

# 2020 Annual Report

PEACENEXUS FOUNDATION

PeaceNexus Foundation Route de Lausanne 107 1197 Prangins, Switzerland +41 22 365 1500 info@peacenexus.org www.peacenexus.org

# FOREWORD A MESSAGE FROM PEACENEXUS' CHAIR



As this annual report demonstrates, 2020 was a year of adaptation. The pandemic had profound effects on how we and our partners work – both individually and together.

First, operational adaptation. We supported partners to shift to online approaches and mechanisms, no easy task for peace builders. From radio call-in town halls in West Africa to tackling misinformation in the Balkans, we helped our partners across our four regions adapt to their new circumstances and take their work online. At global level, we are also helping partners to transition to new ways of working and to prioritise activities through extended lockdowns.

Second, strategic adaptation. During 2020, we reviewed our overall strategy and in some regions pivoted to address the severe economic, social and political effects of the pandemic. As we planned for 2021-2023, we agreed to accompany fewer partners, but for longer and to increase our support for collective initiatives. In each region, we work towards two 10-year outcome goals, while recognising the need for regular adaptation. One of the greatest strategic adaptation challenges is not attributable to COVID-19, e.g., the rapid evolution of our work in Myanmar in the aftermath of the coup and the widespread oppression that followed it.

Nonetheless, as this report illustrates, our partners are resilient. There have been notable achievements in our three service areas. We have continued to mainstream conflict sensitivity into environment, humanitarian and development organisations. We have further developed the conflict prevention and resolution components of our business engagement work. Our organisational development work increasingly focuses on enabling locally-led and inclusive peacebuilding.

Third, budget adaptation. Our aim has been to maintain high levels of support to partners at this difficult time. We have allowed maximum flexibility in budget re-allocations, added contingency funds and developed new activities; we have also postponed or cancelled activities that are no longer feasible. We intend to maintain this flexibility in the months ahead.

The pandemic is not over. As we finalise this report, some of the biggest countries in South Asia are buckling under COVID-19; countries in Africa, which seemed to escape from the worst of the first wave, are experiencing record numbers of cases and deaths. Vaccine distribution remains dangerously skewed. Not surprisingly, some of the pandemics most devastating effects extend beyond the health sector; the economic, social and political fall-out is significant at all levels. Thus, our organisational strengthening support is more relevant than ever, as is our work on social cohesion and conflict resolution. We will continue to address the impacts of this pandemic – and also seize it as an opportunity to foster a more connected, conflict-sensitive and peaceful world.

Dr Kathleen Cravero

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#### Our purpose

#### VISION

Governments, civil society and businesses actively contributing to inclusive and peaceful societies

#### MISSION

Strengthen the capacities of and collaboration between organisations to increase their contribution to reducing violence and building peace

#### **OBJECTIVES**

#### Social Cohesion Inclusive Governance

To address the To build accountable, challenges of democratic and inclusive sensitive business trust between different civil society and state groups within society institutions

#### Responsible Business

To support conflictpolarisation and governance, our partners operations and improve prejudice, our partners engage in constructive social and environmental build connections and collaboration between impacts, our partners engage in dialogue between the state, local communities and business

#### **SERVICES**

**Organisational Development** 

**Conflict Sensitivity** 

**Business Engagement** 

Support to individual partners and collective action (peer learning and problem-solving)

**PARTNERS** 

**Civil Society** Organisations International NGOs

National Governments

Multilateral Organisations

Companies

#### Our services

We multiply the peacebuilding impact of our partners through three areas of support: Organisational Development for peacebuilding champions, developing capacity for Conflict Sensitivity, and Business Engagement to develop inclusive solutions to local peacebuilding challenges.

#### Organisational development

Our Organisational Development service offer has the objective of enabling organisations that have peacebuilding at the core of their mission to become more effective and achieve higher impact, whether they are a multilateral, a governmental or a civil society actor.

#### Conflict sensitivity

We support civil society, governmental institutions and businesses with a high impact in fragile and conflict-affected contexts to improve their practices, so their actions do not fuel violence and contribute to peaceful change where possible.

#### **Business** engagement

We offer dialogue support to affected communities and civil society organisations, companies and local governments. By strengthening the quality of the dialogue process and the capacity of participants involved, we create the conditions for them to co-develop sustainable solutions.



**International Partnerships** 

19

Regional Partnerships

30



#### 24 Staff and 63 consultants



3.1 million CHF total expenditure

# 2020 IN REVIEW: OUR OPERATIONAL ADAPTATIONS

The pandemic had a significant impact on how we all work, and our initial response was to support our partners to do more online and to adapt what they do.

In Myanmar, this involved providing technical communications support to groups that had never met online before. In West Africa, some partners were quick to switch from holding town-hall events to radio call-in discussions and many integrated public health messaging into their online and in-person work with remote and marginalised groups. In the Western Balkans, some shifted to supporting online collaboration between community groups, while others increased their focus on protecting free media and tackling online disinformation. And following school closures in Kyrgyzstan, our partners developed an online programme aimed at connecting youth who are particularly vulnerable.

As the severe economic and social effects of the pandemic took hold, we also provided support to enable our partners to address rising political tensions. For example, following the October 2020 political crisis and change of government in Kyrgyzstan, we supported civil society partners and journalists to engage in informed debates on constitutional reform. And in the run-up to elections in Burkina Faso, we supported efforts to mobilise and train civil society election monitors.

Our international partners with global reach were also consumed with adaptation challenges during 2020, and in most cases, we changed our support as a result. For example, we provided additional support for contingency planning or strategic adaptation and, in agreement with our partners, postponed or cancelled activities that were no longer feasible.

Overall, the 2020 pandemic required flexibility and resilience from all our staff and partners. In many places, the economic, social and political effects of the pandemic were more severe than its direct public health effects.

We expect these destabilising trends to continue and see our organisational strengthening support as especially relevant for partners operating in increasingly volatile environments. We remain deeply committed to helping our partners mitigate the worst social effects of the current crises.

#### **OUR STRATEGIC ADAPTATIONS**

2020 was the final year of our 2018-2020 strategy and we began the year with a staff retreat that reviewed of progress and set future strategic direction. This was informed by an independent review of the 2018-2020 strategy and a staff survey. Drawing on feedback from partners and external experts, the 2021-2023 strategy was crafted collectively by the staff and Board.

# LOOKING BACK: OUR 2018-2020 STRATEGY IN REVIEW

## Organisational development

#### Our goal: To help peacebuilding 'champions' become more effective organisations

We planned to support 47 partners (35 local and 12 international), leading to tangible changes within core competency areas in 70% and contributing to improved performance and peacebuilding results in at least 50% of our partners.

**Our adaptations**: To better support our ongoing partnerships and reflect our staff capacities, we chose to reduce the number of new partners in 2019.

