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Peace, Security and Development

Report on policy coherence for development 2015



PEACE, SECURITY AND DEVELOPMENT

NORWAY'S REPORT ON POLICY COHERENCE FOR DEVELOPMENT 2015

Policy coherence for development is partly a question of how countries' policies in areas other than international development affect developing countries, and how the negative impacts of these policies can be lessened and the positive impacts reinforced. And it is partly a question of fostering synergies between development policy and other policy areas.

It is often very difficult to identify the concrete impacts that policies in areas other than development have on a specific developing country. Any positive or negative effects must therefore be assessed on the basis of a broad range of research studies, reports, evaluations, experience, etc.¹ Experience shows, for example, that aid for trade puts poor countries in a better position to make use of the opportunities for exporting to rich countries, including preferences, that are available in existing trade agreements. Experience also shows that aid that enables a country to strengthen its financial management system, its legal system, and key institutions creates a more predictable environment for both local and international investors, and makes the country a more attractive destination for investment. There is also widespread agreement that using aid to create more jobs, increase pay and improve education for the general population reduces the risk of individuals being drawn to violent extremism, terrorism, organised crime and piracy, and creates better national and global framework conditions for development.

Efforts designed to help developing countries will at times also benefit developed countries. Sometimes it is claimed that we are acting in our self-interest. This is true to some extent, but the fact that donor countries also gain does not make the benefits for poor people and poor countries any less real. Efforts that benefit all parties can make it easier to see the broader picture, and help to break negative spirals of increasing unrest, poverty, marginalisation and radicalisation leading to recruitment to organised crime and terrorism.² This is in everyone's interests, but it is the most fragile states that are facing the greatest challenges that have the

¹ [The Commitment to Development Index \(CDI\)](#) drawn up by the Center for Global Development shows the effect of rich countries' policies on developing countries. Norway usually has a high score, particularly in the areas of security policy and development policy. Aid is a key element as it plays an important role as a catalyst for advances in other sectors that promote development, such as investment, trade and security.

² See [World Development Report 2011](#)

most to gain. In one sense, therefore, policy coherence is also a question of the degree to which developing countries have access to the global public goods that all countries, to a varying extent, are involved in creating and can enjoy, for example in the areas of climate change and trade.

[The Sustainable Development Goals](#) (SDGs) adopted by the UN to replace the MDGs when they expire, are universal. They apply to all countries not just developing countries. This means that all countries have a responsibility to work, at both national and global level, towards these goals and the vision of eradicating extreme poverty by 2030. Norway has been a driving force in the efforts to ensure that the SDGs incorporate all three pillars of sustainable development – social, economic and environmental – as well as good governance and the development of peaceful, stable societies.

Why has this theme been chosen for this year's report?

A number of countries and regions are experiencing violent conflict. Syria and Iraq, South Sudan, Nigeria, Yemen, Somalia and Afghanistan are all examples. The reasons for these conflicts are different and complex. Poverty, poor governance, competition for natural resources, organised crime, including drugs trafficking, religious and cultural tensions, and the negative impacts of climate change are all factors. The result is less security and more violence and terrorism locally, regionally and globally, and development processes in the countries concerned are being brought to a standstill.

Due to the increasingly global nature of these conflicts and their spillover effects, the international community is having to respond and engage in conflict management more and more often, and there is an increasing focus on conflict prevention. Threats to peace and security can only be met using a wide range of instruments, including development policy, foreign policy, justice policy and defence policy tools. A coherent approach to security policy and development policy and close international coordination are essential to ensure the best possible results with limited resources.

Norway is now concentrating its aid on fewer countries, 12 of which have been identified as focus countries.³ Six of these are fragile states facing major challenges, including unrest, violent conflict, and security risks to people and property.

³ Norway's focus countries are: Somalia, South Sudan, Palestine, Afghanistan, Haiti, Myanmar, Malawi, Nepal, Mali, Ethiopia, Mozambique and Tanzania.

SDG 16 is to ‘Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels’, and this is crucial for development in poor countries. This goal also includes targets on preventing and combating terrorism and all forms of organised crime. These are priority areas in Norwegian foreign policy, development policy and security policy.

