2023 Annual Report

PEACENEXUS FOUNDATION

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FOREWORD A MESSAGE FROM PEACENEXUS' CHAIR



In 2023, I took up the position of PeaceNexus Chair for the second time, having served a first term as Chair from 2011 until 2018. While familiar with the Foundation, I was curious to see how PeaceNexus had evolved, particularly in response to the increase in conflict in the intervening five years. Here are three things that struck me upon my return:

Firstly, PeaceNexus continued to support its partners in difficult and politically contested contexts. As a diplomat, I believe in engagement and maintaining dialogue. Following the coup in Myanmar in 2021, many INGOs disengaged. I was encouraged to find that PeaceNexus had instead supported civil society partners to adapt, including through re-locating or re-focusing their work, and had prioritized support for dialogue between pro-democracy groups to prepare the groundwork for future political dialogue. As the realities on the ground have shifted in 2023, these efforts are ever more important.

Secondly, PeaceNexus knows what it takes to embed adaptive and conflict-sensitive management. Having worked for the Swiss foreign and development agencies and multilateral security organisations, I am acutely aware of how challenging it is to turn conflict sensitivity theory into practice. While the principle of do-no-harm is self-evident, creating capacities for on-going political assessment and risk mitigation is not obvious in traditional results-based operations. I was therefore encouraged to discover that the approach to building capacities through pilot testing at the country level, alongside policy and procedural adaptation, has worked even in large organisations that have no history working on social issues.

Thirdly, while PeaceNexus has always enabled locally-led peacebuilding by directly supporting partners that work at the national or sub-national level, I found that this is now more coherent with our work with international partners who share this commitment. I also found that PeaceNexus has taken steps to develop a locally-led operational model. Our staff are increasingly from the regions they serve, and are building a network of local advisors to accompany partners. As rising insecurity often limits international travel, for instance in the Sahel, this has also been important for our own operational resilience.

In conclusion, my return to PeaceNexus reminds me that at a time when multilateralism is under threat and polarization is increasing in most societies, it is still possible to build social cohesion and resilience at the multi-local level. Our partners in Senegal recently reminded us of this. Their coalition of civil society and religious leaders staunchly defended the constitution, closely monitored the elections and helped secure a peaceful transition of power. I am proud of their accomplishments and PeaceNexus' commitment to enabling such locally-led, collective and principled leadership.

I hope you enjoy the reading,

Thomas Greminger
Ambassador, Executive Director of the
Geneva Centre for Security Policy

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ORGANISATIONAL NEWS

2023 IN REVIEW: OUR PURPOSE AND SERVICES

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.

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

To address the To build accountable, prejudice, our partners engage in constructive build connections and collaboration between trust between different

Social Cohesion Inclusive Governance

challenges of democratic and inclusive sensitive business polarisation and governance, our partners operations and improve civil society and state groups within society institutions

Responsible Business

To support conflictsocial and environmental 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

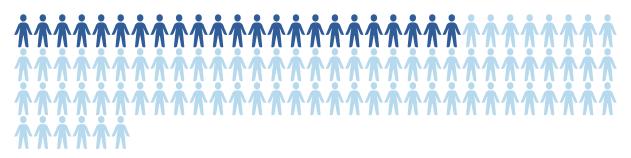


Partners

57

Organisations in collective initiatives

635



23 staff and 76 consultants



3.8 million CHF total expenditure

2023 IN REVIEW: THE NEW NORMAL: TOWARDS RESILIENCE AND DEFIANCE IN THE FACE OF CONFLICT

In 2023 all our partners had to adapt to increasingly challenging operating contexts. Obvious context shocks for our regional programmes included the coup in Niger and rising insecurity across the Sahel, a spike in tensions between Serbia and Kosovo, escalating fighting across Myanmar, and new efforts to control civil society through a foreign agents law in Kyrgyzstan.

Some partners experienced direct threats to the safety of their staff and the viability of their operations. For instance, for some partners working in divided cities in Kosovo, it was not possible to physically bring youth from different communities together for activities after violent incidents. For other partners, the context changes threatened their funding, for example in Niger, when some donors withdrew after the coup. Indeed, many of the adaptation efforts we supported in 2023 focused on organisational resilience in the face of worsening security contexts. In cases such as these, we believe that survival and adaptation is an appropriate act of defiance and hope.

Other partners were well placed and prepared to seize the opportunity of a critical event to mobilize vigorous responses in support of peaceful change. For instance, following the unexpected coup Niger, a new Commission of religious leaders acted quickly calling on the faithful to refrain from online hate speech and violent protest. Their collective leadership and appeals to inclusive patriotic and religious values played a critical role in diffusing violence and reinforcing social solidarity and cohesion.

Partners working in increasingly contested or closed political contexts are adopting a similar engaged approach to countering divisive narratives that seek to fragment civil society or frame it as serving an enemy agenda. For example, in Myanmar, civil society groups are bravely working to build the foundations for federal democracy, by focusing on inclusive dialogue for constitutional change that has the potential to unify. And in Kyrgyzstan, where narratives see civil society is an external threat, hundreds of local civil society groups came together in a public show of citizen engagement to deliver unity 'Yntymak' in a week of action.

In 2023 our international partners also experienced significant shocks to their operations. Environmental organisations were increasingly impacted by conflict as biodiversity rich, climate vulnerable and conflict hot-spots overlap. This has driven their commitment to deliver more conflict sensitive programming.

In contrast, the rise in geo-political conflict, especially the Ukraine-Russia war, has had the perverse effect of reducing funding for international peacebuilding organisations. For some European bilateral donors, political changes and a pivot towards more military spending have resulted in steep cuts to aid budgets used for conflict prevention globally. As a result, most of our international peacebuilding partners had to reduce the scope of their operations in 2023.