Our results: 35 80% 50%

partners supported (23 local, 12 international) showed improvements in key competency areas demonstrated contribution to peacebuilding results

# **Conflict** sensitivity

## Our goal: To strengthen organisations working in conflict settings, so they are better able to contribute to peaceful change

We set the goal of supporting 18 partners (10 local and 8 international), leading to tangible improvements in conflict sensitive practice in 70% of our partners.

**Our adaptations:** We chose to postpone our 2020 Call for Proposals to focus on supporting our current partners' with COVID-related adaptations.

Our results: 16 90%

partners supported (10 local, 6 international) showed internal changes and early evidence of peacebuilding impact

# Business engagement

# Our goal: To support multi-actor dialogue to develop solutions to local peacebuilding problems

We aimed to support 5 partners (3 local and 2 international), improving their capacities to facilitate or support multi-actor processes in 70% of cases. We also aimed to support 5 local multi-actor dispute resolution processes to contribute to improved relationships and agreements in 50% of cases.

**Our adaptations:** Due to high demand in our regions, we supported more partners and dialogue processes to address contentious issues around business operations.

Our results: 10 6 80%

partners supported business-(9 local and 1 community international) dialogues supported reported improved relationships

40% reached agreements

# LOOKING AHEAD: INTRODUCING OUR 2021-2023 STRATEGY

#### Refining our purpose

We remain fully committed to our founding organisational mission to strengthen the capacities of and collaboration between organisations to increase their contribution to reducing violence and building peace. Our new strategy is also more explicit about our underlying commitments to:

## Locally-led peacebuilding

We believe that those actors who are closest to and most affected by conflict issues are also best positioned to serve as the primary agents of conflict transformation. This is why most of our work supports locally-led initiatives and organisations in our four focus regions. Where we support international organisations, it is also to strengthen their role in enabling locally-led peacebuilding.

## Inclusive peacebuilding

We believe 'peace is everyone's business' and that civil society, government and business have a role to play in addressing social divisions and promoting social cohesion. That is why we continue to work with organisations that are interested in improving their understanding and capacity to contribute to peacebuilding outcomes, even if they do not have peacebuilding as an explicit purpose. We further recognise that the role that youth and women play is crucial to building social connections across groups and mobilising civic engagement. We therefore prioritise support for organisational changes and collective initiatives that increase inclusion and diversity in peacebuilding action.

#### Refining our objectives

The 2018-2020 review showed that our services were effective in mobilising and embedding organisational change and that we had largely achieved our aggregate quantitative targets. From 2018-2020, we supported **59 partner organisations** and could show evidence of capacity building and improved organisational practice in **over 80% of our partners**.

However, the Board and staff agree that these metrics do little to explain the qualitative importance or impact of our results. To address this, for 2021-2023, we developed context specific objectives for each regional programme and clarified overarching objectives which all programmes are aligned with.

#### Our overarching objectives are that our partners successfully:

#### Build connections and trust between different groups within society

We will continue partnering with actors that encourage diversity in public life, build connections across social divides and include women and youth in their work.

# Engage in constructive collaboration between civil society and state institutions

Through our nexus approach, we will support our partners in coming together to develop joint solutions to social and security challenges.

#### Solve problems through dialogue between the state, local communities and businesses

By helping businesses understand their social impact, we will enable them to collaborate with communities and authorities to reduce conflict risks and support inclusive growth.

# LOOKING AHEAD: INTRODUCING OUR 2021-2023 STRATEGY

Our programme objectives can be found in the programme sections of this report.

We identify two kinds of results that we work towards:

## Expected outcomes

All four regional programmes will work towards long-term context-specific peacebuilding goals for the next 10 years, as well as more specific outcomes that our partners will contribute to by 2023. We will select new partners from across civil society, government and business that can contribute to achieving these peacebuilding outcomes.

## Capacity building results

All our programmes identify organisational change and capacity building objectives for specific target groups. We will continue to provide our services to approximately 45 individual partners that are key to achieving our outcome objectives. To extend our reach beyond these organisations, we will increasingly support collective initiatives for peer-learning, collective advocacy or dispute resolution.

#### Refining our approach

We remain committed to our operational approach and to on-going learning and organisational development. We provide expertise to support organisational strengthening and enable collaboration in three service areas: **organisational development, conflict sensitivity** and **business engagement**. These services are designed to address obstacles to effectiveness that require changes in practice, benefit from external accompaniment and expertise, and cannot be addressed through funding alone.

Drawing on the findings of a partner survey in early 2020, we reviewed our own services and capacities and have set ourselves several internal operational targets in the following areas:

## Selecting the right partners

For NGO partners, where the demand for our services far exceeds what we can support, we will continue to use open, competitive calls for applications, but these will be more tailored to specific target groups and regions. For government and business partners, each programme will develop focused engagement strategies.

# Developing our services and capacities

We will further develop our three service areas and share information about them through knowledge products and stronger external communications. We will continue to invest in building the capacity of our staff and consultants to ensure high-quality accompaniment and build a stronger community of local practitioners.

## Developing our M&E system

We will track progress towards our outcome and capacity objectives on an on-going basis and adapt our partnerships or collaborative efforts in light of context changes if necessary. Assuming that the pandemic will exacerbate social and political volatility, we will collectively review context changes every six months and consider the case for strategic adaptation once a year.

# 2020 IN REVIEW: OUR PEOPLE

In 2020, our team grew by 3 new members. Looking ahead, we will continue to invest in building the capacity of our staff and consultants to ensure high-quality accompaniment, as well as to build a stronger community of local practitioners.

