

5TH ASIA-EUROPE ROUNDTABLE

Special Report

**“SUSTAINING PEACE
THROUGH POST-CONFLICT RECONSTRUCTION”**

**A Report on the 5th Asia-Europe Roundtable
Held in Singapore 23-25 May 2007**

CONTENTS

Executive Summary: Key Messages and Recommendations

Report on Proceedings

- 1. Rationale of the 5th Asia-Europe Roundtable**
- 2. The Components of a Comprehensive Peace-Building Strategy**
- 3. An Effective Peace-Building Cycle**
- 4. Stakeholders in Peace-Building**

EXECUTIVE SUMMARY

In the resolution of conflicts, peace negotiations and peace agreements are critical for planting the seeds for lasting peace but well-timed, designed, co-ordinated and participatory post-conflict reconstruction is required to ensure that conflicts will not re-surface nor reverse the peace process. Asia and Europe have ample experience, resources and perspectives that can help to contribute towards this complex objective. This is one of the main outcomes of the 5th Asia-Europe Roundtable* at the premises of the Asia-Europe Foundation in Singapore on 23-25 May, bringing together 40 Asian and European experts in post-conflict reconstruction, including peace negotiators, former Special Representatives of the UN Secretary General to Timor-Leste and Kosovo, reconstruction advisers, political figures, crisis management NGOs, democracy-building specialists, election observers and specialized journalists. Launched with a public panel to an audience of 120 people at the International Conference Centre, the two-day roundtable resulted in intensive high-quality discussions and **recommendations relevant to Asia-Europe cooperation and ASEM.**

Key Messages and Recommendations

1. All stakeholders (local actors and the international/regional community) need to develop a comprehensive peace-building strategy, integrating strategies for sustainability, in terms of both institution-building and external financial assistance.
- **Stakeholders in any particular post-conflict reconstruction effort need to have a meaningful peace-building strategy, with clear-cut goals and a sensible mix of components, parameters and steps to be taken.** While there is no universal ‘recipe’, a peace-building strategy will unavoidably have to envisage an adequate peace agreement, peace-keeping forces and disarmament of warring factions, institutional building (including elections), good governance and the rule of law, justice and reconciliation, socio-economic development, regional co-operation, etc. Last but not least, peace-building should lead to the smooth transition of power to national governments and the avoidance of parallel power structures, which are often created – and subsequently perpetuated – by international donors.
 - It is also important to remember that **institutional building and good governance cannot be achieved in isolation from sustained economic recovery**, which should be based on a strategy framework and national development policy, governance reforms, investment in infrastructure and education, the attraction of foreign direct investment and remittances, and a strong component of local ownership. The tools to be used should ensure **efficient and politically legitimate aid disbursement mechanisms and service-providers** that are strongly

* Papers presented at the roundtable are available online at http://www.asef.org/index.php?option=com_project&task=view&id=1022. Please contact the Asia-Europe Foundation (peter.ryan@asef.org) or the Friedrich-Ebert-Stiftung (fessing@singnet.com.sg) for more information.

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committed to sound fiscal management and corruption-free practices leading to a virtuous cycle in the long run.

- The 5th AER urges stakeholders to properly address what is identified as **three frequent paradoxes in the provision of international aid** to post-conflict societies: (i) The **gap in perceptions** between the (developed) donors and (underdeveloped) recipients; (ii) **cash as a facile priority**, i.e. neglecting the fact that capacity building is more important than mere cash disbursement; (iii) the **‘projectisation’ of international aid**, at the expense of flexibility and effectiveness of aid. It is essential that donors (i) take into account the views of recipients much more extensively within the framework of **comprehensive needs assessments**, (ii) commit themselves to empowering beneficiaries to gradually grow independent of the aid that is provided to them; (iii) prioritise the use of **consolidated trust funds** active over a much longer spread of years.
2. A long-term perspective is critical in sustaining an effective peace-building cycle.
- Critical to the design of post-conflict reconstruction is a **long-term perspective**, and re-building and assistance should be phased over a sufficiently long period - as long as it takes, if needed. A **‘quick exit’ of the international community may actually lead to a return to conflict** and necessitate an even costlier engagement of the international community. Therefore, the design of an appropriate peace-building cycle should take into account the right duration, sequencing, timing, spreading aid over a sufficient period of time, among other stages.
 - As regards one of the most visible manifestations of international engagement, the **timing and sequencing of elections** are no doubt crucial parameters. Therefore, they should not be one-off events and should be held within the framework of a **cycle-based approach**, which fully covers the oft-neglected – and politically “unattractive” – periods between elections.
 - The cyclical nature of a peace-building process is emphasized as being iterative, with several steps that may need to be returned to and reinforced simultaneously with advances to further stages, rather than linear.
3. It is important for **the international community to take as inclusive and participatory an approach as possible**, with the active engagement of all major stakeholders from the political leadership to the community.
- The list of actors in peace-making and peace-building is too long to be captured here in its entirety, but political parties and civil society actors, the media, neighbouring countries and diasporas cannot be omitted. It is important for **the international community to take as inclusive and participatory an approach as possible**, even ‘spoilers’ where appropriate. Peace-building is about healing wounds, not about opening new ones.
 - While the involvement of the United Nations and other international agencies is often imperative, the engagement of **regional organisations should be actively sought and promoted**.
 - The 5th AER underlines the importance of **closer donor coordination**, which is the only meaningful response to the increasing fragmentation of international aid instruments.