As funding for civil society peacebuilding represents less than 1% of bilateral and philanthropic funding, in 2024 we will explore, together with other funders, how to maintain and improve the quality of funding. Social trust and peace is key to achieving all other social and environmental outcomes. This is the time to invest in building it.

LOOKING AHEAD: INTRODUCING OUR 2024-2026 STRATEGY

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 reiterates underlying commitments to:

Strengthening organisations

We believe that actors who are closest to and most affected by conflict are also best positioned to act as the primary agents of change. As such, the majority of our work will continue to empower locally-led initiatives and organisations in our focus regions. To complement this, our support for international organisations serves to strengthen their capacity to support locally-led peacebuilding.

Enabling collaboration

We believe 'peace is everyone's business', which is why we actively engage with organizations interested in building their capacity to contribute to peacebuilding, regardless of whether peacebuilding is their primary focus. We prioritize supporting organizational transformations and collaborative endeavors aimed at bolstering inclusion and diversity within peacebuilding initiatives.

Our approach

In 2022, we commissioned reviews of progress towards our strategic objectives. Drawing on partner surveys and interviews, the results showed progress towards programme outcomes and validated our approach to accompanying organisational change and enabling collaboration:

Building on our established approach

- ✓ Working with range of actors civil society, governments, businesses
- ✓ Working within, and at the nexus of, different sectors
- ✓ Prioritising a partner-led accompaniment approach

Amplifying our impact

- Supporting and facilitating exchanges and learning between sectors
- Engaging with and learning from donors on best practice

Our overaching 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 private sector actors understand their social impact, we enable them to collaborate with communities and authorities, reduce conflict risks and support inclusive growth.

LOOKING AHEAD: INTRODUCING OUR 2024-2026 STRATEGY

Our programme objectives

Objectives for each of our programmes are elaborated in the individual programme sections of this report.

We identify two kinds of results that we work towards:

Peacebuilding outcomes

All four regional programmes will work towards long-term context-specific peacebuilding goals, as well as more specific outcomes that our partners will contribute to by 2026. We will select new partners with the potential to contribute to achieving these peacebuilding outcomes.

Capacity building results

All our programmes identify organisational change and capacity building objectives for specific target groups. For each partner we work towards change objectives that contribute to these capacity outcomes. To extend our reach beyond our partner organisations, we will increasingly support collective initiatives for peer-learning, collective advocacy or dispute resolution and track progress in their collective capacities and results.

Our organisational development

We remain committed to ongoing learning and development and continuously refine our services to ensure they 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 an external organisation review and a strategy retreat, we have set ourselves internal operational objectives in the following areas:

Strengthening systems and policies To model best practice, we commit to ensuring our policies and systems are based on clear and consistent principles. We will refine our processes to ensure staff find them useful in managing their work and how they work together, as well as to ensure our Board finds the systems useful for financial and operational accountability

Tracking, evaluating and communicating our impact We will continue to track and assess whether our support strengthens the capacities of our partners and commission independent M&E experts to assess partner contributions towards our goals. We will also strengthen tracking of collective initiatives we co-convene and support, capturing lessons learned and making adaptations after each phase.

Shaping the ecosystem

Alongside providing support to individual partners, programmes will also facilitate and support collective initiatives that break sectoral siloes, build strong communities of practitioners and aim to improve how funders and INGOs support local partners. We will tailor knowledge products and outreach to align with these objectives.

2023 IN REVIEW: OUR PEOPLE

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 HeyerConflict Sensitivity Lead



Johannes Schreuder Business Engagement Lead



Kristyna Jostova Finance Assistant



Daniela Bosnjak Programme Officer



Anina Uhlig Senior Programme Officer



Nuno Lopez Facility Manager



Maya Kasterine Trainee

International Associate Consultants



Luc Lafrenière



Frauke de Weijer



Hesta Groenewald

2023 IN REVIEW: **OUR PEOPLE**

Southeast Asia Team



Carol Sivpey Te Programme Manager



Sai Won Latt Programme Officer

Central Asia Team



Chinara EsengulProgramme Manager



Nazgul Aksarieva Programme Officer



Kanatbek Abdiev Programme Officer



Akylai Shaidullaeva Programme Officer



Emir Ulan Trainee

West Africa Team



Aliou Kebe Programme Manager



Boris SomeProgramme Officer

Western Balkans Team



Deborah Reymond Programme Manager



Vladica Jovanovic Programme Advisor



Besart Lumi Programme Advisor

2023 IN REVIEW: **OUR BOARD**

Our board in 2023



Thomas Greminger Chair



Dieter von Blarer Board Member



Molly McUsic Board Member



Funmi Olonisakin Board Member



Juan Carlos Sainz Borgo Board Member



Tim RadjyBoard Member



Evelyne TauchnitzBoard Member



Hansjorg WyssBoard Member

Our founder



Anne Gloor Founder



OUR INTERNATIONAL PROGRAMME

In 2023, we supported a total of 21 international partnerships and 8 collective initiatives. All our international partners have a strong peacebuilding impact in a number of fragile states and are well positioned to influence international policy. We see these partnerships as critical to improving international support for local peacebuilding efforts.

ORGANISATIONAL DEVELOPMENT

We support the organisational strengthening of actors with peacebuilding at the core of their mandate. We facilitate collective initiatives that foster learning among change champions and that influence donors to adopt practices that enable locally-led peacebuilding.

OUR PARTNERS IN 2023

International NGO partners

- Peace Direct
- Women's International League for Peace and Freedom (WILPF)
- International Alert
- Build Up (closing)

Donor partners

- The United Nations Peacebuilding Support Office (UNPBSO)
- · The Robert Bosch Foundation
- The Somaha Foundation

Collective initiatives

- Integrating Gender in peacebuilding peer group (30 members)
- Board-level peer-learning group (5 members)
- Philea OD Community of Practice (70 members)
- Locally-led peacebuilding donor initiative (5 members)

2023 EXPENSES

0.42 mil CHF

THE CONTEXT

We are faced with the paradox of the world becoming increasingly violent, while public funding for peacebuilding is declining. Historically, the philanthropic sector has been weary of engaging at the political level, yet a 2023 sector survey shows that foundations now see the closing of civic space and the growing polarisation of societies as a threat they must step up to address.

