Integrating conflict sensitivity into sectoral approaches

Purpose of chapter

This chapter explains:

- what is meant by sectoral approaches
- how to integrate conflict sensitivity into the development and implementation of sectoral approaches

Who should read it

Everybody involved in the process of developing and implementing sectoral approaches, including:

- central and local governments
- donors (bilateral and multilateral)
- civil society groups, INGOs and other implementing agencies.

Why they should read it

Because assistance to a country or sector (eg education, agriculture, infrastructure) will have an impact (either positive or negative) on conflict risks and dynamics particularly in countries which are affected by, or at risk of, violent conflict. It is therefore imperative that this assistance be implemented in a conflict-sensitive way.

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*Note: in April 2004, a sectoral approach case study (justice sector) will be available as a supplement to this chapter of the Resource Pack. Please see **http://pcia.fewer.org/** in April for more details.*

1.
Introduction

1.1 Some definitions

Conflict sensitivity

This means the ability of your organisation to:

- understand the context in which you operate;
- understand the interaction between your intervention and the context; and
- act upon the understanding of this interaction, in order to avoid negative impacts and maximise positive impacts.

Note: the word 'context' is used rather than 'conflict' to make the point that all socio-economic and political tensions, root causes and structural factors are relevant to conflict sensitivity because they all have the potential to become violent. 'Conflict' is sometimes erroneously confused with macro-political violence between two warring parties (as with a civil war between a national government and a non-state actor).

Context

This refers to the operating environment, which ranges from the micro to the macro level (eg community, district / province / region, country, neighbouring countries). For the purposes of this Resource Pack, context means a geographic or social environment where conflict exists (see **Introduction** for a description of the various elements in the conflict spectrum). It comprises actors, causes, profile and dynamics.

Sectoral approaches

Sectoral approaches involve a partnership between donors and governments based on a government-led national poverty reduction framework, within which there are programme priorities for specific sectors (eg health, education). Donor assistance aims at helping the government to improve its performance generally, or the performance of a specific sector or sectors.

1.2 More about sectoral approaches

Sectoral approaches are also known by some donors as Sector Wide Approaches (SWAPs), Programme Based Approaches (PBAs), or Sector Wide Groups (SWGs). Denmark and Sweden currently use the term Sector Programme Support. The World Bank views sectoral approaches as a component of Programmatic Aid and has identified some of its instruments as most suitable for use in the context of sectoral approaches, such as sector investment programmes, maintenance loans / credits and adaptable programme loans. The United Nations has adopted a 'UN Program Approach', which it terms as a 'multi-sector' approach and which shares common values and orientations with the sectoral approach. Whatever the term used for the sectoral approach, they generally fall within the larger framework of a country strategy document such as the World Bank's Poverty Reduction Strategy Papers (PRSPs), the United Nation's Development Assistance Frameworks (UNDAFs), or the Asian Development Bank's Country Assistance Plans (CAPs).

Sectoral approaches share the following characteristics:

- *provision of assistance by donors to sectors (eg health, education) in line with the government's own sector strategy, expenditure framework and priorities*, thus shifting ownership towards the government and enhancing coherence
- *donor coordination*; sectoral approaches commonly require multi-donor support. Donors aim to foster coordination through establishing common funding arrangements, and joint planning, implementation, reporting and accounting arrangements with the government (ideally based on the government's own systems) in order to reduce the administrative burden on the government
- *broad stakeholder participation* in the process, including civil society and local government, thus extending ownership to a broad range of actors beyond the government – although in practice genuine participation by these other actors is often still low
- *variable modes of assistance using various financial instruments* (eg technical assistance; projects that support the government's strategy, often managed by the government itself; or budget support, where money is injected into the government's own budget and earmarked for the sector
- *a results-based aid management approach*, with a particular emphasis given to joint monitoring and evaluation and a move away from rigid donor procedures and controls focusing on inputs rather than delivery of results
- *a process-oriented approach* because while the expected

outcomes are agreed at the outset it is recognised that the processes by which the outcomes are to be achieved cannot be pre-determined; plans need to be revised as time goes by in the light of changing or unforeseen circumstances.

Sectoral approaches are in an early stage of development in many cases. Where they are adopted, not all donors in the country will be involved.