Our headquarters in Prangins, Switzerland



Catriona Gourlay Executive Director



Peter Cross
Deputy Director



Magali Khéloui Finance and Administration Director



Carole Frampton-de Tscharner Organisational Development Lead



**Héloïse Heyer** Conflict Sensitivity Lead



**Johannes Schreuder** Business Engagement Lead



**Kristyna Jostova** Finance Assistant



**Daniela Bosnjak** Communications and Learning Advisor



**Nuno Lopez** Facility Manager

International Associate Consultants



Luc Lafrenière



Frauke de Weijer



**Hesta Groenewald** 

# 2020 IN REVIEW: **OUR PEOPLE**

#### Southeast Asia Team



**Sai Won Latt** Programme Officer



Carol Sivpey Te Associate Consultant

Central Asia Team



**Chinara Esengul**Programme Manager



Nazgul Aksarieva Programme Officer



**Zarina Isakova**Programme Officer



**Indira Rakymova**Programme Officer

West Africa Team



**Aliou Kebe** Programme Manager



**Boris Some**Programme Officer



**Anina Uhlig**Programme Officer

Western Balkans Team



**Deborah Reymond** Programme Manager



**Mario Mažić** Programme Advisor



Randall Puljek-Shank Programme Advisor

# 2020 IN REVIEW: **OUR BOARD**

#### Our board



**Dr Kathleen Cravero** Chair



**Hansjörg Wyss**Board Member



Professor 'Funmi Olonisakin Board Member



**Denis Kadima** Board Member



**Ivo Knoepfel**Board Member



Victor Angelo Board Member



**Dr Louisa Chan Boegli** Board Member

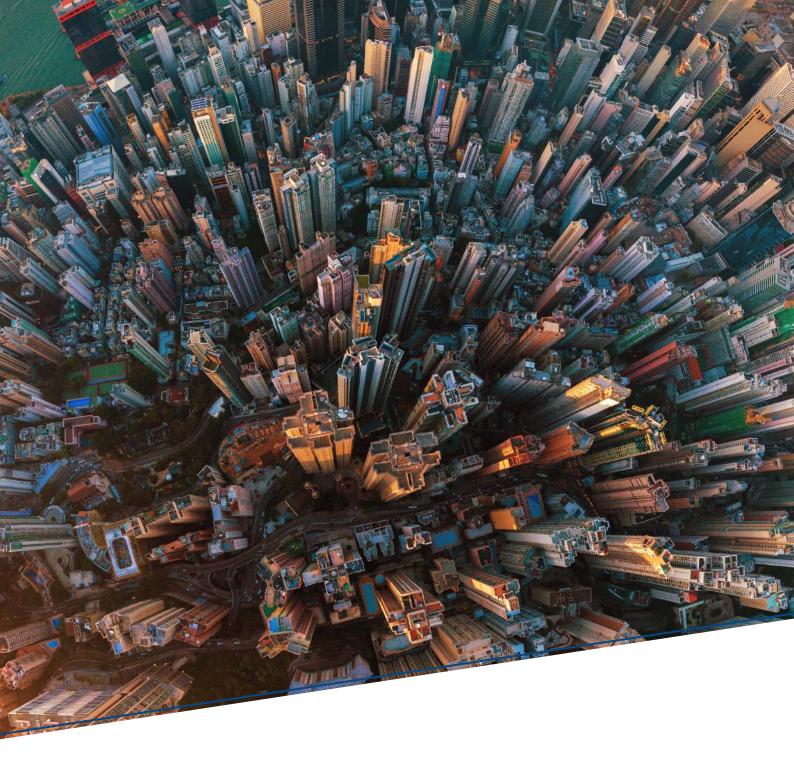


Molly McUsic Board Member

#### **Founder**



**Anne Gloor** Founder



# OUR INTERNATIONAL PROGRAMME

In 2020, we supported a total of 19 international partnerships. All our international partners have a strong peacebuilding impact in a number of fragile states and are well positioned to influence the policy of other international actors. We see these partnerships as critical to improving international support for local peacebuilding efforts.

# ORGANISATIONAL DEVELOPMENT

We accompany processes of organisational change with partners that have peacebuilding at the core of their mandate. Our support to embed core capacities for improved operational impact and collaboration contributes to more relevant, inclusive and sustainable peacebuilding practices, and more effective interventions as a result.

#### OUR PARTNERS IN 2020

Our portfolio of international partners complements our regional work by focusing on global actors that have a strong footprint in our regions and support locally-led peacebuilding.

- · The United Nations Peacebuilding Support Office
- The Organisation for Security and Co-operation in Europe
- Partners Network
- · Peace Brigades International
- Cord
- Trial International
- Nonviolent Peaceforce
- · Democracy Reporting International

#### PARTNERS SELECTED IN 2020

- · International Alert
- · Women's International League for Peace and Freedom
- Peace Direct
- Build Up
- Conciliation Resources & CMI Martti Ahtisaari Peace Foundation (peer-learning project)

# THE CONTEXT

In 2020, COVID-19 forced peacebuilding actors to adapt their practices and deeply tested their organisational resilience. Many local peace actors joined and took the lead in pandemic responses on the ground, while international actors had to rethink their role, in a context where the Black Lives Matter movement exposed and challenged traditional power dynamics.

This was reflected in the organisational development requests we received in 2020, where many international peacebuilding organisations sought to better embed their values in their programmatic work, internal structures and processes. In 2020, other funders also recognised organisational development as a "smarter" way to achieve sustainable outcomes and came together to advance donor practices.

# NONVIOLENT PEACEFORCE

As the recipient of the 2018 Luxembourg Peace prize for its outstanding contribution to peace, Nonviolent Peaceforce (NP) works in violent conflict contexts to protect civilians through unarmed strategies and accompaniment, working side by side with local communities and advocating for the wider adoption of these approaches. Selected through PeaceNexus' Call for Proposals in 2018, NP's organisational strengthening process focused on three issues: human resources, monitoring and evaluation, and strategic planning.



Having a well-supported, intentional focus and commitment to organisational change over the last two years has been transformational for NP. Before starting this process, we were repeating the same mistakes that were keeping us reacting rather than acting. We have now moved into the next phase of organisational maturity that has allowed us to weather shock and, in fact, is engendering conditions for safe and meaningful growth.

Tiffany Easthom, Executive Director, Nonviolent Peaceforce



#### Results

As the partnership draws to a close, the organisation can reflect on remarkable progress. Centralized human resources management support is now provided, ensuring faster, more consistent, professional processes. Now with dedicated staff, NP will continue to invest in the introduction of software that further improves data management and collaboration.

A series of Guidance Notes have been developed and, thanks to new templates and staff training, NP can now report against a set of shared core competencies across its different programmes. The work done is this area has provided NP with a shared language for programme development and proven to be "immensely useful" for external stakeholders. It has also given NP a starting point to achieve further programmatic and operational coherence in its new strategy, which was developed through a highly participatory process in 2020. Additional work to align NP's governance structure to its strategic priorities is ongoing.



#### EMBEDDING YOUTH PARTICIPATION WITH THE OSCE

In line with our support of the Youth, Peace and Security agenda, we have been partnering with the OSCE Mission to Serbia since 2019 to operationalize its commitment to youth participation at the programmatic and organisational level. Reviewing existing practices across the OSCE and beyond, comprehensive guidelines on youth mainstreaming have been developed and are now available online. A training course accompanies these guidelines and is conducted for other OSCE missions and national counterparts. It has, for instance, been delivered to four local municipalities in Serbia that have a strong interest in advancing local youth participation mechanisms.



A series of roundtables will be hosted in 2021 to continue to capture best practices in collaboration with other OSCE institutions: the Office of the Secretary General in Vienna and the Office for Democratic Institutions and Human Rights in Warsaw. A Practice Paper will be published as a result. This will further promote youth participation in and beyond the OSCE, to ensure peace and security issues that affect youth are addressed with youth.

#### LOOKING AHEAD

In 2020, we selected new partners that are aligned with our new strategy. This promotes participatory peacebuilding and the inclusion of youth and women not only in programme implementation, but also within internal organisational processes and structures. International peacebuilding organisations are increasingly challenged to embody the values they promote through innovative operational models and funding mechanisms. Our support to partners, as well as our peer-learning and influencing efforts within the donor community will reflect these priorities.

