working equally with relevant partners on both government and non-government sides could lead to diluting its approach. Even more sharply, some blamed the project for allowing itself to be exploited by a government that is at times criticised to talk of harmony and unity but being insufficiently willing to address the root causes of conflict.

**THEORY OF CHANGE THAT HAS BEEN PURSUED:**

The overarching principle followed by the project since its inception in 2002 was the OECD guideline for working in conflict settings, namely the principle of ‘staying engaged but differently’. Based on the understanding that conflict transformation is largely about the way how different actors on individual, group and collective levels are collaborating, it developed a multi-level strategy.

Conceptually, the focus of the project shifted as the contextual setting changed. During the initial years of operation the project focussed primarily on local initiatives for conflict transformation. As the need for increased coordination due to the influx of international organisations in the post-tsunami rehabilitation became evident, the project increasingly worked with intermediaries and change agents, both within government and non-government structures. Eventually, after the end of the war in 2009 and the government’s request to strengthen the project’s direct assistance to the newly established MNLSI, it made constructive use of this opportunity by providing strong support to developing the ‘National Policy Framework for Social Integration’ (NPFISI) and the subsequent National Action Plan (NAP).

Managerially, the project adjusted its steering structure several times. While its Steering Committee was originally dominated by civil society representatives and academics, it eventually took on board several official representatives from various ministries which on board that relevant to social integration on board.

Operationally, the project gradually increased its field presence by transferring one programme officer to each of the five pilot districts in order to better understand local conflict dynamics and develop demand-driven

approaches to social integration. However, even the programme officer’s role on district levels was gradually adjusted towards a purely facilitating one, strengthening the role of MNLSI field staff and linking them to local stakeholders on community, divisional and district levels.

What kept the project on track despite the many changes was the fact that there had been strong factors of continuity as well. To name just three of them:

- The overall objective of the final phase 2014-2017: ‘Key governmental and non-governmental actors jointly put key elements of the social integration process into practice’ shows many similarities with the original objective in 2012, just that the terminology of ‘conflict transformation’ and ‘peace-building’ is not seen as politically opportune anymore.
- The multi-level approach to supporting conflict transformation / social integration remained a conceptual pillar of all phases of the project and provided for the flexibility to re-balance the focus as required.
- Not the least, the project benefitted from a very unusual continuity on the partner side. The secretary of the present MNLSI already served in the same capacity within the previous Ministry of Constitutional Affairs and National Integration and was a member of its steering structure of the project since its inception. As she experienced the political changes of the country and – along with that – the changes in political leadership of her ministry, she understood and supported the need for continuous adjustments in the project.

In keeping with the levels of intervention described above, the theory of change of the project reads as follows: The aim of developing and implementing joint projects on social integration is to (a) incorporate social integration into the key thematic areas relevant to the districts. This strengthens (b) the cooperation between the partner ministry responsible for social integration and the relevant sector ministries as well as with non-governmental institutions and the private sector. This contributes to the implementation of the national policy framework. To ensure institutional sustainability, the (c) organisational structure within the partner ministry is established and (d) individual initiatives are incorporated into the yearly action plans for implementing the NPFISI.

In its final phase, the project will increasingly concentrate on its role as an intermediary, facilitator and catalyst of change in order to strengthen the capacities and sustainability on the partner side, while the partner ministry and its relevant partners will be responsible for up-scaling and allocating financial resources.

**BENEFICIARIES:** Direct target group of the project is the marginalised population in the five selected pilot districts of Ampara, Badulla, Galle, Mullaitivu and Puttalam. The proportion of marginalised groups varies between districts, and the causes for marginalisation also vary from region to region. The pilot districts were selected according to a set of criteria in order to show the range of causes of marginalisation and to develop pilot approaches to social integration.