It is unusual for sectoral approaches to be adopted in countries suffering from widespread and protracted conflict, but they have been adopted in post-conflict settings and in countries affected by localised and regional conflict. They have proved popular with some donors in fragile post-conflict or transition settings (such as Rwanda and Mozambique), on the grounds that that they help bolster weak government capacity, encourage sustainable institutions and reduce the burden on governments of disjointed donor activities. They have also been adopted in countries subject to localised internal conflicts (such as Ethiopia and Uganda), and in countries whose armed forces are involved in external or regional conflicts. In such contexts, the close donor/government partnerships developed through sectoral approaches can provide a vehicle for promoting and influencing governance reforms and policy dialogue around issues such as military expenditure.

BOX 1

An example of a sectoral approach: Education in Uganda

In 1996, the Ugandan government launched the Universal Primary Education (UPE) initiative as part of its response to the serious challenges of widespread poverty highlighted in the country's Poverty Eradication Action Plan. The initiative involves free education for up to four children per family.

To implement the policy, the Uganda Education Strategic Investment Programme (ESIP) 1998 – 2003 was developed as a sectoral approach. ESIP is supported by a group of donors, through budgetary support, with DFID acting as a 'secretariat'. Other donors have provided earmarked sector support and technical assistance to the programme.

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2.
What are conflict-sensitive sectoral approaches?

A conflict-sensitive sectoral approach is one that is developed and implemented so as to minimise possible negative impacts and maximise positive impacts on the context and its dynamics, and vice-versa. This requires an adequate understanding of the context not only in the development, implementation and evaluation of the sectoral approach itself but also in developing the national strategic framework within which the sectoral assistance is set, and the donor / government partnerships operating at national and sector level.

As already noted, sectoral approaches have been adopted in some post-conflict settings and in situations of localised and regional conflict. But it is equally important to ensure sectoral approaches are conflict sensitive in situations of unstable peace, where insensitive interventions can reinforce or exacerbate the potential for violent conflict (eg resettlement schemes which alter the ethnic balance of a region and the access of different groups to resources).

Nor should conflict sensitivity be restricted to the 'obvious' sectors – military, justice and police; it needs to be integrated across all areas of activity, since development assistance in any sector (eg infrastructure, education, health, agriculture) can have an impact on the context. See Box 2, and the further examples in **Annex 1**.

> **BOX 2**
> **Education and conflict**
>
> DFID has recently undertaken a study looking at education and conflict, including the aspects of education that have the potential to exacerbate conflict or, if handled sensitively, to address some of the underlying grievances that cause conflict. The study has pointed to the need (a) for methodologies for assessing sector wide involvement in education from the perspective of conflict and (b) for developing a consensus around indicators of the positive and negative roles of education in situations of conflict.

Many of the principles underlying sectoral approaches – local ownership, capacity-building, participation, inclusiveness, accountability, coordination – are also among the key principles for conflict-sensitive practice. Sectoral approaches have the potential to contribute positively to the context if undertaken in a conflict-sensitive manner.

Table 1 sets out some of the associated opportunities and risks.

TABLE 1
Opportunities and risks associated with sectoral approaches, from the perspective of conflict sensitivity

Opportunities	Risks
Engagement Increased opportunities for donors and civil society to have a positive influence on national development strategies (eg via the PRSP process) and sectoral strategies, including policy dialogue on issues related to conflict issues and governance.	Donor support to a government that lacks a credible internal constituency of support may risk lending it undue legitimacy. There are limited options for donors should national governments undermine the partnership eg by acting in ways that fuel conflict or undermine human rights. Also, suspension of aid can risk increased instability.
Impact Increased opportunities for external capacity building support for government and civil society in areas such as policy analysis, conflict analysis, budgetary processes, transparency and service delivery - all of which can contribute to structural stability. Increased opportunities for linking the national and local levels, for example through strengthening the legitimacy of the central government at lower government levels and with civil society.	Fungibility; increased risk of diversion of funds for belligerent purposes; increased risk of corruption. Weak public sector capacity eg in the area of management, or more generally in a region within the country may lead to the use of parallel implementation systems which by-pass government structures and undermine government capacity. Focus on the national government can lead to an over-emphasis on the capital city and an increasing disconnection with local realities. Sectoral approaches can be counter-productive in terms of decentralisation processes and create differences and tensions between the local and central