#### Our objectives:

- International organisations have adapted their internal policies, funding modalities or approach to programming so that they are better able to support local peacebuilding actors, including women and youth-led groups
- Civil society networks of peacebuilders are stronger and better able to provide support to their members or local peacebuilders
- Donors have increased peer-learning to improve funding practices for organisational capacity building and locally-led peacebuilding work

# CONFLICT SENSITIVITY

We support civil society and government actors working in conflict contexts to better understand and adapt to conflict as part of their core operations, so as to reduce unintended harm from their work, scale up their contributions to peacebuilding and increase their overall impact when working in conflict.

# OUR PARTNERS IN 2020

- Oxfam
- · Christian Aid Ireland
- ZOA
- · International Organisation for Migration
- Conservation International
- · Conflict Sensitivity Community Hub

# THE CONTEXT

In 2020, the Covid-19 crisis hit fragile contexts particularly hard, given the lack of health infrastructure, high population density, notably in refugee camps, and limited channels of trustworthy information.

Our international humanitarian, development and environmental partners had to make radical adaptations to their operations, expanding their emergency work to assist vulnerable populations in conflict contexts while ensuring they would not exacerbate tensions in doing so. We closely accompanied their adaptation efforts, as well as their strategies to tackle issues of inequality and conflict more centrally as a part of "build back better" efforts.

#### Partnership Highlight

#### **OXFAM**

Oxfam International is a global confederation working with more than 3,500 partners in 67 countries to fight against poverty and inequality, and is increasingly focused on contexts experiencing conflict and fragility. Since 2018, PeaceNexus has been supporting Oxfam Great Britain and Oxfam IBIS, in collaboration with the Global Humanitarian Team, in their efforts to operationalise conflict sensitivity and capacities for peace across Oxfam's work.

#### Results

At the Confederation level, PeaceNexus' support has helped drive cross-affiliate collaboration to emphasise the conflict dimension in Oxfam's new strategic framework. A "Listening Initiative" was conducted with 40 staff from 24 countries

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who shared their experiences of working in conflict, as well as their views on what Oxfam needs to change to improve its impact in such contexts. Oxfam's new ten-year strategy prioritises working in fragile contexts, through a "Rights, Resilience and Response" framework.

During the Covid-19 crisis, Oxfam also put a strong focus on ensuring its response did not create more tensions in conflict contexts. It influenced the wider sector by sharing its COVID-19 and Conflict Sensitivity operational guidance, as well as its policy brief on "Conflict in the Time of Coronavirus: Why a global ceasefire could offer a window of opportunity for inclusive locally-led peace". At the country-level, PeaceNexus helped to establish a more open exchange among staff and with leadership on what it would take for Oxfam Burkina Faso to adapt conflict sensitivity more systematically, and to adapt effectively to their fast-changing context.



Our collaboration with PeaceNexus has helped us improve how we operate in our current context of rising insecurity and humanitarian needs. We have particularly valued PeaceNexus' participatory methodology, as well as their expertise, openness, patience and flexibility. This helped us draw a conflict sensitivity self-assessment, taking into account different perspectives across programmes. We have prioritised conflict sensitivity and social cohesion in our 2021-2025 country strategy and are confident that this will help us achieve better and more durable results for the communities we work with.

Henri Sougourounoma Kabore, Peacebuilding Advisor, Oxfam Burkina Faso



# GENEVA PEACE WEEK

During the 2020 Geneva Peace Week, PeaceNexus partnered with the International Union for the Conservation of Nature (IUCN), the World Wildlife Fund (WWF) and Conservation International (CI) to host an online panel discussion titled "Conservation and peacebuilding: Towards greater collaboration". The session aimed to raise awareness of the overlap between nature conservation, climate challenges and conflict. More than 100 participants joined to discuss how the conservation and peacebuilding communities could better collaborate and learn from each other to address these highly connected challenges.

Recognising the benefits of building connections between peacebuilding and conservation practitioners, PeaceNexus has continued collaborating with the IUCN, WWF and CI and will soon launch a podcast series to share insights and best practices of actors working on peace and conservation with a broader audience.



#### LOOKING AHEAD

In 2021-2023, we will focus on a small number of high influence partners in two sectors: multi-mandate agencies with a strong humanitarian presence in fragile countries and environmental organisations working for nature preservation and climate action in conflict areas.

#### Our objectives:

- Our humanitarian and development partners have included conflict issues in their strategy and operations and scale up their support to local peacebuilding actors;
- Our environmental partners have minimised conflict risks in their operations and pilot peacebuilding approaches as part of their conservation and climate work;
- Our collective initiatives have improved alignment of local-level and international approaches to tackling conflict, and increased attention and resources for conflict prevention in some donors and policy-makers.

# BUSINESS ENGAGEMENT

We work with companies, government and civil society to reduce disputes around operations, adapt their operations to contribute to social cohesion in fragile contexts and report on their contribution to peace, justice and strong institutions.

# OUR PARTNERS IN 2020

Our portfolio of international initiatives complements our regional work by engaging with corporate headquarters, investors and global business-community mediation entities and experts.

Initiatives supported in 2020 include:

- The CADMOS Peace Investment Fund
- Nespresso (Nestlé)
- The United Nations Global Compact
- Dialogue case focused on reducing air pollution in Zenica in Bosnia and Herzegovina
- Dialogue case focused on eliminating forced labour in cotton company operations in Uzbekistan

# THE CONTEXT

The global pandemic has increased tensions between companies and communities and reduced the ability of companies to engage with their supply-chain partners on ESG issues. The temporary standstill of the global economy had the greatest impact on the most vulnerable stakeholders of companies based in fragile and conflict-affected countries. While the direct impact was mostly negative, it increased attention to social impacts - the 'S' in ESG - by companies and investors, advancing our ambition to focus company efforts on improving social impacts, especially in the most vulnerable communities and fragile countries.

#### CADMOS PEACE INVESTMENT FUND

Launched in January 2018 by PeaceNexus and the Swiss asset management firm de Pury Pictet Turrettini, the Cadmos Peace Investment Fund is a global listed equity engagement fund. The number of companies in the Fund's portfolio fluctuates between 30 to 40. PeaceNexus engages with portfolio companies on a continuous basis to encourage improved business practices in fragile states.

In 2020, we further specified the key themes we would like to advance for each portfolio company. Common focus issues included client due diligence, supply chain transparency and sustainability, and diversity and inclusion in fragile states. In the 35 engagement meetings we conducted in 2020, we were able to raise the importance of these issues with 22 portfolio companies. We secured a partnership with Nespresso and advanced more in-depth collaboration on specific topics with SAP and Novartis. We conducted an external review of our engagement activities in 2020 and intend to act on the recommendations in 2021.