Across the board, philanthropic actors are waking up to their role in addressing polarisation and violent conflict. This presents us with an opportunity to increase collaboration with donors as they think through how to best engage, including by offering Organisational Development and Conflict Sensitivity support to civil society actors.

BUILD UP

Build Up is known for its innovative work at the intersection of technology and peacebuilding and its role as the convener of the <u>Build Peace</u> annual conference. It operates as a value-driven collective, with strong commitments to shared financial responsibility and consensus-based decision-making.

The OD process has strengthened: the adaptation of its organisational model to accommodate its growth; its ability to communicate its programmatic work and methods across different audiences; and the testing of innovative participatory modalities, such as the development of a social media analysis tool that helps peacebuilders understand and address online divisions in their context.



As a small organisation, we highly value organisational development support, which enables us to carve out time for institutional processes that are not usually funded. However, the deeper value of the PeaceNexus OD engagement was having a critical friend as a supporter and challenger. That personal engagement was a catalyst for important changes we would have been a lot slower to identify and implement. It prompted us to prioritize collective reflection on our organizational evolution, and concrete action to make it happen.

Michaela Ledesma, Co-founder & Peacebuilding Chaplain, Build Up

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Results

Build Up has successfully adapted its organisational model and documented its <u>lessons learned</u> and <u>principles</u>. It continues to test new approaches, such as arts-based programming, which was the focus of Build Peace conference in 2023; a residency pilot that has now inspired a new approach to partnering in programmes; and the development of the social media analysis tool Phoenix which will be made available to any local CSO. The OD support has also enabled innovation, including participatory evaluation methods and the creation of an organisational chaplain role in part to address the risk of burn-out, increasingly prevalent in the sector. Finally, the peer-learning and support network of local peacebuilders gathered around Build Up is now formalising, with members taking on the convening role.



COMMUNITY OF PRACTICE ON FUNDING ORGANISATIONAL DEVELOPMENT

As part of a strategic commitment to improving funding and policy conditions for its partners, PeaceNexus has focused on influencing other European foundations to also invest in organisational capacity building. Such investments directly contribute to greater impact and enable civil society to better adapt and respond to conflict and context changes.

Following a joint <u>report</u>, PeaceNexus joined forces with five foundations to launch a <u>Community of Practice</u> (CoP) for foundations interested or already investing in OD, in partnership with <u>Philea</u>, the Philanthropy Europe Association, a network of over 10 000 foundations. Since its inception in July 2022, the CoP has become increasingly active and grown in membership. It hosts regular online and in-person learning events to share experience on the provision of OD support, including at the Philea Annual Conference. The group has shared insights on a variety of topics such as how to: support network development; help grantees embed monitoring, evaluation and learning organisationally; and transform power relationships within organisations and between grantees and funders.



By offering this space and championing exchange, PeaceNexus has found a creative way to improve funding beyond its own funding capacity.

PeaceNexus 2022 International Programme Review, Catherine Flew and Panayiota Kastritis





FUTURE DIRECTION

We will continue to support to international peacebuilding organisations to innovate and reform their practice so that they empower locally-led peacebuilding. What is new is that we will expand our work with other donors and NGOs to set principles and standards to assess these efforts and help both local actors and donors make informed partnership choices.

We will also continue to share our experience on supporting OD with other donors through peer-exchange. What is new is that we are accompanying two foundations (the <u>Robert Bosch foundation</u> and the <u>Somaha foundation</u>) in testing modalities of providing organisational support to their partners.

CONFLICT SENSITIVITY

We support humanitarian, development and environmental organisations to better address conflict and contribute to social cohesion through their work. As part of their change processes, our international partners are also reforming the way they fund and accompany local actors in conflict.

OUR PARTNERS IN 2023

Humanitarian and development partners

- Oxfam
- International Organisation for Migration

Environmental partners

- African Wildlife Foundation
- Conservation International
- · Global Green Growth Institute
- · Global Youth Biodiversity Network
- International Snow Leopard Trust
- WWF (Colombia, DRC, Germany, Myanmar)

Collective initiatives

- Global Conflict Sensitivity Community Hub (70 members)
- Environment, Climate, Conflict and Peace Community (hosted by the Geneva Peacebuilding Platform) (300 members)

2023 EXPENSES

0.45 mil CHF

THE CONTEXT

In 2023, armed conflict and climate change were identified as top drivers of humanitarian needs across the world. The series of crises throughout 2023 has made needs increasingly complex to meet, while the number of people affected by these crises has continued to rise. Also facing major constraints on operations and access, our humanitarian partners persevered to find ways to work with the most vulnerable populations in conflict zones.

Environmental organisations also faced major adaptation challenges as work on biodiversity and climate is directly impacted by rising violence and polarisation. The interconnectedness of crises was highlighted at COP28 in Dubai, where the first COP-endorsed Declaration on Climate, Relief, Recovery and Peace was adopted. Our conservation and climate partners focused on how to practically tackle these interactions on the ground, supporting social cohesion and dialogue through and in support of environmental action.

CONSERVATION **INTERNATIONAL**

In 2019, Conservation International (CI) became PeaceNexus's first conservation partner. CI is a well-established organisation with a network of global partners and more than 20 field offices. It seeks to create a world where nature is cared for and valued for the benefit of people and all life on Earth. At the start of the partnership, CI had already produced a groundbreaking manual on conflict-sensitive conservation and environmental peacebuilding, and wanted to embed implementation of these approaches internally. The partnership therefore focused on how to deepen understanding of conflict issues and contribute to social cohesion in practical field programmes, backing this up with institutional policies and resources that enable such approaches.