	governments, particularly where the benefits of assistance are not immediately felt at the local levels.
Sustainability Increased opportunities for a long-term perspective and support to reform processes linked to sectoral approaches (particularly related to governance) which have the potential to increase structural stability (eg justice system reform, strengthening transparency in the legal framework for civil society participation).	Donor pressure to disburse funds and insensitivity to political factors can lead to a situation where reform is pushed through too quickly, before the necessary preconditions have emerged. This may produce a backlash when expected gains do not materialise.
Participation Increased participation by civil society organisations in policy and the political process, including a scaling up of local participatory processes to a national policy level. This can help to foster inclusive governance and build bridges between different interests, and provide a variety of perspectives on conflict risks.	Badly managed participation risks increasing tensions, particularly where civil society is sharply divided along the fault lines of a conflict. Civil society may be weak and under-developed and therefore not in a position to play an effective role in sectoral approaches, thus further undermining its position vis-à-vis the government.
Coordination Development of consensus and joint understanding of conflict issues and dynamics between different donors, as well as between donors and national governments. Enhanced coordination between donors and increased opportunities for the coherence of interventions around a national development strategy.	Risk that policy and sector strategies could appear donor driven, thus undermining the credibility of, and increasing dissatisfaction with, the national government. Raising sensitive political issues within the framework of policy dialogue with governments can present real challenges and lead to donor/ government tensions. The national focus of sectoral approaches can make it harder to address regional issues (including regional conflict dynamics) and the impacts of policies and programmes on neighbouring states.

Note: This is not an exhaustive list and the issues covered will differ according to the particular context.

3.
Seeking to achieve conflict-sensitive sectoral approaches

3.1 Overview

Sectoral approaches derive from strategic frameworks developed by national governments and donors at the macro level. The strategic and sectoral levels are interdependent and conflict sensitivity needs to be integrated at both the national (macro-strategic) level and at the sector level. But note that the sequencing of activities at the different levels is unlikely to be linear and may vary considerably depending on the country circumstances. Conflict sensitivity also needs to be considered in relation to the partnership environment within which sectoral approaches operate, again at both national and sector levels.

Nor can conflict-sensitive sectoral approaches be achieved by the actions of one group in isolation; members of all concerned groups (national governments, donors, civil society, INGOs, implementing agencies) should contribute to the understanding of what a conflict-sensitive approach requires, and all have a role to play in its implementation.

3.2 Stakeholder consultation

Stakeholder consultation is a core principle of sectoral approaches and should take place at all stages. It is also a core principle for a conflict-sensitive approach. Consultation can bring to bear local perspectives on the plans for the sector in a particular region; ensure it is informed by local realities; highlight any likely sources of tension or insecurity (eg over resource allocation); and suggest approaches to managing that tension.

In addition to providing information on key conflict risks, the process of stakeholder involvement can play an

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important role in conflict sensitising the partnership environment by promoting inclusive governance, reaching out to marginalised groups and encouraging further institutionalisation of stakeholder participation in government policy making. In particular, involving all tiers of government (including local government) is an important element of developing accountability and securing local ownership of and commitment to the strategy and implementation of a sectoral approach.

Conflict-sensitive consultation requires an adequate understanding of the different actors and their goals, interests, capacities and relationships (as illustrated by the conflict analysis), as well as sensitivity to the causes of conflict identified in the analysis, such as marginalisation of certain groups, or inadequate participation of local actors in central decision-making. Undertaking a consultation exercise that excludes certain actors or gives too much weight to others can lead to increased tensions and skewed perspectives.

Difficulties may include a weak, fragmented or polarised civil society; lack of consensus on development priorities; or local government structures that lack resources and capacity to engage effectively in sectoral policy making and implementation.

A number of actions can be taken to promote conflict-sensitive stakeholder engagement. These include:

- drawing on information provided by the conflict analysis, in particular information on actors. This can help ensure that key groups are not overlooked or marginalised and that all actors are engaged, including traditional governance structures and the private sector
- taking advantage of the valuable role that donors and other external actors can play as critical observers of the participation process, with the ability to raise concerns in their dialogue with government. They can also facilitate the participation process (see Box 3)
- providing support to stakeholder consultation processes, and projects aimed at strengthening civil society groups and local governance structures.

BOX 3

European Commission support to civil society participation in Sudan

The EU is supporting the development of a National Indicative Programme for Sudan. The European Centre for Development Policy Management has facilitated a process of awareness raising and mapping of non-state actors (civil society), at the request of and paid for by the European Commission and the Government of Sudan. This process of civil society engagement is taking place within the context of an ongoing political dialogue and progressive normalisation of EU / Sudan relations. It is hoped that with further capacity building support, civil society will be in a position to play a role in a future EU / Sudan country strategy and dialogue.