# REDUCING AIR POLLUTION IN ZENICA

In 2020, a two-year dialogue process facilitated by PeaceNexus in the Bosnian City of Zenica was concluded with the official launch of the 'Zenica Group for Ecological Dialogue'. Since 2019, PeaceNexus' had been supporting efforts to restore the dialogue between local and federal authorities, the steel manufacturer ArcelorMittal Zenica and civil society organisation Eko Forum, in order to address shared environmental concerns over air quality in Zenica.

In addition to building trust and enabling the exchange of information, the dialogue process advanced the implementation of new environmental measures with a tangible impact, including the creation of a new register of pollutants and a significant reduction in the number of days with excessive air pollution.

The new Zenica Dialogue Group will help the stakeholders independently sustain their continued engagement over the next 3-5 years and enable closer collaboration towards a clean and prosperous Zenica.



ArcelorMittal Zenica recognizes the common interest of business, non-governmental and governmental sectors, which is to improve the quality of the environment and ongoing environmental protection activities. The support by Peace Nexus enabled us to objectively and transparently exchange information in order to avoid disinformation, to look at important questions from different points of view and, to try to harmonize our views and opinions about them, which was a particular challenge for all of the participants in the dialogue.

Azra Sivro Environment and Quality Management Department, ArcelorMittal Zenica





#### UNITED NATIONS GLOBAL COMPACT

PeaceNexus has partnered with the United Nations Global Compact to advance the Action Platform on Peace, Justice and Strong Institutions (the Sustainable Development Goal 16). This platform aims to provide global business standards for understanding, implementing and reporting on businesses' contribution to SDG 16. To translate the relevance of SDG 16 for the private sector, in November 2020, we released a practice paper providing indicators for the five SDG 16 targets considered most operationally relevant by key stakeholders. It highlights the inconsistency between the importance given to the topics captured under SDG 16 by investors and standard setting agencies (84% of whom consider it (very) relevant to report on)



and the lack of company reporting on SDG 16. One reason for this limited reporting is the lack of practical guidance. The paper aims to address this, by illustrating how businesses can contribute to SDG 16 through corporate and global governance, and how they can document their contributions towards SDG 16 as part of their corporate reporting. Building on this research and 14 country consultations, the UN Global Compact released the 'SDG 16 Business Framework in June 2021. This has already enhanced the awareness of 115 UN Global Compact companies who participated in the country consultations. Additionally, the Action Platform was instrumental in facilitating the CEO statement signed by more than 1000 CEOs, which highlighted that they 'recognize that peace, justice and strong institutions are beneficial to the long-term viability of our organizations'.

#### LOOKING AHEAD

#### Our objectives:

- 3-5 companies and affected communities requested support with dialogue facilitation to resolve a dispute and, in the majority of the cases supported, the dialogue improved cooperation and/or resulted in a sustainable solution.
- Portfolio companies have increased their awareness of their contribution to peace and SDG 16 and start to report on it:
  - More than 4 portfolio companies have entered into partnerships with PeaceNexus and reached out to external experts to strengthen their conflict-sensitive and peace-promoting business practices.
  - 8 companies have acted on the company specific recommendations
  - 24 companies have increased their understanding of and contribution to SDG 16
  - 16 companies have increased their reporting on sustainability activities in fragile states/SDG 16 topics



# OUR REGIONAL PROGRAMMES

In 2020, our regional teams worked with 30 organisations that have a high potential to transform the drivers of conflict in their context and strengthen social cohesion. We believe that actors that are closest to and most affected by conflict are also best positioned to serve as the primary agents of conflict transformation.



# CENTRAL ASIA

In Central Asia, we work towards regional cooperation and strengthen domestic peacebuilding initiatives that promote social cohesion, good governance and conflict sensitive business practices.

#### OUR PARTNERS IN 2020

- United Nations Country Team, Kyrgyz Republic
- Office of the President of Kyrgyz Republic, Department for Monitoring Humanitarian Development and Civil Society Institutions
- Foundation for Tolerance International. Kyrgyz Republic
- Progressive Women's Public Association "Mutakallim", Kyrgyz Republic
- Public Foundation "Institute of Youth Development", Kyrgyz Republic
- State Agency for Local Self-Government and Inter-Ethnic Relations-GAMSUMO
- Public Foundation "Echo", Kazakhstan
- · Collective Learning Platform of Civil Society

# THE CONTEXT

The context in Central Asia changed substantially in 2020 as the COVID-19 pandemic reduced trust in state institutions. The authoritarian tendency to restrict civil society spaces increased, while civil society became increasingly fragmented.

In Kyrgyzstan, the government remains extremely fragile following the political crisis in October, with weak internal and international support. In Uzbekistan, positive trends have been maintained, with both state and civil society actors motivated to advance national development, including through increasing civil society participation in reform efforts. In Kazakhstan, control over civil society has tightened and tensions between national and local authorities are rising, as decisions about local conflicts are increasingly made at the national level.

#### THE OFFICE OF THE KYRGYZ PRESIDENT

The Office of the President of the Kyrgyz Republic ("the Office") is in charge of strategic policy-making, as well as monitoring policy implementation by the executive government and non-governmental organisations. PeaceNexus has been working with the Office since 2018 to support the inclusive development of the Kyrgyz Jarany Civic Identity Concept.



Our partnership with PeaceNexus on the development of the civic identity concept Kyrgyz Jarany has been productive one. The inclusive way of the concept's development has been perceived as a good practice. The vision that is embedded in the Concept lays the strategic direction for 2021-2026 in finding the right equilibrium in promoting diversity and unity of people in Kyrgyzstan.

Mr.Bazarbaev Kudaibergen, Head of the Department on Interaction with Civil Society Institutions, Religion and Interethnic Relations, Administration of the President of the Kyrgyz Republic



#### Results

The Kyrgyz Jarany Concept, which was signed by the acting president in November 2020, sets the strategic direction for 2021-2026 and aims to strengthen the unity and diversity of the Kyrgyz people through a shared and inclusive civic identity. The adoption of the concept, despite political upheaval and the COVID-19 crisis, was possible due to strong collaboration and trust between key stakeholders, as well as the leadership of the Department for Monitoring Humanitarian Development and Interaction with Civil Society Institutions, run by the Office of the President.

In 2021, we will support the Academy of State Management under the President of the Kyrgyz Republic in designing and piloting training materials on the Kyrgyz Jarany Concept to ensure its effective implementation by government and municipal officials.