In the north and the east (Mullaitivu and Ampara), the project focuses particularly on the inclusion and participation in reconstruction of population groups that were heavily affected by the war and its consequences, such as those injured, former child soldiers, widows

and women-run households, orphans and demobilised soldiers. In the south (Badulla and Galle), however, the focus is on marginalisation along ethnic or religious lines. Here, the project concentrates on aspects such as the socio-economic integration of Tamil plantation workers (originally from India) and other areas of conflict between Muslims, Sinhalese and Tamils. Addressing the special needs of women and youth are given a high priority.

In addition to selected government officials at district and local level who act as intermediaries between national and local actors, local experts on social integration (social integration officers (SIOs) seconded by the MNLSI are of central importance. Additionally, the selected members of local councils (Pradeshiya Sabhas) have an intermediary function because they, as direct representatives of the interests of the citizens in the pilot districts, serve as a link between central governmental and local self-governing bodies.

**IMPACT:** Since its inception in 2002, the project contributed significantly to anchoring conflict transformation and the concept of social integration in both, discourse and practice, thereby contributing to the long term objective of the Sri Lankan government to reduce marginalisation and provide equal access to opportunities for everyone. Some highlights of results achieved:

- With the launch of the 'National Policy Framework for Social Integration' (NPFISI) by H.E. the President in July 2012 and the subsequent 'National Action Plan' Sri Lanka now has an official policy that allows citizens to hold their government to account.

- More than 200 local initiatives island-wide have been implemented, promoting social integration on community level and directly benefitting around 50,000 members of marginalised groups. Parallel to that, at least 80 civil society organisations have improved their capacities to promote social integration.
- Media programmes such as radio drama, television talk shows have reached over 1.5 Mio listeners/viewers. Forum theatre and drama groups have reached an audience of more than 76,000 citizens in all 25 districts of the country.
- More than 1,500 change agents (government officials, community and religious leaders, media and artists, women and youth) have participated in training programmes on the art of conflict transformation, transformational leadership, cultural fluency, diversity management, coaching for conflict transformation and peacebuilding initiatives, and facilitation.

**KEY LESSONS LEARNED:** Twelve years of implementing an ambitious development project of high political sensitivity and constantly responding to a changing context provides for a range of lessons learned.

- Whether it was during the ceasefire period 2002-05, the peak of the violent conflict 2006-09 or in the post-war context since then, a project addressing conflict transformation and social integration is in permanent need of negotiating space. This is particularly challenging when donor agendas contradict government interests and when relationships between state and civil society representatives are characterised by a high degree of polarisation.

- A multi-level approach is not only conceptually appropriate to working on relationships between different stakeholders and increasing their capacities to constructively engage with each other. It also provides opportunities for project planners and implementers to regularly re-balance their focus when the changing context demands adjustments.
- In a constantly changing context, it is inappropriate to plan too meticulously and promise stakeholders guaranteed results within 3-year planning cycles. Instead, what seems more advisable is to develop strategic options, monitor context carefully, wait for favourable moments to make strategic moves and then use opportunities as they arise.
- To stay conceptually coherent doesn't mean to defend terminologies to the end. It does not make much sense to waste energies and lose partners disputing 'conflict transformation' versus 'social integration' or 'social cohesion' versus 'harmony'. What counts is to stay in contact with partners and get practical, as long as the strategic direction is clear.
- While doing the above, invest into your capacity to flexibly respond and don't get too defensive about it! It is absolutely important to develop the strength to cope with criticism since this may at times come from partners who blame you for selling your soul. What's essential is to find a balanced approach that can keep different stakeholders connected and to 'stay engaged, but differently'.



Community Position NEW Community

More time left will not get more

Factor of the workday

फरक संस्कृत

सिंह के कानों में सुनना  
वस्थापित हुआ बाव

रिस-उठका  
अपमानित महल  
भरफरे छ

पक्षी कम होंगे विस्थापित होंगे  
डर छे! डर छे!