A number of organisations specialise in supporting dialogue and policy advocacy mechanisms in conflict and post-conflict settings, using participatory action research methodologies in order to map issues and actors with a view to informing policy (see Box 4). Donors might want to consider supporting such initiatives.

BOX 4

War Torn Societies Project

The War Torn Societies Project's approach is based on a participatory action research (PAR) methodology adapted and developed by the director, Mattias Steifel. The methodology involves setting up core teams of local people to undertake research in their own post-conflict societies, with a view to drawing up a 'balance sheet' or country note describing the state of the country, and a list of priority rebuilding tasks that need to be tackled. The country note is not produced by researchers working in isolation, but is developed from the opinions and suggestions of many different individuals and groups, so beginning a process of interaction.

In the project in Somaliland, for example, the team was based in a local research organisation, the Somaliland Centre for Peace and Development, and after five months of fieldwork in 1999 produced a country note, "Self-portrait of Somaliland". The team travelled widely, reaching people in all regions and sectors. The project treats the participants as authorities, and aims to provide the neutral space necessary for frank discussions.

3.3 Conflict sensitivity at the national level

The key elements where conflict sensitivity needs to be introduced include:

- *nationally owned strategic development frameworks*, such as Poverty Reduction Strategy Papers (PRSPs) and Comprehensive Development Frameworks. These frameworks outline the overall development priorities for a country and inform the priority areas and actions needed within and across different sectors. They are developed by the government, ideally with broad consultation with a variety of stakeholders including civil society, and should be reflected in government resource allocation frameworks, such as medium term expenditure frameworks
- *country and regional strategies developed by donors*, which outline the type of relationship donors have with the government (including whether to move towards sectoral approaches and close government partnership); the overall donor strategy towards the country; the priority actions within and across sectors to support this strategy; and the overall budget. They are drawn up by the donors, again ideally in consultation

with a broad range of stakeholders including civil society, as well as with the government and each other

- *the partnership environment* at the national level, including donor / government and donor / donor dialogue processes (eg donor coordination forums, political dialogue processes) and national stakeholder consultation processes (eg participation processes related to the PRSP process)

3.3.1 Strategic frameworks

Introducing conflict sensitivity into nationally owned strategic development frameworks and donor strategies requires them to be informed by an understanding of the overall context (including economic, social, political trends) and its impact on the development process in the country (for example, the impact of conflict on economic and social structures). This can be derived from a conflict analysis at the national level, preferably undertaken jointly by donors and governments. The analysis should identify the key issues, and establish how actions within and across sectors can address them. The implications for resource allocations – both government expenditure frameworks and donor budgets – should also be determined.

Donors can use the analysis in their assessment of the government's commitment to poverty reduction (eg via the nationally owned strategic development framework), and in deciding on the nature of their partnership with the government (eg whether to move towards sectoral approaches).

Chapter 2 provides detailed guidance on conflict analysis. In addition to undertaking a separate conflict analysis at the national level, it is also important to ensure that the other assessment and analytical frameworks used by donors and governments, such as poverty analysis and governance assessments, give adequate consideration to conflict issues (see **Chapter 2, section 4**).

3.3.2 The partnership environment

Developing a conflict-sensitive partnership environment at the national level involves fostering a shared understanding by donors and governments of the conflict issues affecting a country. It also implies ensuring that this understanding is informed by and reflects the perspectives of other actors, such as civil society and local governments. Approaches to promote this enabling environment include:

- donors and governments undertaking a joint participatory conflict analysis. This approach was recently successfully piloted in Nigeria (see **Chapter 2** Box 11)
- raising conflict issues in the course of political dialogue, to build a consensus between government and donors on the key issues. The conflict analysis can help to inform the content of this dialogue, and stakeholder participation in the dialogue can help to ensure its inclusivity
- addressing the issue of conflict within strategic donor coordination frameworks and fora, such as UN-led coordination exercises (eg the Common Country Assessment Framework (CCA) and the UN Development Assistance Framework (UNDAF)). Donors can consider undertaking joint conflict analyses which feed into strategy development. This can also increase their influence with governments
- opening space for broad stakeholder involvement in national and donor strategic frameworks (eg via PRSP consultation processes), assessment processes (eg conflict analyses) and policy dialogue processes. See **section 3.2** above.

The above assumes some willingness on the part of national governments, donors and civil society to consider issues of conflict sensitivity. In practice, this willingness is not always there: groups within countries may have a vested interest in the status quo because they benefit from the current situation and its associated political, social and economic dynamics; external actors, such as donors, may be unwilling to address politically sensitive issues. But this should not deter individuals and organisations from advocating the adoption of conflict-sensitive sectoral approaches. Table 2 highlights some of the key challenges, and suggests some possible approaches to overcome them.