CONFLICT SENSITIVITY AND ENVIRONMENTAL PEACEBUILDING IN CONSERVATION: Lessons Learned from Conserv



We are grateful for the lasting partnership and the accompaniment of PeaceNexus. This unique and valuable collaboration, built on trust and candid discussions of strengths and challenges, has shaped our conflict sensitivity work and efforts toward a more sustainable, durable conservation and peace for all. With this excellent foundation built over the past five years together, we at CI are so well positioned to move forward on our Conflict Sensitivity and Environmental Peacebuilding Roadmap!

Janet C. Edmond, Senior Director, Conservation International

Results

Several CI teams (including in Peru, Brazil and Kenya) undertook conflict analysis activities and adjusted their programmes to address violence and divisions through their conservation work. Their experiences in turn informed internal policy changes. For instance, conflict analysis questions were integrated into a new cross-organisational environment and social safeguards system and into training materials for game rangers, partners and staff. Other results are captured in a <u>lessons paper</u>. CI's external profile on conservation and peace continued to grow through its engagement in professional associations, academic courses and policy events and by providing technical advice to other conservation organisations and funders. Going forward, CI will build on these achievements in its "re-imagining conservation" agenda to ensure better outcomes for nature and people.

Collaboration Highlight

PARTNER LEARNING EVENT

In October 2023, PeaceNexus brought together 20 representatives from eight current and two former conflict sensitivity partners for a learning event in Switzerland. The meeting facilitated joint problem-solving on how to support the integration of conflict and peace issues into international organisations with a primary mandate on humanitarian and development (multi-mandate organisations) or on environment, climate, and biodiversity conservation issues.

Partners who have already been working on these internal change processes for several years were able to share advice with those who have just started. Despite different organisational mandates, they found that individual and organisational challenges are very similar, including how to: contribute to social cohesion in programme design; how to adapt to an increase in violence and repression in the context; and how to better manage risk and security challenges. Participants reported that learning from each other's experiences was particularly powerful.



FUTURE DIRECTION

The new conflict sensitivity programme strategy remains in line with the previous strategy in a context where humanitarian crises have increased and where there is rapidly growing awareness of the potential for environmental issues to both fuel conflict and to help manage it. We will continue to focus on supporting international organisations with a humanitarian, development or environmental mission to mitigate conflict risks and scale up their contributions to peace. We will, however, increase the proportion of environmentally-focused partners in collaboration with the Somaha foundation. In addition, specific attention will be paid to strengthening the level and quality of international organisations' support to local actors in PeaceNexus' focus regions.

In 2024, alongside individual partnerships, particular attention will be paid to supporting important collective initiatives that aim to increase the peace contribution of environmental action. This includes the 3rd International Conference of the Environmental Peacebuilding Association and collective efforts targeting COP29 on climate change and COP16 on biodiversity through the Environment, Climate, Conflict and Peace community of practice.

BUSINESS ENGAGEMENT

We support multinational companies and investors to strengthen the social impact of their investments and operations in fragile and high risk markets. We also work with companies, government and civil society organisations to reduce disputes around operations.

OUR PARTNERS IN 2023

Company and investor partners

- Novartis
- Philips
- International Growth Centre
- Investisseurs & Partenaires

Collective initiatives

 Investor CAHRA pilot project with the Investor Alliance for Human Rights (50+ participating investors)

Dispute resolution

- · Dialogue case on exit of Telenor from Myanmar
- Dialogue case on forced labour in Uzbekistan cotton supply

2023 EXPENSES

0.20 mil CHF

THE CONTEXT

In the face of geopolitical and economic turbulence in 2023, consumers, shareholders, investors and stakeholder groups continued to raise the bar for Environmental Social and Governance (ESG) performance. Growing instability presented real-time risk management challenges and prompted supply chain recalibration. It raised awareness of social risks for multinationals and prompted demand from investors to better understand their exposure to conflict risk.

The regulatory landscape also continued to evolve with ESG disclosures strengthened in many jurisdictions and a new EU requirement for human rights due diligence in supply chains. In contrast, however, an ESG backlash in the US has introduced uncertainty and new risks. In this evolving regulatory and political landscape, investors and companies must prepare for increasingly comprehensive compliance and reporting requirements and more conflict-sensitive risk management.

RENEWABLE ENERGY TRANSITION

Achieving targets for universal energy access and net zero emissions by 2050 requires an exponential expansion of renewables, including in fragile and conflict-affected settings (FCAS), which are home to many of the 800 million people living without access to electricity. Renewable Energy (RE) projects in FCAS have often delivered positive socio-economic impacts to local communities beyond the direct benefits of energy supply and have played a role in promoting development and, in some instances, stability and social cohesion. However, if not implemented with sufficient conflict sensitivity, there is a risk that projects can reinforce existing inequalities, violate human rights, exacerbate community grievances, and worsen local conflict dynamics. As we look to scale up, it essential that project developers and investors design and develop projects taking the unique dynamics and circumstances of local contexts into account to avoid triggering unintended negative impacts.

To better understand how to mitigate and improve the social impacts of renewable energy projects in fragile markets, PeaceNexus partnered with the International Growth Centre on the report 'Towards a peaceful and just energy transition'. The paper, written with support from Ecorys, offers actionable insights and recommendations for investors, developers and project partners on the prevalence of conflict over land, jobs and access to electricity; the benefits of integrating conflict analysis in due diligence, deal and construction phases; and how to manage community relations and social risks during operations.