अनाई के  
समुदायों के  
इलाके

अविश्वास

व्यथासुको भरी  
परे चिला छ

HOPE  
EMOTION  
FEAR



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*From Capacity Development of Tax Officers towards Enhanced Performance and Transparency of Tax Administration: Support to Good Governance Programme (SGGP), Pakistan*

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**CONTEXT:** At international and national level it is acknowledged that revenue collection is crucial to ensure sustainable statebuilding. It is indispensable to ensure public financing of core state services such as security, health and education. A stable inflow of inland revenues indicates the existence of an effective social contract and a minimum degree of state society dialogue. Effective service delivery can further foster the trust of citizens towards the public institutions and thus enhance state legitimacy.

Pakistan has one of the lowest tax-to-GDP-ratios worldwide. The federal and provincial taxation system does not sufficiently reach out through registration to potential taxpayers nor do all registered tax payers pay taxes regularly or hand in their return files on a yearly basis.

The tax system is also assessed as lacking sufficient equality and transparency. On the one hand this is due to a high amount of and regularly changing tax exemptions for specific sectors and groups in society. A comprehensive tax policy is awaited to guide the reforms within government as well as towards society. On the other hand tax enforcement and audit procedures need to increase in effectiveness. The situation of violent conflicts in the country is an obstacle to develop a resilient social contract on revenue collection.

**DILEMMAS FACED BY THE PROJECT:** Due to the security situation in the country it has been a challenge for tax authorities to design and implement a comprehensive tax policy guided towards broadening the tax base and enhancing revenue collection in a sys-

temic way. The political context is highly dynamic and requires a fine tuned expectation management between different interest groups and the tax administration.

Accordingly the project has to follow an emergent approach. Following the objective of aligning with a changing legal and political framework, GIZ is required to manage a very close dialogue with the partners on the technical advice expected as well as covered by the mandate of the project. Joint measures need to be re-negotiated without losing sight of the goal to contribute to a sustainable change in the performance of Pakistan's tax administration.

**THEORY OF CHANGE THAT HAS BEEN PURSUED:** When initiating the programme the cooperation focused on a very specific tax reform topic: supporting the implementation of added value tax. It became clear that considering the political dynamics in this policy field, technical advice had to more flexible to respond to the reform demands of tax authorities. Accordingly both governments agreed to broaden the scope of support towards enhancing revenue collection. In a second step, following the constitutional assignment of revenue collection powers transferred to the provinces within the federation, these were integrated into the programme as cooperation partners, complementary to the Federal Board of Revenue (FBR).

With the mandate to support the revenue collection in different fields, such as income tax or sales tax on services and goods, both partners have chosen two fields as common entry points. On the one hand the capacities of officers to fulfil their tasks were enhanced

through training measures. To ensure the sustainability of these measures the training institution for federal tax officers (Directorate of Research and Training – DOT of FBR) was taken on board when designing the trainings based on respective needs assessments. This made it possible to integrate the trainings into the official curriculum for future tax officers.

On the other hand taxpayers were addressed through taxpayer education measures. Strengthening the public relation and communication capacities of the Facilitate and Tax Payer Education Wing (FATE) of FBR facilitated a direct feedback on the performance of tax officers. Based on regular ex-post evaluations of trained officers as well as the information provided by the taxpayers, a dialogue was initiated with FBR on institutional reforms. The approach taken targets the identification of organisational bottlenecks which hinder tax officers with enhanced capacities to perform their duties. The process for tax registration was reviewed as well as internal communication requirements.

Based on this sequenced approach first steps have been undertaken to enhance the capacities for evidence based tax policy design, and through this tackling possible contradictions in the legal framework. On the basis of defined policy options tax authorities at federal and provincial level can enter into a dialogue to further harmonise intergovernmental tax policies. In a nut shell all four areas of capacity development are regularly and jointly screened and the strategic approach adjusted where necessary, considering the expectations of the different stakeholders involved in tax reform. Through this approach GIZ and its partners are able

to steer the cooperation in a structured way and are flexible enough to respond to changing priorities in the field of taxation.