TABLE 2 **Challenges**	
Challenges	**Possible approaches to overcoming challenges**
Priorities Whilst donors may wish to develop a conflict sensitive country strategy, national governments may not be willing to recognise conflict as an issue in their strategic development frameworks.	The commitments to conflict prevention and management made by many governments within frameworks such as NEPAD and the Cotonou Agreement can provide a powerful argument from donors and other stakeholders for the inclusion of these issues in the country's strategic development framework. By presenting issues in terms of governance and social / political issues, governments and donors can help avoid some of the sensitivities that can occur when conflict is discussed openly / explicitly.

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Lack of capacity Governments may lack the capacity to undertake conflict analysis exercises.	Donors can provide capacity building support to governments and associated research organisations (see **Chapter 5**).
Sensitivities Raising conflict issues in government / donor dialogue can be highly sensitive, and developing a shared understanding of the issues between different stakeholders may be difficult.	Again, presenting issues in terms of governance and social / political issues can help get round some of the sensitivities. A joint donor / government participatory conflict assessment is more likely to build a shared understanding of the conflict, and avoids the political risks of undertaking the assessment unilaterally.
Findings ignored The findings of conflict analysis exercises may not be reflected in nationally owned strategic development frameworks and donor strategies.	The process of conflict analysis needs to be supported by both government and donor agencies from the highest level, and mainstreamed into their activities. (See **Chapter 2** on conflict analysis, and the specific example of Nigeria in **Chapter 2** Box 11)
Lack of donor coherence Donor effectiveness needs common perspectives between donors, but donors may have different policy positions or perspectives towards given situations and may differ in the extent to which they are prepared to discuss sensitive issues with the government.	Common donor perspectives can be fostered by joint donor macro-conflict analysis, as well as by addressing the issue of conflict within strategic donor coordination frameworks and fora, with a view to building consensus around key issues and providing a framework for addressing differences.
An abundance of analyses Donors and government may be overwhelmed by the number of different approaches and assessment frameworks they are faced with – gender analyses, environmental analyses, governance assessments etc.	One possible approach will be to ensure that conflict is adequately considered within the other assessment frameworks (see **Chapter 2 section 4**).

3.4 Conflict sensitivity at the sector level

The government's nationally owned strategic development frameworks will set out the key development priorities, and the priority actions needed within and across different sectors. Discussions at the national level will often also have provided a budgetary allocation for each sector. The donors' strategies will have outlined their priority areas for development assistance. If a conflict-sensitive approach has been applied at the national level, and provided that actions at the sector level reflect this, then there should be a good basis for integrating conflict sensitivity at the sector level, at all stages – assessment and planning, implementation, and monitoring and evaluation. The macro conflict assessment will, however, need to be complemented by a deeper analysis of the linkages between the specific sector (eg health, education, agriculture) and the context.

3.4.1 Assessment and planning stage

Key steps at this stage include:

- the development and appraisal of sector strategies, work plans and budgetary provision. These are usually developed by national governments and involve consultation with stakeholders, before being considered

by donors for support (donors may assist in the process of strategy development)

- the development of indicators or benchmarks against which the impact of the intervention will be monitored and evaluated.

Conflict-sensitive strategic assessments undertaken at the national level will have helped identify priority areas for addressing conflict issues within and across sectors, but in order to integrate conflict sensitivity into the assessment and planning of a sectoral approach it will be important to consider complementing the macro conflict analysis with a sector specific conflict analysis of the linkages between the specific sector (eg health, education, agriculture) and the context. In particular the sector specific analysis will address the different levels of conflict, particularly local level dynamics that will impact on sector activities, and the relationship between those various levels (local, sector, national). (See Box 5.)

> **BOX 5**
> **Examples of linkages between sectors and context**
>
> **Health & education (service provision)**
> - Inadequate educational and health provision for certain parts of the population lead to insecurity and reduced mobility (conflict profile).
> - Uneven distribution of health and education service provision and marginalisation of certain groups fuels grievances (conflict causes).
> - Inadequate health and educational provision increases conflict risk due to youth dissatisfaction with lack of opportunity (conflict dynamics).
>
> **Natural resource management (land, water, agriculture)**
> - Environmental damage leading to natural resource management problems (conflict profile).
> - Unequal access to resources such as land/water fuelling grievances (conflict causes).
> - Environmental damage fuelling conflict due to competition over scarce resources (conflict dynamics)

Applying the sector specific conflict analysis to the development and appraisal of the sector strategy and budgetary allocation will revolve around two sets of key questions:

- how do the sector strategy and budgetary allocation relate to the understanding of the context and key priorities identified through the conflict analysis? Do/can they include strategies to address conflict related issues?
- what adjustments are needed to address possible negative impacts and possible opportunities (see Table 1)? What actions are required within other sectors?