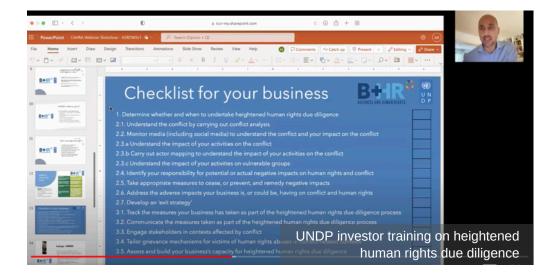


INVESTOR ALLIANCE FOR HUMAN RIGHTS

In response to escalating global conflicts and human rights violations, investors have been strengthening their stewardship activities in relation to their portfolio exposure to conflict-affected and high-risk settings.

To address investor concerns, in early 2023 PeaceNexus partnered with the Investor Alliance for Human Rights, Heartland Initiative and International Alert to co-host a peer-exchange for investors on human rights and material risks associated with operations and relationships in conflict affected markets. This led to a pilot project to assist a group of global asset owners and managers in conducting heightened human rights due diligence for portfolio companies in renewable energy and the Information Communication Technology sector in high-risk markets.

The project aims to equip investors with the tools to mitigate salient conflict risks and foster responsible investment practices, while also enabling companies to showcase their efforts to prevent and mitigate human rights risks. A report on the project in 2024 will offer insights and lessons learned on effective stewardship and human rights due diligence.



FUTURE DIRECTION

We will continue to advise companies and investors on improving human rights due diligence and supporting multi-stakeholder dialogue to improve social and environmental impacts. Given that conflict risks are most acute in land and water-intensive sectors, we will prioritize engagement with the renewable energy, agribusiness and mining sectors.

In light of growing socio-political instability and pressure to adopt sustainable business practices, investors are increasingly interested in improving data and methods to understand their exposure to risk and seeking guidance on how to manage it. In future, we will increase our collaboration with other investors, financial service providers and foundations to address this. We will also continue to provide tailored advice to impact investors in fragile contexts to improve their assessment of and reporting on social cohesion impacts.



OUR REGIONAL PROGRAMMES

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. In 2023, our regional teams worked directly with 36 organisations and supported 6 collective initiatives organisations that have a high potential to transform the drivers of conflict and strengthen social cohesion in their context.



CENTRAL ASIA

In Central Asia, we work to enhance regional collaboration to tackle social divisions and environmental challenges. We provide advisory support to governments, civil society and the private sector to advance collaborative efforts to increase resilience across the region.

OUR PARTNERS IN 2023

Our partners

- Progressive Women's Public Association 'Mutakallim', Kyrgyz Republic
- · Ministry of Culture, Information and Youth Policy, Kyrgyz Republic
- International Business Council, Kyrgyz Republic
- Ministry of Transport, Research Center Ma'no, Uzbekistan
- The Children Rights Defenders League (CRDL), Kyrgyz Republic
- The Institute for Peace and Development (IPD), Kyrgyz Republic
- Kangaroo De Carbon, Uzbekistan
- Centre for Civic and Digital Education under Kyrgyz Central Election Commission

Collective initiatives

- Collective Learning Platform of Civil Society (14 members)
- Peacebuilding Hub (7 members)

2023 EXPENSES

0.48 mil CHF

THE CONTEXT

While countries across Central Asia are adapting to the shifting geopolitical context differently, all share a common interest in regional cooperation to improve resilience to economic and political shocks. This presents an opportunity in a context long characterised by tensions, fragmentation and social polarisation. However, government responses to internal social challenges vary. In Uzbekistan, reforms continue to increase press freedom, ease restrictions on civil society, and improve border security, especially near Afghanistan. In contrast, Kyrgyzstan has tightened controls over civil society, with the adoption of a law resembling Russia's 'foreign agents' law. In this context, regional collaboration between civil society actors and their continued engagement with government is especially important to maintain and enable civil society's role in strengthening social resilience and cohesion.

YNTYMAK WEEK

The Peacebuilding Hub is a platform steered by five international peacebuilding NGOs and two UN agencies. Established in 2022 with the purpose of facilitating peer learning, joint analyses and coordination, today the Hub is a dynamic platform that unites Kyrgyzstan's key peacebuilding, development and humanitarian organizations.

In 2023 the Hub marked World Peace Day by organising the first Yntymak (unity) week in Bishkek. This was the first time that hundreds of civil society actors convened to address issues of common concern such as natural resource management, social polarisation, responsive governance and harmful gender norms. In 2024, the Hub intends to further formalise, expand regionally to foster cross-border cooperation, update its collective conflict analysis, and organise the second edition of Yntymak week.



PeaceNexus played a crucial role in shaping the concept of Yntymak Week in both 2023 and 2024 by offering timely advice and feedback to the coordination team. PeaceNexus expertise helped us engage with government partners and facilitated effective collaboration. We believe this expertise can be leveraged to foster more meaningful engagement with government partners for this year's Yntymak Week. Overall, PeaceNexus has contributed significantly to fostering an effective working environment for the Hub as a whole.

Cholpon Duisheeva, Peacebuilding Hub Coordinator





MINISTRY OF TRANSPORT OF UZBEKIZSTAN: CONNECTING CENTRAL ASIA

Our partnership with the Ministry of Transport of Uzbekistan began in 2021 and builds on previous efforts to develop the Central Asian Regional Transport Hub. In 2023, the Ministry expanded its efforts to improve regional connectivity by leading a regional research effort to assess the potential impact of different proposed routes for a Middle Corridor connecting Central Asia with Europe. This corridor would pass from Central Asia through the Caspian Sea to Azerbaijan, Georgia, and Turkey. This strategic initiative received expert assessments, supported by the EU, but had never been assessed collectively by all Central Asian states. The assessment focused on identifying opportunities and risks for the entire region from a transport and security perspective. With our support, the Ministry convened a working group of independent experts and representatives of state agencies responsible for transport affairs in five Central Asian countries and Azerbaijan. The group's Middle Corridor Assessment will be submitted to respective governments to inform their decision-making process on strategic regional transport routes.