1. RATIONALE OF THE 5TH ASIA-EUROPE ROUNDTABLE

1.1. Background to the 5th AER

The Asia-Europe Roundtable (AER) is a joint venture of the Asia-Europe Foundation, the German Friedrich-Ebert-Stiftung and the Singapore Institute of International Affairs. The series started in 2000 as a “track II”, non-governmental dialogue between members of the Asia-Europe Meeting or ASEM with the objectives to build networks between Asian and European think-tanks and intellectuals, and to enrich the political dialogue between Asia and Europe.

From the very start, recommendations suggested that the Asia Europe Roundtable should concentrate on a robust political and security dialogue with peace-keeping and peace-building at its core. The organisers have followed these recommendations by dedicating the 3rd AER to questions of peace and reconciliation (Hanoi, 2003), the 4th AER to conflict prevention (Berlin, 2005) and now the 5th AER to post-conflict reconstruction.

The 5th Asia-Europe Roundtable at the Asia-Europe Foundation in Singapore on 23-25 May brought together 40 Asian and European experts in post-conflict reconstruction, including peace negotiators, former Special Representatives of the UN Secretary General to Timor-Leste and Kosovo, reconstruction advisers, political figures, crisis management NGOs, democracy-building specialists, election observers, academics and specialised journalists. Launched with a public panel to an audience of 120 people, the two-day roundtable resulted in high-quality discussions and recommendations relevant to Asia-Europe cooperation and ASEM

2.1. Agenda of the 5th AER

The reconstruction of war-torn societies has been a high priority on the agenda of the international community and, in particular, of the United Nations. As the 5th AER covered a wide range of conflicts, mostly in Europe and Asia, an important distinction was made between **inter-state and intra-state conflicts**, with the acknowledgment of the fact that the latter are much more numerous and more intractable than the former. The list of **case studies highlighted** during the 5th AER included

Aceh, where international mediation allowed for an agreement to be reached in 2005 that effectively ended a protracted conflict that spanned more than 30 years and cost more than 10,000 lives. Moreover, the Aceh Monitoring Mission was also the EU's first mission under the European Security and Defense Policy (ESDP) in Asia, working in close co-operation with the ASEAN. Cambodia, another case in point from Asia, was the first major peace-building achievement of the UN immediately after the end of the Cold War. The signing of the 1991 Paris agreement allowed for the start of reconstruction in this war-torn country. East Timor was also extensively discussed where a UN presence remains in place. In Europe, Northern Ireland has provided a number of useful lessons as to successful conflict resolution. Afghanistan and Kosovo were also discussed at length, as large-scale efforts of the international community at the service of war-torn societies. At the same time, there are other violent conflicts that have been tamed and resolved with less publicity, such as the ten-year old peace agreement between the Philippines Government and the Moro National Liberation Front. Similarly, Indonesia successfully ended a vicious religious conflict in Maluku in 2001 and there has been progress towards conflict prevention without international mediation in Papua.

2. THE COMPONENTS OF A COMPREHENSIVE PEACE-BUILDING STRATEGY

At the peace-making stage, **peace negotiations and agreements accepted by all sides** are critical for sowing the seeds for lasting settlement. In most cases, it is important to remember the **historical context**, even if peace-makers and peace-builders often assume that history can easily be laid to rest with the stroke of a pen. Post-conflict stability rests on the willingness and ability of all parties to commit to peace long after an agreement is signed.

Peace-building cannot be but a **comprehensive process**, one encompassing all the necessary ‘ingredients’ of a lasting settlement. The disarmament, demobilisation and reintegration (**DDR**) of former fighters is a key, however time-consuming step towards the return to peaceful political competition. **Institutional building** and the (re)construction of legitimate government structures are indispensable for the process of concluding armed conflict and the establishment of a functioning democracy. **Elections** have often been the basic tools by which these goals can be achieved within a short-time frame. In almost all the cases of post-conflict reconstruction, the process begins with local elections. In some instances an option to retain some traditional forms of representation (e.g. the Loya Jirga in Afghanistan) are considered, as long as they enjoy a high degree of acceptance by the local population.