In June 2015, Norway presented the [white paper Global security challenges in Norway’s foreign policy – Terrorism, organised crime, piracy and cyber threats](#), which examines global security threats and the consequences of these for Norway. It looks at the security policy dimension of development policy. It discusses the transnational and global nature of terrorism, organised crime, piracy and cyber threats, and points out that global security challenges can be both a cause of and a result of a lack of development in fragile states. It sets out the Government’s intention to make greater use of development policy instruments, expertise and experience to promote stability and prevent radicalisation, violent extremism, organised crime and conflict than it has done in the past.

The links between security policy, human rights policy and development policy are discussed in the white paper [Opportunities for All: Human Rights in Norway’s Foreign Policy and Development Cooperation](#). The overall message of this white paper is that respect for human rights is both a foreign policy goal and a tool for achieving lasting development and security.

Migration is now taking place on a scale not seen since the Second World War, and this is creating social unrest and international tension. The increase in the number of migrants is partly due to conflict in several parts of the world, and partly to a general desire to find work and better living conditions. Fewer resources and more frequent extreme weather events, such as floods and droughts, as a result of climate change, can be expected to increase poverty, marginalisation, forced migration and security challenges. 2014 was a record year in terms of migration with nearly 79 million people fleeing from war, conflict and natural disasters. By far the majority of these are internally displaced, and most of the refugees are now living in neighbouring countries. The number of people seeking refuge in Europe is, however, also rising, not least as a result of human smuggling in and around the Mediterranean. According to a report by the UN Security Council, human trafficking from Libya generated a total turnover of almost USD 170 million in 2014.⁴

⁴ [Report by the Panel of Experts established pursuant to Security Council resolution 1973 \(2011\)](#)

The current global situation where many countries are under a permanent threat of terrorism, the new sustainable development agenda, the discussions in the white papers mentioned above, the challenges in our focus countries and in other fragile states, as well as other global challenges such as migration and the impacts of climate change, all highlight the close links between security policy and development policy. This is an important part of the reason why the theme of ‘peace, security and development’ was chosen for this report.

The report approaches the challenges in the field of peace, security and development from two angles: how peace and security promote development; and how development policy can prevent conflict and recruitment to terrorism and crime. In this perspective, policies in the areas of peace, security and development can have a mutually reinforcing effect over time, leading to greater development and safer and more secure societies in developing countries and – as a spillover effect – in other countries too.

War and violent conflict undermine development. Reducing conflict, violence and crime promotes development.

Conflict, violence and insecurity in a country can prevent investment in infrastructure and make normal business operations impossible. Gross and systematic violations of human rights may be carried out with little likelihood of the perpetrators being held accountable.⁵ Often in areas affected by conflict, neither the authorities nor commercial actors – and few aid organisations – are able to carry out their work. Investing in businesses in areas close to conflict zones or areas under threat may be considered risky, and these businesses can thus suffer. Trade and other economic ties with neighbouring countries may also be impeded. Progress that has taken generations to make can be reversed very rapidly.

Conflicts often arise in situations where different groups are competing to gain control of valuable natural resources and the income these can generate. Political and religious extremists as well as criminal groups can create and exploit civil war-like conditions at local or national level for their own gain, financial or otherwise. As we have seen in countries like Syria, Iraq, South Sudan, Somalia, Libya and Afghanistan, groups of this kind can gain control of new areas, with the result that acts of violence and criminal activities are extended to other countries and people are forced to flee their homes.

⁵ [International law in its current state contains detailed](#) treaty provisions on mutual legal assistance for such crimes as computer-related forgery but not for genocide, most crimes against humanity, and most war crimes. (American Society of International Law, 2014)

Moreover, people's lives, health and property are often considerably less secure in countries and areas where there is peace in principle, but where the authorities are too weak to enforce the law, or where the government is oppressive or exploitative. Various forms of this can be found in countries like Haiti and Guatemala and in parts of Mexico.