PeaceNexus is making significant efforts to promote inter-ethnic harmony and economic integration in Central Asia. We have collaborated on the initiative of the President of the Republic of Uzbekistan Mirziyoyev to establish a regional centre to enhance Central Asian transport and communication interconnectivity. At the moment, under conditions of geopolitical instability, it is especially important that Central Asian countries work together to study the possibilities and assess the impact of developing and using the Middle Corridor.

Bekzod Nurmatovich Kholmatov, Director of the Center for Transport Issues Research under the Ministry of Transport of the Republic of Uzbekistan





FUTURE DIRECTION

Building on growing interest in regional collaboration in response to the war in Ukraine, we will look to support collective initiatives around shared environmental and social challenges. We will also focus on countering growing social polarization including through initiatives with civil society and government engagement. In 2024, our focus in Kyrgyzstan will be on implementing the 'Kyrgyz Jarany' concept of citizenship in a way that respects minority rights and promotes diversity. In Kazakhstan, we will begin a partnership exploring how 'traditional' Islam can contribute to social cohesion. To combat divisive trends in public discourse, we will facilitate collective initiatives for civil society representatives from Kazakhstan, Kyrgyzstan and Uzbekistan, and continue to develop a collective learning platform to share experiences on how to work in a way that fosters social cohesion, civic identity and regional cohesion.



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 counter violent escalation and promote inclusive governance and development.

OUR PARTNERS IN 2023

Partnerships

- OCADES Caritas, Burkina Faso
- · Oxfam, Burkina Faso
- · Chambre des Mines, Burkina Faso
- SOS-Civisme, Niger
- · Oxfam, Niger
- Haute Autorité à la Consolidation de la Paix HACP, Niger
- Municipality of Taïba N'Diaye Comité de Dialogue Intra et Inter Religieux, Niger
- Conseil national de concertation et de coopération des ruraux, Senegal
- · Réseau Billital Maroobé, regional network

Collective initatives

- West Africa Conflict Sensitivity Hubs (75 members)
- Francophone Africa Consultants network (15 consultants)

2023 EXPENSES

0.51 mil CHF

THE CONTEXT

The Sahel's security crisis worsened in 2023, marked by increased violence between state security actors and armed groups, often fueled by competition over natural resources. Burkina Faso is now the world's most neglected displacement crisis. In Niger, a military coup in June 2023 prompted ECOWAS sanctions, leading Mali, Burkina Faso and Niger to form a military alliance and resulting in the withdrawal of French, UN and US troops. Senegal, though relatively stable, faced political unrest and protests following the opposition leader's arrest before the 2024 presidential elections. A civil society coalition, including some of our partners (ONG 3D, CNCR), mediated and averted escalation, and the crisis concluded with the President's decision not to seek re-election.

BURKINA CHAMBER OF MINES

Despite Burkina Faso's volatile security situation, the mining sector is one of the most dynamic in the region. However, the mining boom is creating tensions over the use of natural resources, already strained by climate change, and triggering social, environmental, and security concerns for local communities.



PeaceNexus' support has come at the right time and has been like a lifebuoy in a context where peace and social cohesion is as valuable as the gold our members are seeking. PeaceNexus has enabled us to raise our heads, talk to all our stakeholders and get a real compass through our new strategic plan 2024-2029.

Priscille Zongo, Executive Director of the Chamber of Mines

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Against this backdrop, we worked with the Burkina Faso Chamber of Mines (CMB), the main umbrella organisation for the mining sector and interface between mining companies, service providers, the government and local communities. Through a consultative process, we helped CMB adapt its strategic plan to the changing context and strengthen its role in supporting dialogue among all stakeholders, including mining companies. Training sessions targeted at mining companies, government ministries and civil society resulted in significant attitude shifts and new commitments to manage conflicts more constructively. Mining companies will also invest more in improving their practice. RoxGold SANU and four other mining companies have committed to training their multi-disciplinary teams on conflict sensitivity and have increased their engagement with community leaders in mining localities.



Collaboration Highlight

CONFLICT SENSITIVITY COMMUNITY HUB

The West Africa Conflict Senstivity Community Hub has grown significantly since its start in 2019. It now comprises over 100 active members from over 37 international and local organisations in 7 countries in West Africa and the Sahel.

Two national hubs have also emerged with leadership from locally-based actors and with our accompaniment, the Niger CSC-Hub is coordinated by SNV (Netherlands Development Cooperation) and the Burkina Hub by Oxfam. They have developed their work plans and regularly convene over 20 civil society organisations to exchange information and form joint actions in response to worsening conflict dynamics. For instance, the members of the Hub were able to successfully advocate for changes in the language used in government press releases, which led to a reduction in the stigmatisation of different communities. In 2023 the group became more autonomous and is now collectively funding their joint activities.



FUTURE DIRECTION

The biggest drivers of instability across the region remain violent campaigns by armed groups, social polarisation and competition over access to natural resources. In the upcoming strategy period will continue to target these challenges. We will support partners that foster inter-communal collaboration to build trust and prevent the escalation of violence and will support local government and civil society actors that work on inclusive natural resource management to reduce conflict-fueling grievances.

We will also expand our program to Benin as violence spreads to coastal countries. In 2024, we will partner with the Development Association of the Municipalities in Borgou (ADECOB) and the Faculty of Literature, Art, and Humanities (FLASH), which aims to include conflict sensitivity in their curricula. We will also continue to invest in peer-learning collective initiatives, expanding these to further strengthen the network of facilitators that accompany our partners in the region.



SOUTHEAST ASIA

In Southeast Asia we are focused on Myanmar, where we partner with civil society organisations and pro-democratic actors to develop federal democratic governance and transitional justice efforts.