**BENEFICIARIES:** The sequenced approach provided the tax authorities with the required flexibility to enhance the performance of tax administration on different reform levels. Through the involvement of public relations and communications, taxpayers are informed about changes and have the opportunity to feed back their requirements concerning all four areas of capacity development.

**IMPACT:** Considering the dynamics in tax reforms in Pakistan, partners have a mechanism at hand to design and implement measures that consider all possible

“windows of opportunity”. They are able to systematically screen strategic next steps moving from initial first measures to more systemic reforms in line with the legal and political dynamics. This incremental approach has shown that change is manageable considering the interests of diverse stakeholders.

**KEY LESSONS LEARNED:** Technical cooperation in a highly political field as taxation and in a dynamic context requires an implementation design that takes regular changes of reform priorities as a given environment and not as a risk.

Joint measures need to be agreed with a small to mid-term perspective without losing sight of the strategic objective of enhanced performance and transparency.

More than focussing on enhancing the collection of a specific tax, partners agree on developing capacities for the design, steering and implementation of reforms that contribute to revenue collection in a broader scope.

This approach requires a very regular and intensive dialogue between partners to jointly identify the possibilities to move from single measures to reforms that have a broader impact by changing the functioning of the taxation in a systemic way, covering: training of officers, adjusting organisational procedures, defining legal requirements and fostering coordination and cooperation.

# Dilemma 6: Immediate Community-based Security vs. State-guaranteed Long-term Stability

*Community Initiatives for Security and Peacebuilding: Measures to Strengthen the Support to the Peace Process (STPP), Nepal*

**CONTEXT:** After the signing of the Comprehensive Peace Agreement in 2006, the Maoist ex-combatants were interned in cantonments for more than six years. In April 2012, more than 15,000 ex-combatants opted for their reintegration into civilian life while about 1,500 were integrated into the Nepali Army. Since then, STPP supported communities that hosted more than 50 ex-combatants and their dependants. Most of these communities were poor in resources and located in remote areas. The security situation in the communities deteriorated significantly during the conflict and in the aftermath of the peace agreement. In recent years, many smaller armed groups were formed. Reports of gender-based and domestic violence also increased. Especially in the post conflict scenario, any small setback/difficulty could have escalated into a bigger conflict. The state security structures did not have sufficient capacity to handle the situation.

**DILEMMAS FACED BY THE PROJECT:** The support to the socio-economic reintegration process of the ex-combatants and the peaceful co-existence between the old community members and the ex-combatants was not embedded in a national reintegration programme led by the Government. Moreover, due to the remoteness of the communities and the lack of capacities and competences of the local authorities, the communities' access to adequate basic services was

limited. The existing problems caused by limited arable land, social and productive infrastructure and income opportunities were intensified through the influx of ex-combatants. This was a major threat for security and peace in the communities, especially in the given post-conflict scenario. Stepping in to ensure security and peace was a main concern, even more so since the state institutions (e.g. Local Peace Committees, Police, and Justice) were not trusted by the community, and lacking the legitimacy and authority to support the peaceful reintegration process. However, it was necessary to respond to the immediate needs of the community members for security and safety and to support their own initiatives. Ignoring these needs would have led to mistrust and emerging violence at local level would have further deteriorated.

Establishing security and safety in a community without by-passing the state structures was paramount. Without having the mandate of strengthening the capacity of the police and the functioning of the Local Peace Committees, possible mechanisms/ approaches/ alternative measures had to be explored. Simultaneous to its main interventions, the project supported the establishment and capacity development of a professional pool of dialogue facilitators as well as social dialogue groups and Youth Peace Councils as bridging mechanisms to prevent and tackle conflicts and violence at

local levels. The collaboration with local government structures became easier and subsequently improved since they accepted the newly established mechanisms.