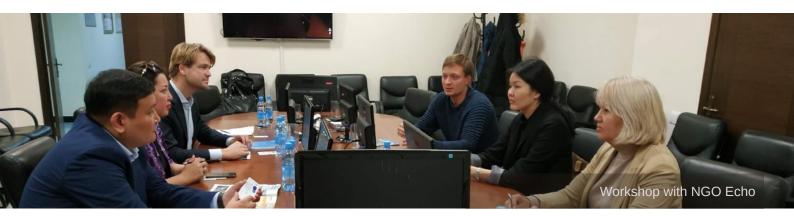


#### NGO ECHO KAZAKHSTAN

Public Association "Echo" Kazakhstan is a non-governmental organization which works to promote transparency in the extractive industry and electoral processes, as well as the effective oversight of government and company policies and practices.

PeaceNexus has been supporting Echo since 2018 to convene and support a multi-stakeholder dialogue relating to the oil industry in the Mangistau province of Kazakhstan. In the inception phase, PeaceNexus supported Echo with fact-finding and analysis of the issues. As a result, Echo and their implementing partner NGO Eco Mangistau were able to identify the key drivers of tension between oil companies, their employees and local authorities, as well as opportunities for joint problem solving. A working group of key stakeholders has since been formed and Echo has successfully facilitated its meetings.

In 2021, PN plans to continue supporting the multi-stakeholder group with joint problem solving. We believe that this process will serve as a helpful example for decreasing social tensions in other oil industry-dependent cities in Kazakhstan.



#### LOOKING AHEAD

In 2021-2023, our partners will contribute to the following expected outcomes:

- In Kyrgyzstan, the new policy on citizenship is being implemented in a way that respects minority rights and diversity, and with the engagement of civil society
- In Uzbekistan and Kyrgyzstan, governments and civil society have developed more participatory approaches to policy development in relation to the role of civil society in social and political reforms
- In Kazakhstan, conflict around foreign investments is reduced
- At the regional level, collaboration between Central Asian states has begun on an economic issue of common interest.

Our expected capacity building outcomes for our partners:

- Actively engaging youth in peacebuilding efforts
- Developing informed and actionable policy recommendations
- Engaging in and convening constructive dialogues with businesses, governments and local communities
- Enabling our partners to participate in and promote collaboration within and across CA countries.



# WEST AFRICA

In West Africa, we partner with national and regional actors to strengthen dialogue between different communities, the state and the private sector to reduce the escalation of violence and promote inclusive governance and development.

#### OUR PARTNERS IN 2020

- OCADES Caritas Burkina Faso
- · Oxfam, Burkina Faso
- Burkinabe Association for Community Action, Burkina Faso
- Réseau Afrique Jeunesse, Burkina Faso
- · SOS-Civisme, Niger
- · High Authority for Peacebuilding (HACP), Niger
- · ONG 3D, Senegal
- · National Council of Concertation and Rural Cooperation, Senegal
- Réseau Billital Maroobé (Regional Network)
- · West Africa Conflict Sensitivity Hub

# THE CONTEXT

The economic consequences of COVID-19 have been severe for the West Africa region and the security situation further declined across the Sahel. 2020 was the deadliest year of the past decade for Mali, Niger and Burkina Faso. The coup in Mali sent shock waves through the region and increased tensions in the run-up to the elections in Burkina Faso and Niger. While some post-electoral mediation took place to address fraud allegations, the elections were largely assessed as fair and peaceful.

The rise in violence has resulted in 1.6 million internally displaced people and directly affected our partners' work. Rather than leading to their withdrawal, however, these circumstances have strengthened our partners' resolve to integrate conflict prevention into their work.

# ASSOCIATION BURKINABE D'ACTION COMMUNAUTAIRE

In 2020, our four year partnership with the Association Burkinabè d'Action Communautaire (ABAC) came to a close. ABAC works primarily in rural areas in Burkina Faso to improve the livelihoods of farmers, pastoralists and small-scale producers, as well as to contribute to social cohesion within these communities. Our support focused on organisational development and included elaborating two strategic plans (2018-2020/2021-2025), strengthening external communications and developing ABAC's approach to mediation and dialogue.



PeaceNexus' organisational development support has given ABAC a new lease of life. Thanks to PeaceNexus, we have clear administrative procedures and a monitoring and learning system that helps us draw on our experiences. The revamped website allowed us to increase our visibility, showing the impact of our work. We would like to thank PN who, despite the end of the official partnership, is still by our side. I can only hope that other organisations will be able to benefit from similar accompaniment. ABAC will share the lessons learned from its experience.

Guillaume Badoit, Président Directeur Exécutif de ABAC

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#### Results

In 2020, ABAC updated and revised its first strategic plan to account for the changed social, economic and environmental context of rural Burkina Faso and reposition themselves as an expert organisation for social cohesion. It further revised its approach to supporting mediation and dialogue by focusing more on training and supporting key stakeholders from rural communities to resolve their conflicts peacefully and avoid taking legal action. Throughout the partnership, ABAC has strengthened its external communication strategy, increased its visibility and consolidated its position in Burkina Faso's civil society, which has resulted in new partnerships. ABAC is a trusted partner for a broad local constituency working to improve food security, environmental protection, and peacebuilding, and its current strategy seeks to consolidate this position by 2025.



#### CONFLICT SENSITIVITY HUB

The Conflict Sensitivity Community Hub West Africa and the Sahel (CSC-Hub WA) was initiated in 2019 based on the demand from diverse actors in the region to establish a space for practical exchange and learning on conflict sensitivity. Together with World Vision, Islamic Relief and Oxfam, PeaceNexus hosted a first Do no Harm training in



November 2019, which gathered participants from 13 organisations and 6 countries. Expressing a shared interest in deepening and pursuing exchanges over time, participants decided to remain in contact and work towards establishing a regional network on conflict sensitivity.

Adapting to the radical shifts triggered by the COVID-19 crisis, in a series of on-line events, members analysed how their operations were affected by the pandemic and how to develop more conflict sensitive responses, notably in terms of health and emergency programming. A vision and road map for the group were collectively defined in September 2020, with an initial focus on providing coaching on conflict sensitivity in relation to gender and land issues. The regional hub continues to grow, with new actors joining and representing a diverse constituency of international NGOs, regional networks, local CSOs, UN and government agencies.

#### LOOKING AHEAD

In 2021-2023, our partners will contribute to the following expected outcomes:

- Strengthened inter-community dialogue and collaboration with state authorities to prevent violence
- Greater collaboration and inclusivity around natural resource management

Our expected capacity building outcomes for our partners:

- Influence regional organisations and initiatives to respond to the needs of marginalised populations including pastoralist communities and youth.
- Communicate externally and initiate collaboration with other actors to address common security challenges
- Promote awareness of conflict around access to natural resources and increase transparency in contracts with governments.
- Monitor company compliance with contracts and engage in informed dialogue with companies.



# SOUTHEAST ASIA

In Southeast Asia, we are focused on Myanmar, where we partner with civil society, the private sector and authorities to make foreign investment more transparent and inclusive.