Not only do areas of war, conflict or extreme states of lawlessness suffer from physical destruction, they also tend to have weak institutions, which in normal circumstances play an important role in binding society together to everyone's benefit. Established norms may no longer be respected, and public authorities that would normally enforce the law and provide services that the population depend on may be weakened or even cease to function completely. The result is often that personal security is no longer provided by a professional police force, but is left in the hands of soldiers, militia groups and criminals, while social and political rights are disregarded. The few social and other services that are available are often in the hands of those who control the area, and the use of these services may be subject to charges or offered as a reward for support. Situations like these can give rise to large numbers of internally displaced people and refugees and thus exacerbate the already considerable regional and global challenges associated with migration.

Development can reduce the potential for conflict

The risk of conflict is related to the level of ethnic and religious tension in society. [The World Bank's 2011 World Development Report: Conflict, Security and Development](#), points out that there is also a connection between inadequate rule of law, institutions and job opportunities on the one hand and recruitment to terrorism and crime on the other. This, together with the frequently used indicator of gross national income per capita, is a key factor for assessing how developed a country is in a broad sense. Although there is no clear cause-and-effect relationship, there is a strong indication that a high level of development reduces the likelihood of conflict, violence and widespread crime.

The rule of law means governance of a country in accordance with laws that the population considers fair, where there is equality before the law, and where laws are enforced by effective institutions. The police and courts must be professional. The health and education systems must function adequately. Sound institutions that promote the rule of law and welfare are the very fabric of a well-functioning society. Well-functioning institutions also serve to increase investor confidence and thus provide a basis for further private sector development and job creation, which in turn can prevent recruitment to crime and terrorism. On the other

hand, if a country has a power structure with strong institutions that do not comply with the country's legislation, the result will be unpredictability for the population and insecurity and caution on the part of investors. This, in turn, will undermine growth and development.

The international development dialogue, international aid efforts and the [Doha round](#) in the World Trade Organization negotiations all have development as a primary or secondary goal. Reducing conflict and stopping recruitment to extremist organisations are not the main objectives of either development policy or trade policy, but conflicts in and between countries, whether initiated by the authorities themselves or by independent groups seeking to promote their own interests, are making these issues an increasingly important aspect of development policy in a broad sense. With regard to fragile states, which are receiving increasing attention in development policy, we are clearly seeing that the best breeding grounds for conflicts and extremism are those areas where institutions and the rule of law are weakest. Institution-building is therefore crucial in these countries, as is job creation. However, these are fields where it is difficult to bring about change if there is a lack of confidence in the government or if the authorities are unwilling or unable to make changes.

Peace and security as essential for development.

Before peace and reconciliation efforts can begin, a violent conflict must have reached a stage where the parties are willing to talk to some kind of mediator. This may happen after a third party has intervened in the conflict, or other conditions may make it possible. Experience has shown that both during and after violent conflict, there is a need for close coordination between military efforts, peace and reconciliation initiatives, and long-term aid aimed at stabilising the situation, improving security and promoting development. There is also a need to look at how all this ties in with humanitarian emergency relief. In fragile states with poorly developed institutions, it is particularly important to ensure that all efforts are well coordinated and have common aims. The UN is particularly well placed to help build sustainable and inclusive states and de-escalate and prevent conflicts in countries and regions that are politically fragile, and it can do so by intensifying its development efforts and strengthening cooperation across its three pillars: peace and security, development, and human rights.

Peacebuilding and peacekeeping activities

Challenges

Conflicts between countries or civil-war-like situations within countries are often difficult to resolve bilaterally. Many conflicts take place in or between developing countries, and often the people of these countries – who tend to have few resources to begin with – are unable to flee the war zones in time. The civilian population in war zones or in areas where armed groups are based or into which they advance are often subjected to systematic attacks. Women are particularly vulnerable. In Rwanda, Burundi, DR Congo and South Sudan, the warring parties have not only attacked women and girls, but also men and boys. [UN Security Council resolution 1325](#), which among other things concerns the protection of women in conflict, emphasises the need to mainstream a gender perspective into peacekeeping operations. It also stresses the importance of women's equal participation and full involvement in the resolution of conflicts and in peacebuilding, not least because civilians, particularly women and children, account for the vast majority of those adversely affected by armed conflict. Norway is actively promoting compliance with this resolution.