**THEORY OF CHANGE THAT HAS BEEN PURSUED:** Adequately empowered community members took charge of social and economic development and community security. STPP showed that tailor-made, inclusive, and participatory activities to empower community members could enable them to reduce domestic and community violence. The community members were able to meaningfully contribute to maintaining security, peace, and harmony at household and community levels.

Through STPP's broad range of tailor-made measures, various community groups were capable of providing services to ensure immediate security and thus pave the way for long-term peace and stability. The ex-combatants were integrated peacefully in the communities; incidences of violence decreased, and the overall security situation in the communities improved. The project supported community groups, such as Dialogue Facilitators, Social Dialogue Groups, and Youth Peace Councils, with capacity development and empowerment measures. As a result, they are now able and feel responsible to contribute to a harmonious community where old and new community members live in peaceful coexistence.

They further promote human rights, rights of women and children, and foster dialogue and the exchange of experiences (talking about the past) in their communities. Mutual respect and acceptance now characterises community life.

In order to make sure that these community groups did not replace and/or bypass the state and its institutions, the project actively supported the formal registration of the community groups. For example, the Youth Peace Councils were registered as NGOs with the District Administration Office and the Social Dialogue Groups were registered with the respective Village Development Committees as Community Based Organisations. In that way, it was progressively ensured that they collaborated with district and village level Government structures. STPP built the capacity of its partners to make linkages and cooperation effective and improved relationships with the local authorities.

**BENEFICIARIES:** The project reached 45,232 people in 49 selected communities. The beneficiaries included ex-combatants and their dependants as well as other community members belonging to all castes, creeds and genders. In those 49 communities, about 14,000 women and men (more than 60% women) organised themselves into more than 200 groups. The community groups, together with 19 trained dialogue facilitators and 40 trained members of the Youth Peace Councils, the community members and their groups, now work towards maintaining peace and security in the communities.

**IMPACT:** Use of outputs and impact that have been achieved (also at different levels)

Local police accept and request assistance of the dialogue facilitators to resolve conflicts.

80% of the reported disputes and conflicts were resolved with the support of community dialogue centres established by the 19 trained dialogue facilitators.

Gender based violence was reduced due to the involvement of the community groups, dialogue facilitators and Youth Peace Councils.

No violence was reported in the working communities during the general elections held in November 2013

The communities selected dialogue facilitators, knowledgeable about the local context and trusted by the community. Therefore, the facilitators were able to respond effectively and efficiently to peace and security issues in the communities.

STPP used this approach in over 49 communities. To sustain the achievements, STPP built the capacity of its partners for better linkages and cooperation. Convinced by the approach, many local NGOs and other development agencies have since followed similar approaches.

#### **KEY LESSONS LEARNED:**

In the post conflict-scenario, any small problem can escalate to bigger conflicts as all sides have their own past experiences. In such a situation, the availability of persons or groups to handle local level problems skilfully is crucial.

Families often prohibit the reporting of gender-based violence and women may keep it secret because they are financially dependent on their husbands and in-laws. Most cases are settled at home or by neighbours so locally situated and well capacitated community groups can solve such problems effectively.

An appropriate design, planning, capacity building and well-established linkage to locally situated structures are the key to success. Regular consultations, supervision, and progress monitoring help to understand the communities' needs and make support measures more effective.

Violence can be prevented through creating local capacities for peace, such as community dialogue groups and youth peace councils anchored in local communities. Fostering the dialogue and providing a platform for exchange between groups can also help to prevent arising conflicts and violence.