Relating the sector strategy to the conflict analysis can be done using the analysis framework provided by the conflict triangle outlined in **Chapter 2**. Table 3 provides examples of questions that need to be asked to determine how the sector strategy can address the issues raised in the analysis (the actual questions will differ according to the specific context).

TABLE 3
Examples of key questions to inform sector strategies

Key elements of conflict analysis	Questions
Profile	Does the strategy take into consideration specific conflict-prone / affected areas? Is it adapted to different geographical regions in the country? Does it consider the location of natural resources or important lines of communications?
	How is the strategy informed by the history of conflict (eg previous experience of tensions escalating into violent conflict due to land policies or reform processes / policies linked to sector interventions)?
Context	Do the strategy and budget address the long-term structural causes of violent conflict (eg marginalisation of certain groups from the political process and access to services; educational bias in terms of language / culture; corruption related to certain sectors which undermines confidence in the state; unequal access to resources; food insecurity; weak governance structures)?
	Do they address the accelerating or prolonging factors aggravating conflict risks?
	Do they seek to maximise factors contributing to peace? Eg do reform processes linked to sector strategies seek to address governance and representation issues? Does the strategy support the development of a nascent civil society? Does it seek to capitalise on regional integration opportunities on issues that address regional tensions (eg over resources)?
Actors	How does the strategy relate to key actors and their goals, relationships, capacities? Does it empower those working towards peaceful solutions and local capacities for peace? Does it challenge vested interests (eg in government)? Does it increase or decrease opportunities for communication between different groups?
Dynamics	Does the strategy take into consideration conflict dynamics? Can it adapt to different scenarios and conflict trends? For instance, does it take into consideration specific reconstruction activities which might be needed following a local peace agreement? Can it serve to promote positive trends (eg by providing quick peace-dividends / incentives in the event of positive developments)?

Note: see **Chapter 2 section 2** *for a detailed explanation of profile, causes, actors and dynamics.*

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Having ascertained the extent to which the strategy and budgetary allocation aim to target conflict issues, a number of actions / strategies can be developed to address outstanding issues. Examples will vary according to the context, but include:

- developing specific strategies for delivering support to sectors in conflict-affected or potentially conflict-affected regions
- considering budget plans that address issues such as equity of resource allocation between regions, and inter-group disparities
- developing governance reform programmes related to the sector (eg to increase participation of certain groups)
- supporting existing or additional local level peace-building or conflict prevention projects related to the sector (eg local peace education projects)
- integrating an anti-corruption strategy into the sector strategy
- ensuring consistency and coordination between the strategy and other areas of intervention and ongoing local processes eg humanitarian assistance, local peacebuilding activities, local NGO assistance
- ensuring that the sector strategy addresses the needs of particularly disadvantaged / marginalised groups
- balancing approaches that address short-term needs and long-term structural issues.

The development of actions and strategies will involve considering the linkages between sectors, as actions will most likely be required in other sectors to ensure the conflict sensitivity of the strategy. For example, actions in the transport sector, such as the building of a new transport corridor, might increase opportunities for arms or drugs trafficking and would therefore need to be linked to actions within the security sector to enhance security for the region. Furthermore, making a difference in one sector, such as transport and housing, without improvements in the provision of other basic services, can fuel new grievances.

The process will also require consideration of strategies for addressing conflict issues in key crosscutting areas, such as governance. For example, governance problems may be at the root of tensions between groups over unequal access to resources; or corruption (eg in the police) may fuel a variety of grievances and undermine state credibility.

Indicators and benchmarks need to be developed alongside the sector strategy, to gauge the success or impact of the implementation of the strategy and the intervention, and to help determine what adjustments, if any, need to be made to secure the planned outputs. Conflict sensitivity requires indicators which gauge the interaction between the intervention and the context and vice versa (see **Chapter 2 section 3** for more information).

Indicators will necessarily vary according to the intervention in question and the context. Box 6 provides some examples related to the education sector.

