Annex







The Bellagio Consensus

Final outcome document

Overseas Development Institute, The Rockefeller Foundation and the United States Institute of Peace

June 2019



The Overseas Development Institute (ODI), The Rockefeller Foundation and the United States Institute of Peace (USIP) convened a group of world leaders and top experts to wrestle with finding a critical path forward on 'The Future of Fragile States'. Our goal was to identify key principles and clear recommendations for addressing those challenges that will enable coordinated international action and significant progress at scale.

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Given the enormity of previous work done on fragile states, we endeavoured to build on past efforts and contribute to a growing set of new initiatives with a problem-driven and evidence-based approach across four main areas: building and sustaining inclusive economic growth; assessing risks and investing in prevention; establishing security and reducing violence; and above all, putting a realistic political strategy at the centre of a coordinated approach. The following is the consensus view emerging from those investigations.

The Big Picture

Experience since the end of World War II and the establishment of the United Nations demonstrates that it is possible for societies that have faced the worst of war, atrocities, division, and destruction – in every region and continent to become inclusive, peaceful, and prosperous.

In every successful case, this has been accomplished through robust and resilient national leadership backed by their own people and supported by concerted efforts of regional and international actors, institutions, and resources.

After an historic period of decrease in conflict and violence, fragility is again on the rise, bringing enormous human, political, economic, and environmental costs. Fragility is the absence or breakdown of a social compact between people and their government. Fragile states suffer from deficits of institutional capacity and political legitimacy that increase the risk of instability and violent conflict, and sap the state of its resilience to disruptive shocks.

This increase in conflict and violence is occurring in the most fragile of states. These fragile states are at the heart of the global disorder fuelled by violent extremism, historic levels of people forced from their homes by violent conflict, civil wars and famines. They present a clear obstacle to achieving the core UN Sustainable Development Goals of ending extreme poverty and leaving no one behind, creating greater peace and prosperity, and living sustainably together on our shared planet.

Therefore, urgent collective action is needed to reverse these trends.

The failure of countries and their partners in the international system to prevent, manage, or end several long-running, devastating conflicts points to fundamental failings. Indeed, the untended impacts are roiling political systems on every continent and contributing to the greatest period of uncertainty since the creation of the modern international system. The experience of the New Deal for Fragile States, which emerged from the Busan Conference in 2011, provides a strong foundational basis for many key principles and approaches to addressing these challenges - including a focus on inclusive politics, country ownership, shared assessment, prioritization, joint financing – but is perceived to have faced significant challenges in implementation.

While the world came together in 2015 to set a framework for sustainable development, a global commitment to address conflict and fragility is lacking.

There are signs, coming from among civil society actors and major multi-lateral institutions as well as some world powers, of a growing consensus on the need for new tools, approaches, and commitments. This new political landscape is emerging alongside an increased policy focus on fragile states by major international institutions and donors. Increased resources, however, will need to go hand in hand with a renewed approach that prioritizes politics and local leadership, includes incentives for more inclusive governance, fosters more coordinated action, and addresses fragility directly.

The UN Sustainable Development Goal 16, which calls for peaceful, inclusive, and just societies, provides some foundational basis. The UN Secretary General has set out agendas on Sustaining Peace and on Prevention, and the UN and the World Bank have committed to joint

action in its recent *Pathways* for *Peace* report, including an innovative set of recent reforms undertaken by the World Bank. The report of the LSE-Oxford Commission on State Fragility, Growth and Development has also contributed to renewed attention to the issue, and the ODIled Secure Livelihoods Research Consortium (SLRC) has produced a wealth of evidence on the ways in which people living in conflict- affected situations access basic services, perceive their government and state, and attempt to recover their livelihoods after conflict. Moreover, USIP is convening a bipartisan task force that is charged by the US Congress with making recommendations for new ways to tackle the roots of extremism in fragile states.

There is an urgent opportunity to seize this moment and fully turn this emerging consensus into sustained action that can make a difference.

The five principles of a new commitment to address fragility

- 1. Just peace and security is the fundamental goal by addressing the sources of conflict through just, non-violent, inclusive, political processes. Any sustainable progress is ultimately dependent on this outcome.
- 2. Success can only come through country ownership. Work towards achieving this goal should be led by legitimate local/national actors, with support from external actors as appropriate. No amount of goodwill, resources or military might can create the conditions for sustainable peace absent an inclusive political settlement and a minimum level of decision-making capacity that lets local actors make and own the victories and mistakes.
- 3. Country-ownership requires inclusion, accountability and citizen engagement that rebuilds the social contract and trust in a common purpose.
- 4. Confidence in long-term economic, social and political progress is essential. Short-term achievements sustain positive expectations among citizens and elites that change is possible. Long- term political support for reform depends on that confidence.
- 5. Prioritisation, coordination and the alignment of internal and external actors is

a sine qua non of success. There is no 'right answer' about what to prioritise, but there must be a consensus and shared commitment on priorities, involving all major actors.

The ten key approaches to fulfilling a new commitment

- 1. Transition from donor-led, many priorities to country-led, few priorities.
- 2. Progress must be advanced as a step-by-step approach rather than a grand vision.
- 3. Keep politics at the centre, sustainably addressing fragility is not a technocratic process.
- 4. Cultivate a vanguard of change in key countries and institutions.
- 5. Look for pivotal moments to make progress on new approaches.
- 6. Strengthen joined-up approaches to setting the frame for a common agenda that is relevant to grass-roots perspectives, national leaders, and international actors.
- 7. Introduce iterative approaches and adaptive management to ensure tight feedback loops between action, monitoring, learning and adapting, rather than large, static 'assessments' that are only updated every few years.
- 8. Investment vehicles for inclusive economic growth should be made fit for purpose for fragile environments, including large pooled-funding mechanisms that can effectively compact donors with country-owned priorities.
- 9. Convene and engage the private sector (especially local) as a key pillar of economic strategies.
- 10. Make UN mandates provisional for six months to include consultation with a wide array of actors and avoid internationally-driven goal setting.

The ten practical steps to take now to move forward:

- 1. Develop an influence strategy and build a bigger coalition, getting more stakeholders on board.
- 2. Get the elements of the Bellagio Consensus on to the OECD, G7, G20 agendas (G20: Argentina-lead, 2018; Japan-led, 2019; Saudi-led 2020).

- 3. Focus on a pivotal moment in one to two countries a year that are in a critical transition moment (Haiti, Zimbabwe, Yemen, South Sudan, Syria, North Korea) and build a 'lab' approach to getting it right.
- 4. Convene an IFI/MDB high-level meeting to identify and build on the key changes being made and still needed across the system to make these institutions fit-for-purpose in fragile states.
- 5. Engage UN leadership as they shape the development of the new UN coordinator system.

- 6. Look to a pivotal moment (e.g. UNGA 2019) for a big convening effort on fragile states.
- 7. Organise a workshop on new approaches to joined up assessment and iterative adaptation.
- 8. Shape a strategy to ensure key messages are shared externally and featured in the media, while exploring opportunities for outreach and events.
- 9. Start from this set of common rules for engagement and identify a possible case study.
- 10. Harness the receptive leadership of the UN, WB and IMF to generate momentum behind this initiative.



Evidence. Ideas. Change.

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