OUR PARTNERS IN 2023

In 2023 we partnered with one international partner and six local civil society organisations and political entities. Our local partners play important prodemocracy roles, including through their direct involvement in the establishment of new local governance structures or in convening political dialogues. We also supported three collaborative initiatives to inform and influence international actors. Due to security risks, we do not name our local Myanmar partners publicly.

2023 EXPENSES

0.38 mil CHF

THE CONTEXT

February 1st, 2024 marked three years since the Myanmar military attempted to seize control of the state. The military regime has continued to launch attacks against civilians in resistance areas and has been obstructing humanitarian aid both to man-made crises and natural disasters. In late 2023, two coordinated resistance offensives – coined Operations 1027 and 1111 for the dates on which they launched – caused the worst setback for the Myanmar military in decades since its founding, causing battlelines and geographic control areas to shift.

Pro-democracy and resistance groups are continuing to negotiate a transitional constitution to establish a federal democratic union through the National Unity Consultative Council (NUCC) based on an agreed Federal Democratic Charter. In parallel, pro-democracy groups have started establishing their own interim autonomous state governments in areas under their their control.

MYANMAR HUMAN RIGHTS PROJECT

The Myanmar Human Rights Project at the Schell Center for International Human Rights at Yale Law School is directed by the Schell Center's Senior Fellow Tom Andrews, who serves as the UN Special Rapporteur on the situation of human rights in Myanmar. We continued to support this project and his monitoring of the human rights situation through coordinating consultations with our local partners. These connections informed his statements, letters, and reporting to the UN General Assembly and Human Rights Council.

Our partners brought Chinese state-owned company Wanbao Mining's engagement in the eviction and displacement of villagers to the Special Rapporteur's attention, resulting in various Special Rapporteurs expressing their concern in a letter sent to the companies and China.

Our partners' work also helped inform multiple Special Rapporteurs' collective statement on climate vulnerability in Myanmar ahead of the COP28. Following consultations with some of our partners on the impacts of the coup on women, girls and the LGBTQI community, the Special Rapporteur is also developing a conference room report on gender.



SUPPORTING CIVIL SOCIETY ON SANCTIONS SUBMISSIONS

In June 2023, the US announced sanctions on the state-owned Myanmar Foreign Trade Bank (MFTB) and Myanmar Investment Commercial Bank (MICB), and on October 31, 2023, the government announced sanctions prohibiting the provision of financial services to the Myanmar Oil and Gas Enterprise (MOGE). Since the coup, we have been supporting Myanmar civil society partners to investigate and understand MOGE's revenue flows and accounts. They found that these generate over USD 1 billion annually and constitute the military junta's single largest source of foreign revenue.

We supported civil society partners to develop sanctions submissions on MOGE and MFTB to various governments. The collective advocacy efforts have contributed to both European Union sanctions, in 2022 and the US sanctions in 2023.



FUTURE DIRECTION

Our first programme goal is to support pro-democracy groups to build alignment through inclusive dialogue on transitional justice and federalism. We will do this by providing organisational development support to civil society actors that play an important role in conveneing or informing in these discussions. Our support aims to help shift from emergency to more sustainable ways of functioning. We will also support the dialogue initiatives by enable physical meetings between different political actors, including marginalised voices, to foster trust and work towards alignment.

Our second goal is to influence international actors to support local processes in a conflict-sensitive way. We support partners in their messaging to international humanitarian actors on to promote more conflict-sensitive aid, and to international companies to promote more responsible business practices.



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 to societies taking more steps to deal with the past responsively and inclusively.

OUR PARTNERS IN 2023

- Western Balkans Fund, Albania
- Independent Journalists' Association of Vojvodina, Serbia
- Kosova Rehabilitation Center for Torture Victims (KRCT), Kosovo
- · Community Building Mitrovica, Kosovo
- NGO Aktiv, Kosovo
- · Youth Initiative for Human Rights, Croatia
- Heartefact Fund, Serbia
- Balkans Investigative Reporting Network (BIRN), regional organisation
- · Prishtina Institute for Political Studies, Kosovo
- · Post-Conflict Research Center, Bosnia and Herzegovina
- · War Childhood Museum, Bosnia and Herzegovina
- TRIAL International BIH Programme, Bosnia and Herzegovina
- · Suncrokret Center for Community Development, Croatia

2023 EXPENSES

0.47 mil CHF

THE CONTEXT

In 2023, tensions continued between Serbia and Kosovo, escalating in Kosovo to their highest level since 2004. In Serbia, large protests prompted by mass shootings resulted in elections marred by accusations of multiple irregularities. In Bosnia and Herzegovina, legislation which further restricts civic space passed parliamentary hearing in Republika Srpska. Other countries in the region continue to be affected by domestic political instability. In this regional context marked by polarisation and shrinking civic space, progressive voices and organisations pushing against divisive narratives face increasing intimidation and attacks.

THE KOSOVO REHABILITATION **CENTER FOR TORTURE VICTIMS**

The Kosovo Rehabilitation Center for Torture Victims (KRCT) was founded in 1999 with the mission to provide treatment and rehabilitation for torture victims, with a particular focus on survivors of war-related sexual violence. Apart from providing direct services to survivors, KRCT is also an advocacy organisation that has contributed to the legal recognition of war-related sexual violence survivors and secured court wins against war criminals. In 2023, KRCT's longterm advocacy efforts resulted in April 14th being declared a Memorial Day of Sexual Violence Survivors during the Last War in Kosovo. This represents a significant breakthrough in the remembrance of civilian victims and survivors.

Recognizing KRCT's unique role in supporting victims and survivors to heal and access transitional justice, we have been supporting KRCT's organisational development since 2020. Our support initially focused on helping KRCT rethink their strategy and structure and since 2023, has focused on helping KRCT put in place an organisational monitoring and evaluation system.