OUR PARTNERS IN 2020

- RAFT Myanmar
- BEE House
- Myanmar China Pipeline Watch Committee
- Myanmar Alliance for Transparency and Accountability (MATA)

# THE CONTEXT

Forecast as a year of record growth, 2020 began with China's President Xi Jinping signing 32 agreements related to large infrastructure and development projects. However, two issues ultimately dominated the agenda in Myanmar throughout the year: COVID-19 and elections.

In response to the pandemic, the government rapidly cut off international travel and severely restricted domestic travel. This resulted in economic growth dropping to 1.7% from 6.8% the year before. The restrictions also contributed to stalling the peace process.

The NLD's decisive victory in the November elections was short lived as the military took control of the country in February 2021. The coup was soon followed by public protests and civil disobedience movements, which have paralysed government functions and persist despite brutal crackdowns. As of June 2021, anti-coup movements have intensified, Myanmar's economy is in crisis and its people face significant risks to their safety and livelihoods.

#### BEE HOUSE AND BUILD UP

In 2020, the Myanmar government introduced strict measures to curb the spread of COVID-19, banning both domestic and international travel. These restrictions made it impossible for our civil society partners, who represent remote and poorly connected conflict-affected communities, to implement their programmes. As many of these conflicts are linked to the extractives sector or large-scale infrastructure investments, there was a fear that unscrupulous investors could take advantage of the lockdown and lack of oversight.

As a result, our partners had to rapidly adopt online communication tools to enable them to connect with communities. However, while our partners were digitally adept, the communities and local organisations they represent had very limited internet access and literacy.

To bridge this knowledge gap, PeaceNexus collaborated with the peace-tech organisation Build Up and our partner Bee House to increase the capacity of national NGOs to adopt appropriate digital technologies and use them for public and community engagement.

Build Up were able to identify practical solutions that met competing requirements and could be rapidly adopted by our partners and the communities they work with. Together, we were able to ensure that these tools could convene large networks and enable continued progress toward their objectives.



The workshop on digital adaption is very helpful. It equipped me the knowledge and tools to continue working with my local networks. I have shared the record of the workshop with people in my network and they are now applying this knowledge in their daily work.

Nyantar Zaw, a participant from Bee House's network

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# Types of meetings: updates • ဖွဟရနျ အခကြုမြား ကိုမေးရနျ • စံနမူနာ template တချခုပေးထားရနျ တချခုပေးထားရနျ

#### RAFT MYANMAR

RAFT Myanmar supports national and international humanitarian and development agencies to develop a better understanding of the contexts in which they work, and the possible unintended effects of their engagement. RAFT Myanmar provides technical support on conflict sensitivity and how to apply the Do No Harm Framework to minimize the risk of unintentionally exacerbating tensions, while maximising contributions to collaboration.

Behind RAFT's core services are: strategic decision-making informed by sound contextual understanding, integrating conflict sensitivity into programmes and policies, and supporting national and international actors to develop strategies which maximise their contribution towards peace.

In 2020, PeaceNexus supported RAFT's leadership transition and journey to become a fully local Myanmar organisation. We supported the review of governance models that could meet RAFT's needs. By the end of 2020, RAFT had successfully restructured and had secured new partnerships, creating a good foundation for its continued success. RAFT was also able to adapt its working model to accommodate the restrictions presented by COVID-19.

In 2021, PeaceNexus intended to support RAFT with introducing a new governance structure and developing its capacity to provide conflict analysis and sensitivity services to the private sector.



PeaceNexus originally committed to supporting RAFT on the transition to local leadership, but they have adapted and helped us adapt to unprecedented and unforeseeable challenges, including COVID-19 and political instability. This has helped RAFT navigate the increasing complexities of working in Myanmar.

Patrick Sweeting, Executive Director, RAFT



#### LOOKING AHEAD

When we developed our 2021-2023 strategy in 2020, we planned to maintain our support to our civil society partners to ensure infrastructure and economic development programmes contribute to peace and social cohesion in Myanmar. We also aimed to explore opportunities for constructive engagement with Myanmar authorities, CSOs and Chinese think tanks around Chinese investments to better assess their impacts.

Since the coup in February 2021, it has not been possible to pursue these objectives. Instead, we have shifted our focus to addressing the immediate needs of our civil society partners and helping companies responsibly navigate the business and human rights challenges presented by the changed context. In line with our commitment to strategic adaptation in response to context changes, we will revise our longer term strategic objectives for the programme in 2021.



# WESTERN BALKANS

In the Western Balkans, we work towards reconciliation by contributing to the quality and intensity of collaboration across ethnic lines within and across states and by striving to enable the mobilisation of citizens for transitional justice and democratic reforms.

#### OUR PARTNERS IN 2020

- · Western Balkans Fund
- · Regional Youth Cooperation Office
- Independent Journalists' Association of Vojvodina, Serbia
- Youth Initiative for Human Rights Bosnia & Herzegovina
- · Nansen Dialogue Centre Mostar, Bosnia and Herzegovina
- Metamorphosis, North Macedonia
- · South East European Youth Network
- · Network for Building Peace (Mreža mira)

#### PARTNERS SELECTED IN 2020

- Kosova Rehabilitation Centre for Torture Victims, Kosovo
- Community Building Mitrovica, Kosovo
- NGO Aktiv, Kosovo
- · Youth Initiative for Human Rights, Croatia
- Heartefact Fund

# THE CONTEXT

Although the region hasn't seen flare-ups of violence in several years, many conflict drivers remain unaddressed, especially when it comes to dealing the legacy of the 90s. This contributes to increasing ethnic and social divisions and fuels nationalism, including among younger generations. In 2020, both bilateral disputes and the EU accession process were stalled.

There was democratic backsliding in several countries of the region, which are now considered to be "hybrid regimes" due to declining trends in terms of governance, human rights and media freedom. Responses to the COVID-19 pandemic further undermined the rule of law in some places and have made civil society organisations more fragile.

# THE WESTERN BALKANS FUND

The Western Balkans Fund (WBF) was created by the Ministries of Foreign Affairs of Albania, Bosnia & Herzegovina, Kosovo\*, Montenegro, North Macedonia and Serbia. Its mission is to promote closer cooperation between its members and advance their European integration, as well as to encourage regional cohesion by supporting cooperation projects designed and implemented by civil society organizations, academic and cultural institutions. Recognizing the unique value of this regionally-owned initiative, PeaceNexus has supported WBF since its first days of operations in 2017. In 2020, our support focused on finalizing WBF's 2020-2024 strategy.



Thanks to the direct support of PeaceNexus on the WBF Strategic Development Process, the Fund is growing sturdier and has asserted itself as one of the most effective instruments of cooperation in the region. The WBF has proven itself as a unique cooperation mechanism and good example of how to put needs before differences, including the most important element of cooperation – people to people contact through personal relationships.