# ANNEX 1: Instruments available in German Development Cooperation to support Capacity Development in Situations of Conflict and Fragility

	Instrument	Level of assignment
<b>Experts</b>	Long-term International Experts	Advisory services at macro and meso level
	Long-term National Experts	Advisory services at macro and meso level
	Development Workers (Experts employed under the provisions of the Development Workers Act of the German Government)	Most commonly provided as part of a GIZ project team but assigned to partners at micro and meso level, e.g. in municipal and regional authorities, or as support for civil society organisations and their associations at national level
	Civil Peace Service (CPS) Experts (Peace Experts employed under the provisions of the Development Workers Act)	Part of the Civil Peace Service Strategy and Programme in the country, assigned to partners mainly at grassroots levels supporting state and civil society organisations
	Integrated Experts (German/ European Experts placed in key positions within partner organisations where they work as specialists or high level experts)	Fully integrated into partner structures (alignment), ensuring harmonisation with other German development measures;
	Returning Experts (Migrants who have been educated and trained in Germany, especially university graduates, and/or have acquired professional experience in Germany)	
<b>Financing</b>	Financial contributions handled by GIZ (Local Subsidies)	
	Financial Contributions handled by the partner	
	Financial contributions handled via other donors	
	Grants and Subsidies accorded to German and international organisations	
<b>Materials &amp; Equipment</b>	Training material, office equipment up to building materials	

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*Development Agencies and their donors are facing specific challenges and demands in environments that are fragile and beset by violence and conflict. To find the right partner for the appropriate approach is all the more difficult as interest groups and power brokers are influencing the working environment. The present publication *Capacity Development in Situations of Conflict and Fragility. German Approaches and Lessons learned by GIZ* describes the specific characteristics and dilemmas of working under such conditions and highlights, which approaches proved successful to deliver to the citizens of the affected countries. The publication is a joint effort of GIZ-supported projects in Asia under the umbrella of the Sector Network Governance in Asia of GIZ.*

*[...] flexibility for results, supporting inclusive institutions at different layers of the society and the government, and using immediate external support [...] to craft long term institutions with sustained local capacity [...] are some of the key messages that one can learn from the GIZ lessons and German approaches [...]*

**Vidhyadhar Mallik, Former Minister Federal Affairs & Local Development and Health & Population; Former Secretary Finance and Secretary Peace Member of the Facilitation Team; Nepal Transition to Peace Institute (NTTP-I)**

*State fragility, violent conflicts, failing institutions, post-conflict constellation - these are some of the burning challenges for international development cooperation. There are no easy answers. International engagements in these difficult and turbulent contexts are always risk investments. But they are necessary, for humanitarian reasons and because fragility and violent conflicts are threatening international security around the world. This publication presents excellent evidence-based analysis on opportunities, options, and limits of development cooperation in contexts of fragility and conflict. It becomes clear that long-term advisors with a really sound understanding of the given setting and closely cooperating with national actors provide a good chance for successful partnership, as long as they don't undermine national ownership.*

**Dr. Dirk Messner, Director of the German Development Institute, Bonn**

*One of the ongoing challenges of effective development cooperation is how to cope with violent political conflict and fragility. The "New Deal for Engagement in Fragile States" has emphasized the need for closely linking efforts for peace- and statebuilding. The GIZ publication "Capacity Development in Situations of Conflict and Fragility" offers a sound analysis of six key dilemmas for capacity building in these contexts and provides a series of impressive and concrete examples how to address these dilemmas.*

**Dr. Norbert Ropers, Programme Director Southeast Asia, Berghof Foundation, Berlin & Senior Research Fellow, Prince of Songkla University, Pattani, Thailand**

*GIZ offers us an excellent evidence-based study on the political and practical dilemmas of undertaking capacity development in situations of conflict and fragility. It makes an important original and policy-relevant contribution by identifying 6 specific dilemmas arising from a range of programmes that includes Afghanistan, Pakistan and Nepal. The discussion and illustration of the operational dilemmas to build peace, leadership and security is a very welcome contribution to policy and practice in addressing a key challenge of our times in international development and peacebuilding.*

**Dr. Eleanor O'Gorman, Director of Policy & Practice, Conciliation Resource, Research Associate, Department of Politics and International Studies, University of Cambridge**

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