PeaceNexus has continuously improved KRCT by boosting organisational development, enhancing leadership and accountability, implementing strategies, and optimizing human resources. These efforts likely improved our service delivery, effectiveness, leadership, strategic planning, and workforce management, thereby supporting our mission to promote and advance human rights in Kosovo.

> Mehmet Musaj, Head of Operations of KRCT



PEER LEARNING EVENT

Every year we organize regional peer-learning events for our partners to provide a safe space for them to reflect on their challenges and lessons learned and benefit from the collective knowledge of their peers. These annual peer-learning events support our partners leadership of the internal strengthening processes we support.

Our 2023 event brought together 11 organisations, some of whom we have supported since 2020, and others that were selected in 2023. Participants appreciated the exchange of insights on organisational learning and impact communication and the thematic discussions on inter-ethnic cooperation, transitional justice, and advocacy and campaigning. Participants walked away with practical take-aways on the following learning questions:

- What works and what doesn't regarding the broadening of our audience and crafting stories that challenge the status quo?
- What learning practices have helped us improve design and delivery of our programmes and led to positive results?
- How do we work effectively in divided communities and adapt when tensions arise?
- How can we effectively get our message across to attract the interest of young generations in dealing with the past?
- What are effective ways of holding local decision-makers/ institutions to account?



FUTURE DIRECTION

As social divisions across the region intensifies, we will continue to build on prior efforts to strengthen interethnic collaboration, both within states and regionally. We will increase our support to organisations that bravely play a role in encouraging their societies to take more steps to deal with the past responsively and inclusively. In 2023, we selected 6 new partners who contribute to interethnic cooperation and dealing with the past and are committed to internal strengthening. Supporting these partners on organisational development and conflict-sensitivity will be a key priority in 2024. We also aim to contribute to the organisational resilience of our partners, including through strategic adaptation and improved risk management.

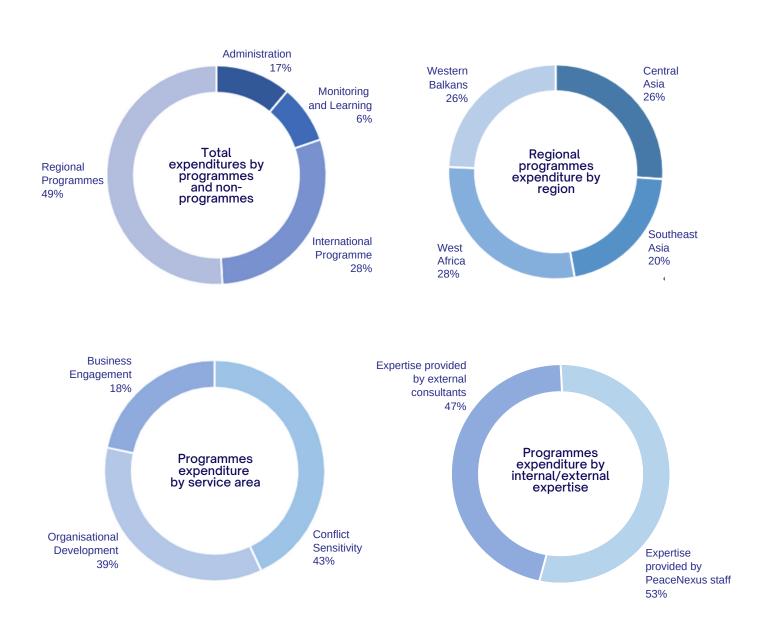
We anticipate our partners will double down on efforts to: counter polarization and divisive narratives by showcasing stories of collaboration across ethnic lines; providing opportunities for young people to learn about the region's past and become human rights and memory activists; and to hold governments and institutions to account, especially on how they deal with the past.

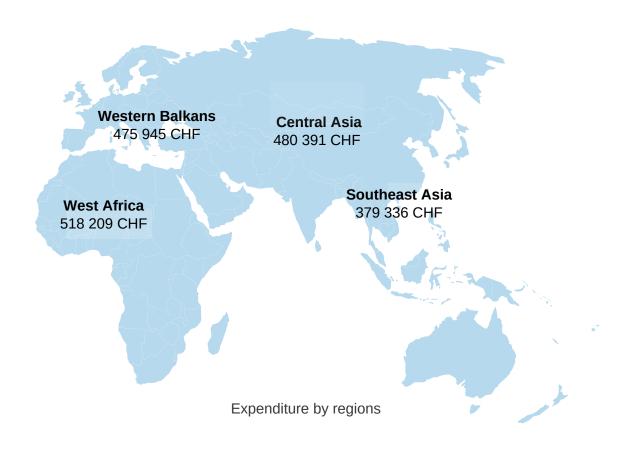


EXPENDITURE AND MISSION INVESTING



3 790 574 CHF total expenditure





MISSION ALIGNED INVESTING

PeaceNexus' endowment is from a single grant received from the visionary Swiss philanthropist Hansjörg Wyss. All investments are in line with the UN Principles of Responsible Investment and ESG criteria.

With our investments, we aim to provide financial resources for PeaceNexus' operations. Through shareholder engagement, we also encourage companies we invest in to strengthen their positive impact in conflict-affected countries. We are invested in thematic funds, such as the Cadmos Peace European Engagement Fund managed by de Pury Pictet Turrettini, that conduct missionaligned engagement on our behalf.

We also engage directly with companies through collective shareholder initiatives. In 2023, for example, we partnered with the Investor Alliance for Human Rights to pool research on human rights due diligence in the supply chains of selected companies (learn more on page 21).

As of 2024, we will be increasing the proportion of our portfolio dedicated to impact investments. We will allocate up to 15% of our portfolio to investments in our focus regions that are aligned with our mission and our 2024-2026 strategy.

PeaceNexus Foundation

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