BOX 6

Possible conflict analysis indicators for the education sector

Profile

Marginalisation of group x in region y from political process and access to basic services; lack of access to education, due to insecurity in region.

- numbers of group x attending primary school
- improvements in the quality of educational provision in region y.
- numbers of group x involved in school users groups (eg PTAs)
- safe access to education by group x in region y

Causes of conflict / actors

Educational bias in curriculum leading to perceived marginalisation of group x; opportunities for improved relations between groups x & z through peace education in curriculum.

- increase / decrease in incidence of teaching of language x in schools
- increased interaction between groups x and z
- adjustment of educational bias in curriculum

3.4.2 **Implementation stage**

Key steps at this stage include:

- development of structures for donor coordination and donor / government management
- decisions on the instruments (mechanisms) for implementation
- implementation
- monitoring

Management structures and partnership issues

Building the requisite shared understanding at sector level involves:

- addressing conflict sensitivity within donor coordination frameworks and other processes. Discussions should be directly linked to the national level discussions to ensure coherence and consistency (particular attention to this is required where personnel work at only one of the sector or national levels). Undertaking a joint conflict analysis can assist the process of developing common perspectives.
- addressing conflict sensitivity within donor / government management structures. These structures provide the key interface between donors and governments and the framework within which strategies are developed, implementation is monitored, and reviews planned. It is therefore vital that conflict sensitivity is considered within the framework of these

structures. A participatory joint donor / government conflict assessment (including the deeper analysis for the sector) is again a good way of fostering agreement around key conflict issues and actions.

Financial instruments

Table 4 describes the three most common financial instruments available for donor support to sectoral approaches.

The right choice of instrument is very important, and must take account of the conflict analysis. Making the most appropriate choice involves a process of anticipating the impact of different instruments, evaluating the benefits against the risks and developing strategies to minimise potential negative impacts. The information gained through the conflict analysis is clearly relevant to this process.

TABLE 4
Financial instruments used in sectoral approaches

Sectoral support

Technical assistance	Project funding	Sector earmarked support (programme funding) General budgetary support (donor pooled and sector programme funding)
Technical Assistance (TA) is the transfer, adaptation, mobilisation and utilisation of services, skills, knowledge and technology, through the provision of personnel, training, equipment, consultancies, study visits and seminars.	Donor-funded activities support the government's sector policy framework, but are managed as projects – usually using government systems (reporting / contracting) but sometimes relying on donor management systems	Coordinated aid from a number of donors is disbursed and accounted for through government systems and earmarked to help finance an agreed policy and sector expenditure plan.

Note: This table[1] is necessarily stylised and a number of variations will occur depending on country circumstances. Different approaches may be used simultaneously as sectoral approaches are usually a hybrid of funding forms.

Table 5 below gives examples of relevant questions for general budgetary support, as this funding instrument is, from a conflict perspective, the most risky. Other instruments have their own challenges and raise other questions.

For example in the case of project funding, a possible impact of government management might be increased opportunities for corruption and domination by elite interests, while management by donors might undermine government capacity and legitimacy.

TABLE 5
Anticipating impacts of general or targeted budgetary support on the context

Key elements of conflict analysis	Examples of questions for consideration in anticipating impacts
Profile	Is budgetary support the most appropriate choice for all geographical areas in a country? Do the instruments of implementation need to be adopted for different regions, particularly conflict-affected regions where government capacity to deliver may be weaker?
Causes	Is there a risk that budgetary support might give external credibility to a government that lacks internal legitimacy? If government corruption is a cause of conflict, what are the risks of budgetary support exacerbating this problem? What needs to be done to minimise this risk? Will the use of budgetary support serve to strengthen weak government structures and bolster reform programmes? Are government structures strong enough to manage flows of funding? Does the provision of budgetary support through the central government risk an overemphasis on the capital city and favoured regions and neglect of marginalized areas? If so what can be done to mitigate this?

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Actors	If the national government / military is a key conflict actor, is there a likelihood of diversion of funds to the military or elites?
	Are there risks that the nature and pace of the reform processes might undermine certain vested interests and increase conflict risks?
Dynamics	Are political issues, such as human rights abuses, likely to worsen, thus increasing the likelihood of a suspension of budgetary assistance, which in turn may exacerbate instability?
	Is budgetary support a realistic choice, in terms of a window of opportunity for providing macro-economic stability to a weak, but legitimate post-conflict government?

