“Enhancing partnerships for financing peace”
Panel discussion at the Stockholm Forum on Peace and Development
8 May 2024, Stockholm, Sweden

Summary Note

Moderator: Sigrid Gruener, Programme Director Dag Hammarskjöld Foundation

Panelists:

Awa Dabo, Director and Deputy Head, UN Peacebuilding Support Office (PBSO);
Elina Mariutsa, Policy Officer, Finance for Peace initiative (Interpeace);
Frederik Teufel, Lead Coordinator - Partnerships, Innovation and Private Sector Development, Transition States Coordination Office, African Development Bank (AfDB);
Kawtar Zerouali, Deputy Director, Nature Assets Team (NAT), UN Capital Development Fund (UNCDF).

The panel discussion, co-hosted by the Dag Hammarskjöld Foundation and the Finance for Peace initiative (Interpeace), aimed at raising global awareness and understanding of, and to advocate for, new approaches and partnerships between development finance actors, the international community, and peacebuilding actors. The session highlighted ideas and proposals to develop new partnerships and to achieve

While the number of conflicts is increasing, the share of Official Development Assistance (ODA) allocated to civilian peacebuilding and conflict prevention is at an all-time low: funding dedicated to civilian peacebuilding amounts to 0.5% of ODA (approximately USD 1 billion), which is 22 times less than ODA invested in humanitarian aid. ODA funding to peacebuilding is chronically insufficient and fragmented in distinct, highly earmarked interventions, while financial commitments from traditional donors are also decreasing. These trends undermine the long-term prospects for stability and resilience-building that peacebuilding and conflict prevention bring to peace and security.

The resolution adopted by the UN General Assembly in December 2023 to provide USD 50 million in assessed contribution to the UN Peacebuilding Fund per year as of January 2025 is an important and symbolic step towards a broadened donor base and recognition of shared responsibility for peacebuilding. In practice, however, the PBF remains highly reliant on fluctuating and limited voluntary contributions by a small number of donors, which restricts its effectiveness, resource predictability and ability to meet demand. Speakers called for the diversification of resource allocation models, both for the PBF and for overall peacebuilding financing.

There are untapped opportunities in global financial markets: sustainable debt issuance has reached USD 1.6 trillion in 2021, and if only 1% of these investments became peace-positive, that is, intentionally contributed to consolidating peace through peace-enhancing mechanisms, this would generate more than USD 16 billion for peacebuilding activities in FCS. Learning from the sustainable debt market, the growth of climate financing can inform the development of multi-stakeholder strategies that contribute to growing a market for peace with funding channeled to durable, de-risked solutions that are of interest for investors and communities.

The development of harmonized norms and guidance, rooted in peacebuilding expertise, is essential when engaging in initiatives to sustain peace in FCS, and to generate market trust in to a term derived from that have characterized some investments branded as sustainable or ethical for public relations and marketing purposes. Speakers also emphasized the need to apply peace-positive approaches to accelerate the climate transition, considering the chronic lack of climate finance going to conflict-affected and fragile areas, due to the real or perceived risks of investing resources in these contexts.

The 2025 Peacebuilding Architecture Review provides an opportunity to evaluate strategies to mobilise increased and diversified financing for peacebuilding and prevention.

ii) Strengthening the peace finance ecosystem and partnerships

Participants stressed the need to build partnerships and to engage with a variety of stakeholders in a peace finance ecosystem to create lasting, systemic change. This must include finance and private sector actors, development finance institutions and multilateral development banks, governments, international organizations, representatives from the development, humanitarian and peacebuilding sectors, civil society and non-governmental organizations. At the center of this needs to be respectful and trust-based partnerships with the communities directly impacted by fragility or conflict. Such partnerships are essential for coordinated and collective action by key actors and are crucial for the design of integrated solutions that de-risk investments for investors and communities. Such partnerships are also essential to enhance coordination, efficiency, scale and impact, especially since the coordination work necessary to build this ecosystem is severely underfunded.

The African Development Bank (AfDB) has

As underscored by I4P

6. **Prioritize Strategic, and Conflict-Sensitive Financing Choices**: Donors and UN member states should use financing modalities that integrate efforts, optimize resources, and leverage SDG results for impactful outcomes. UN agencies with a specific mandate to mobilize finance in the Least Developed Countries (LDCs), like the UN Capital Development Fund, should ensure that the capital deployed for development is conflict-sensitive and does not exacerbate existing tensions.