The **rule of law and access to justice** through the establishment of a credible judiciary is also a core element of the peace process, as it promotes trust among the citizens. A significant dilemma to be addressed by peace-builders is whether there are any circumstances when the pursuit of judicial measures can be ‘shelved’ or ‘sacrificed’ as an unwelcome yet necessary trade-off for peace. Another challenge relates to truth and reconciliation in areas marked by atrocities and the understandable desire for redress. In Cambodia, for example, pursuing transitional justice.(via hybrid local-international courts) has been seen as essential for society to overcome the tragic legacy of the conflict and enhance durable stability, although it may be a challenge to balance this with reconciliation aims. Hence, in some other instances, the decision to start a truth and reconciliation process has been put off in lieu of maintaining the peace agreement between the key actors. Access to justice often has to be balanced with the need to reintegrate the key actors in the conflict back into mainstream society.

If all the above measures are to be considered in the framework of a peace-building strategy, little can be achieved without **good governance** on a day-to-day basis. It should be remembered that susceptibility to renewed conflict is often fueled by traditions of over-centralised administration, economic marginalisation, weak democracy and uncertain justice. One of the biggest obstacles to post-conflict institution building is quite simply bad government. The threat to most peace agreements is not necessarily a willful abrogation of the agreement itself, but the failure to effectively deliver good governance during the critical post-conflict period, whether motivated by corruption, or the abuse of power by security forces.

At the same time, it is important to remember that institutional building and good governance cannot be seen in isolation from economic reconstruction. Again, while there is no universal recipe for **sustained economic recovery**, the following elements have been present in instances where there has been a positive post-conflict scenario: a strategy framework and national development policy, governance reforms, investment in infrastructure and education, the attraction of foreign direct investment and remittances, and a strong component of local ownership.

The rationale behind all these parameters is the imperative for **social and economic opportunities** and a faith in a better tomorrow that should be offered to war-torn societies, if “hearts and minds” are to be won. Contrary to the emotional charge of this noble cause, the tools to be used are much

less exciting and fall into the “dull” sphere of sound planning and management of international aid. One of the first pre-requisites to guide external aid, its prioritisation, level, sequencing and composition, even if tailored to the idiosyncratic nature of a particular state, is the existence of **efficient and politically legitimate aid disbursement mechanisms and service-providers**. Most post-conflict societies are badly in need of public services provided at a low cost, if not free of charge at the outset. At the same time, what may incur a high political price relates to (i) the necessary collection of state revenues for the national budget (ii) the encouragement of sound fiscal management (iii) combating corruption, and (iv) a path to be charted towards fiscal sustainability through the gradual reduction of external support. Unless this is achieved, a vicious cycle is to be expected, as has been the case with Kosovo and Afghanistan that can be seen as ‘fiscally stillborn’ states, in the sense that it is likely that both countries will require ongoing support from the international community for the foreseeable future.

These cases clearly demonstrate why capacity building of post-conflict governments for sustainable recovery is paramount. In particular, it is critical to avoid the mistake of **duplicating government functions with parallel structures for the disbursement of international funding**. It should be recognised that the majority of reconstruction funds are channelled through the UN system and international NGOs, creating mechanisms for basic service delivery that may be necessary in early stages, but need to be phased out effectively. Otherwise, valuable human expertise and capacity are removed from the government into the aid sector, thus leading to the emergence of a second – and often more powerful – administration. The ultimate objective is to build or re-build a functioning government and not to juxtapose it with a replacement system to the detriment of long-term sustainability.

The blame for such an outcome should not be laid at the door of the recipients of post-conflict reconstruction aid. Not infrequently, it seems that it is the donors that fail to understand the specificity of the local context and to identify appropriate strategies and tools.

The 5th AER stressed the following **three paradoxes in the provision of international aid** to post-conflict societies:

- The **gap in perceptions** between the (developed) donors and (underdeveloped) recipients: while donors as a rule enjoy a well-established vibrant free market and decentralised economies, war-torn societies urgently need a strong central state and heavily subsidised public services.
- **Cash as a wrong priority**, i.e. neglecting the simple truth that capacity-building is more important than cash. It is important to remember that money does not necessarily bring development; it is development that brings money.
- The **‘projectisation’ of international aid**, i.e. tying funding to specific activities (projects) which may – or may not – have been properly identified and designed. Where this happens, it is often at the expense of flexibility and, subsequently, the effectiveness of aid.