A number of strategies may be developed in order to minimise potential negative impacts, including:

- integrating anti-corruption activities into the sector strategy
- integrating a component of institutional capacity building for weak governance structures to ensure that they can manage funds and implementation processes
- ensuring adequate representation / involvement of local government and other stakeholders in the planning and implementation of the sector strategy (see section on stakeholder involvement below)
- considering budget plans that address issues such as equity of resource allocation between regions and inter-group disparities
- supporting mechanisms to ensure the transparency of budgetary allocations and military spending (eg military spending reviews).

Budgetary support should not be the chosen option if the risks are too high.

The implementation process

It is important not only that the overall strategy and choice of instruments of support are sensitive to conflict, but also that the process of implemention is undertaken in a conflict-sensitive way.

Implementation involves a range of different actors, which will vary depending on the instrument used (see Table 4). These actors include implementing agencies (such as INGOs and government contractors), different tiers and agencies of government, local community users' groups, etc. It will also require the active involvement of the government / donor management structures (see "Management structures and partnership issues" in **section 3.4.2** above).

These actors need to be sensitive to the impact of their actions on the context and to be aware of the principles of conflict sensitivity (see **Introduction**). Governments and donors responsible for overseeing the development and implementation of the sectoral approach can take steps to ensure that these actors are adopting a conflict-sensitive approach to their implementation process. They need to make implementing actors aware of the findings of the conflict analysis and key conflict issues (preferably involving them in the analysis process) and to develop systems to

ensure that they are regularly monitoring the impact of activities on conflict, making adjustments and feeding back findings that can be incorporated into the overall analysis (see **section 3.4.3** below). Where contractors and implementing agencies are used, a conflict-sensitive approach should be made a condition of the contract. **Chapter 3 Module 3** provides further guidance on how implementing actors can take conflict sensitivity on board.

3.4.3 Monitoring and evaluation

Section 3.4.1 describes the development of indicators and benchmarks in the sector strategy. Indicators should also be used to measure the relationship between individual activities or projects undertaken within the sectoral framework. The information gathered can then feed into the overall review process (see below).

Reviews are usually undertaken by joint donor / government teams at regular intervals. The findings feed into a process of adjustment of the strategy and the implementation process. From a conflict-sensitive perspective, it is important to ensure, in between these reviews, an ongoing monitoring of the implementation and impact of the activities as they relate to conflict. Donors and governments may need to develop information systems and mechanisms for gathering this information from the wide range of actors involved in the implementation process (see **section 3.4.2** above).

The review process should be informed by:

- the information gathered in the ongoing monitoring exercise
- broad stakeholder consultation
- a process of updating the conflict analysis to allow for a comparison of the situation at the beginning of the activity and at the moment of the review.

4.
Endnotes

[1] Adapted from CIDA: "Planning and Implementation of SWAPs: An overview," Issues Paper. Ottawa: Canadian International Development Agency, 2000.

Annex 1

ANNEX 1		
Examples of linkages between structural dimensions of tension / open conflict and development assistance		
Structural dimension of tension or conflict	**Feature of latent or open conflict**[2]	**Examples of negative impacts of development assistance**
Security	Increased arms spending	Fungibility of development assistance frees up finance for increased government spending on arms or the military.
Political	State is captured or dominated by particular interest groups or ethnicities and may be characterised by patronage politics and corruption. Lack of citizen engagement in political process and public policy Poorly managed governance reforms	A close / uncritical donor / state relationship increases the 'external' legitimacy of a regime, and internal disillusionment and disaffection with the state. Conversely, sudden criticism of a regime by development donors (eg regarding lack of adequate internal audit related to use of budgetary support) fuels grievances and feeds internal tensions. Poorly monitored and managed support via government budgets or tenders leads to increased levels of corruption. Inequitable sector policies developed with inadequate consultation, or consultation dominated by particular interests or groups (eg an education policy which favours a particular language group; a decentralisation process which fails to address inequalities and marginalisation of excluded groups)
Economic	Uneven development process contributing to creation of discontented groups Land / agricultural policy Liberalisation and privatisation programmes	Assistance to sectors is unevenly distributed reinforcing differences (eg geographically or between groups). Withdrawal or downscaling of assistance (across a range of sectors) to a particular area creates a vacuum which benefits belligerent groups. Poor natural resource management leads to scarcity, resource competition and conflict. Resettlement schemes alter the ethnic balance of a region feeding ethnic tensions. Can serve elite interests and generate conflict
Social	Histories and discourse of violence	Education systems emphasise ethnic or religious boundaries; language used as a tool to exclude or mobilise groups

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Annex 2

Bibliography and further reading

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