Dr Gjergj Murra, Executive Director of the Western Balkans Fund

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#### Results

WBF's 2020-2024 strategy, which was endorsed by the six Foreign Ministries of the region, presents a significant multi-year government commitment towards civil society. Increased external support will also enable WBF to provide more people with the opportunity to experience regional mobility and build relationships across borders. Our support has also strengthened WBF's capacity to adapt. Despite the onset of COVID-19, WBF supported 22 additional regional cooperation projects in 2020, and developed a comprehensive report outlining the pandemic's impact on regional cooperation and civil society organizations. In 2021, PeaceNexus will help WBF implement its strategy, develop a M&E system and strengthen its internal procedures to channel its growth towards even greater impact.

\*This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence



#### INDEPENDENT JOURNALISTS' ASSOCIATION OF VOJVODINA

The Independent Journalists' Association of Vojvodina (IJAV) is defending media freedom amid an increasingly hostile environment in Serbia. PeaceNexus is supporting IJAV's efforts to strengthen its governance and sustainability.

#### Results

Since starting its partnership with PeaceNexus at the end of 2018, IJAV has successfully undergone a leadership and generational transition and developed a new strategy. The Association has managed to remain a staunch advocate for media freedom, despite threats and acts of intimidation against its members. In 2020, one of its leading members was arrested for her accurate but critical coverage of the government's handling of the pandemic and subsequently released, in part due to IJAV's vocal advocacy.

Today, IJAV's independent media portals are growing and the organisation's expertise is being recognised outside of Serbia, with IJAV strengthening the ability of Central European media organisations to combat fake news. In 2021, we will support IJAV's ambition to strengthen its relationship with its members and further develop its media portals through income-generation activities.



Working with PeaceNexus, our organization has gained a serious partner to find time and opportunity in everyday activities to focus on strategic steps. By working together, with the professional support of the PeaceNexus team, we managed to overcome the challenges, to set strategic goals, to introduce synchronised activities among the various projects we run. In a hostile environment for independent media and journalists, we managed to preserve the integrity of the organisation in which PeaceNexus played an important role"

Norbert Šinković, Chairman of the Managing Board of IJAV



#### LOOKING AHEAD

In 2021-2023, our partners will contribute to the following expected outcomes:

- Regional and national partners have scaled up their work and impact across divided communities
- Increased public support for intercultural and regional cooperation
- More initiatives dedicated to transitional justice and reconciliation
- Policy proposals formulated by our partners that support the strengthening of democratic systems and transitional justice are taken up by decision-makers.

Our expected capacity building outcomes for our partners:

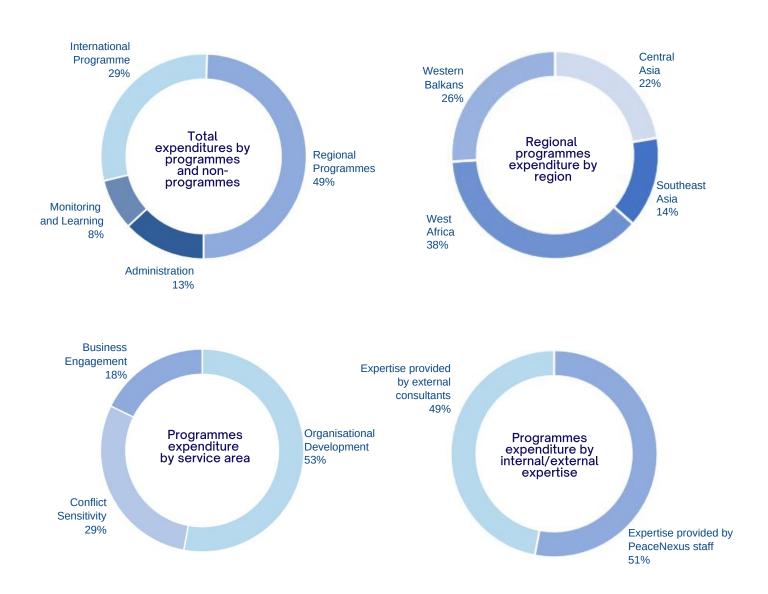
- Stronger and more conflict-sensitive strategies and management systems are in place
- There is broader engagement with local constituencies
- Policy recommendations related to democratic reforms are crafted and supported through coalitions

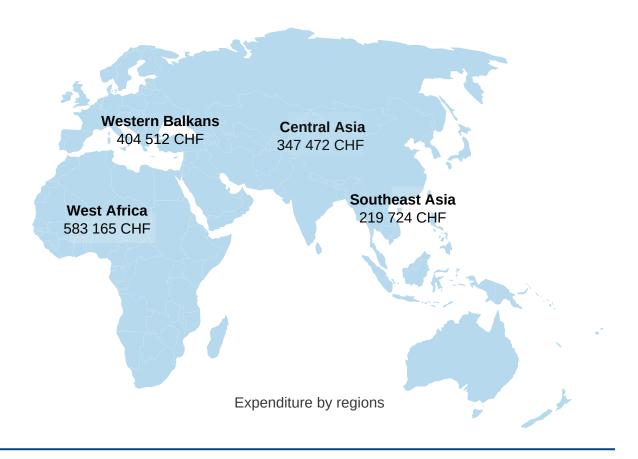


# EXPENDITURE AND MISSION INVESTING



### 3 151 522 CHF total expenditure





# MISSION INVESTING

As a Foundation, we avoid investing in companies whose products and corporate behaviour conflicts with our vision by applying sustainability and ESG criteria to our entire endowment.

We also invest in companies, via the CADMOS Peace Investment Fund, that contribute to our vision because they have a positive impact in fragile states. Through dialogue and assessments, we promote company awareness about their peacebuilding impact and provide assistance to strengthen it. For further information about our engagement activities with companies in the CADMOS Peace Investment Fund see the Business Engagement section (p.18).

In 2020, we participated in two collaborative shareholder initiatives to further amplify our impact on selected companies. Firstly, we supported the shareholder resolution arguing for the human rights committee at the board of Alphabet. While getting significant support, the proposal was not adopted as requested, but made human rights the overarching theme of the 2020 annual shareholder meeting. Secondly, we supported a shareholder initiative urging social media companies to put an end of the distribution of objectionable content, following the Christchurch mosque shootings in 2019. As a direct response to our collective engagement efforts, the charter for Facebook's Risk and oversight Committee has been updated. That said, by the end of 2020, given the ongoing controversies of Facebook both globally and in fragile states, as well as its limited response to our direct engagement activities, we could no longer justify keeping it in our portfolio.

In various discussions with our asset managers, we urged them to increase reporting on ESG data on our investment portfolio and asked how ESG considerations informed portfolio composition. We raised the importance of voting and engagement and will continue the dialogue on their actions taken in 2021.

+41 22 365 1500 info@peacenexus.org
www.peacenexus.org

PeaceNexus Foundation Route de Lausanne 107 1197 Prangins, Switzerland