More use could be made of **consolidated trust funds** instead of each donor financing their reconstruction programs through a multitude of budget lines, most of which cannot be switched between sectors and sub-sectors. The trust funds could be designed to incorporate sequenced usage over a much longer spread of years as well as monitored and overseen by an independent board composed of international and local members. More important than absolute amounts of money is that the usage of resources is based on **comprehensive needs assessments**, conducted in an inclusive manner with the direct participation of beneficiaries.

Experience acquired so far also stresses the need for post-conflict reconstruction to be based on a **regional development approach** and the broader geopolitical context as well. Without

commitment from neighbouring countries to the redevelopment of post-conflict areas and intensive regional trade, the chances for a sustainable recovery will most probably remain slim; once again, Afghanistan or East Timor may be cases in point.

3. AN EFFECTIVE PEACE-BUILDING CYCLE

Upon the signing of a peace agreement, **peace-keeping** is the usual first step – and challenge – on the road to a settlement. The recruitment of peace-keepers, but also their presence, can often be contentious issues and may put to the test the commitment of various actors to the peace process. The next imperative is the **identification of legitimate and credible leaders** who will be seen as representative enough to command the necessary authority over the post-conflict area. Elections are often the tool used for this purpose, even though they may not always provide the ultimate solution for establishing a legitimate government and may in certain cases entrench hostile power structures or exacerbate an already polarised political environment.

The **timing and sequencing of elections** are also crucial parameters in that donors often see elections as a milestone in their exit strategy and tend to push for elections soon after the peace agreement. Furthermore, the first round of elections is rarely conducted in conditions of stability and a **security dilemma** needs to be taken into consideration as to the precise time or type of elections, if they are not to lead to illegitimate political outbidding and further fragmentation of post-conflict society.

In most cases, the approach of the international community is to see a national government in place as a credible interlocutor, though this may not always reflect the desire for a ownership of the settlement or much-needed public services at local level. While the choice and design of electoral systems largely depend on the local context, **inclusiveness** should be the most important criterion for their suitability. Even more importantly, post-conflict elections are often event-driven, i.e. **one-off developments**, and do not fall into a broader long-term process that ensures lasting appeasement. However, a holistic and **cycle-based approach** is required to facilitate the viability of political parties and institutions, and what is often neglected is the period in-between elections.

The highly contentious issue of transitional justice cannot be addressed, unless a credible judiciary is already in place (be it local or internationally led), given the delicate balance between peace, justice and reconciliation. While various legal formulae have been recorded so far, what remains undisputed is the need for a **supremacy of the rule of law** in any post-conflict society.

In the later years of reconstruction, when external support is most effective, it is frequently no longer available. In most cases, the international community provides the bulk of external support over the first 1-4 years of transition, shrinking rapidly thereafter. In the early years, however, when the policy and institutional framework is still weak, the vast majority of finance tends to be spent on unsustainable, quick-impact projects, many of which do not support institution-building or a growth agenda directly. Ideally, **external support should be re-sequenced over a longer timeframe** to limit the proliferation of poorly targeted projects that could contribute to an aggravation of the situation and a possible return to conflict.

The cyclical nature of a peace-building process is emphasized as being iterative, with several steps that may need to be returned to and reinforced simultaneously with advances to further stages, rather than linear.

4. STAKEHOLDERS IN PEACE-BUILDING

An increasingly prominent and unwelcome trend has been the fragmentation of international aid instruments and, therefore, the need for **closer donor coordination**.

While the involvement of the **United Nations and other international agencies** is often imperative, **regional organisations** such as the European Union or the Organization for Security and Co-operation (OSCE) have been instrumental and complementary in peace-making and peace-building. Moreover, consideration might be given to the significant potential for ASEAN and other regional bodies to assume a similar role in Asia.

Post-conflict reconstruction however must ultimately fall on the shoulders of local actors. The range of local actors that are a critical component of this process include political parties, local NGOs and civil society groups, local businesses and entrepreneurs. There are also those who may adversely affect the peace-process such as local militias or paramilitary groups, often referred to as “spoilers.” Finally, there are diaspora communities, often living in neighbouring countries or territories that continue to have a key role, and must certainly be considered in any post-reconstruction effort. Additionally the media also plays a key role in post-reconstruction efforts. They have the capacity to help the peace efforts stabilize or can alternatively undermine a fragile peace, polarise society and subvert the peace-building process.

These local actors play different roles on the ground and their importance in post-conflict reconstruction must be underlined. Political parties and civil society actors for example are indispensable interlocutors on the ground. Political parties are expected to aggregate the disparate interests of communities in a post-conflict environment and achieve some level of consensus such that a functioning government can get elected and established. Similarly civil society groups must come forward in the efforts at re-building trust and ensuring good governance. This will require capacity-building such that these local actors can assume a constructive role in the process. Indeed, capacity-building of political parties in the aftermath of a conflict is potentially as, if not more, crucial as the establishment of elections.

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