In Afghanistan, groups that consider their values and their power base to be threatened are engaging in acts of terrorism and waging war against the central authorities. In Somalia, the situation is one of fragmentation. Actors from different regions in the country and powerful clans wield a great deal of influence; by contrast, the central authorities are weak. In Libya, clan-based groups are fighting for power, and this is creating opportunities for terrorist organisations. In Nigeria, Boko Haram is operating in areas where the state has inadequate resources. The Lord's Resistance Army (LRA) is terrorising the populations of DR Congo, the Central African Republic and South Sudan. In all these areas, windows of opportunity are being created for terrorists. In the most affected areas, it is all but impossible for the societies to function normally. Economic and social development is being set back and living standards are deteriorating. People are being attacked and forced to flee their homes.

Many countries have valuable natural resources. Controlling these resources and the revenues they generate is a major source of conflict. Examples of this include the fighting over mineral resources in DR Congo, and earlier, the apartheid regime's defence of its mineral interests in Namibia. To a large extent, the civil war in Angola also centred around control of resources. The same can be said of the otherwise ethnic-based civil war in South Sudan, where

significant oil reserves are of key importance. When the potential gains are great, the motivation to continue an armed struggle over resources is strong.

Several of the conflicts mentioned here are still ongoing; others were fought until one party won a military victory, causing the civilian population immense suffering. It is often difficult to resolve conflicts of this kind while they are ongoing without support and mediation from outside. In some cases, such as in Mozambique, the length of the conflict and recognition of the damage it was doing to the country inspired the parties to seek a negotiated settlement.

Addressing the challenges

The international community – represented by the UN or regional organisations such as the [African Union \(AU\)](#) – often intervene in conflicts, both in the interests of global and regional security and in the interests of the people in the countries concerned. The form of intervention varies. Sometimes, the situation calls for the establishment of a [peacebuilding mission](#), as in the case of Libya and Somalia. Peacebuilding missions are often led by regional organisations, such as NATO or the AU. When there is a lower level of tension and the parties agree to it, a [peacekeeping operation](#)⁶ may be launched under the leadership of the UN or a regional organisation. Both forms of intervention require the approval of, or a mandate from, the UN Security Council.

The main objectives of international operations of this kind are to bring an end to hostilities, stabilise the security situation, protect civilians and create room for dialogue between the parties, so that in time other efforts can be launched to help bring about sustainable peace and development.

A key lesson identified by analyses of interventions of this kind⁷ is that, in order to have the best possible starting point for achieving long-term development, a political strategy and an integrated approach are needed. That is to say, the various kinds of efforts should be seen in relation to each other, they should take place in the right order, and they should be mutually reinforcing. Experience shows that planning along these lines should in principle be carried out *before* military operations begin, and that humanitarian assistance and other protection measures should also be included in the overall planning. This is partly because humanitarian

⁶ Requires the consent of the parties. The aim is to create a stable environment for efforts to find a diplomatic solution to the conflict. The peacekeeping force is often placed in a buffer zone between the parties.

⁷ See for example the World Development Report 2011.

actors must be given the freedom and opportunities they need to carry out their work, and partly because special measures have to be planned for the medium term, for example when it comes to the repatriation of refugees. The UN has drawn up common guidelines for integrated planning of this kind (the *Policy on Integrated Assessment and Planning*) and for transitional periods during which military operations are being wound down (the *Policy on UN Transitions in the Context of Mission Drawdown or Withdrawal*).

In parallel with reconciliation initiatives and efforts to stabilise the political situation, it is important that external actors help to ensure that development projects are planned for the short and medium term. Particular emphasis should be placed on projects that are needed in a post-conflict reconstruction phase, and that promote statebuilding and help to prevent and de-escalate conflicts. It is vital that those who look set to be the future legitimate authorities in the country concerned feel a sense of ownership of the projects, and that the population as a whole sees that they are beneficial. Development projects may help to increase the parties' motivation to find favourable solutions to the conflict. However, making real progress in chaotic situations, where there are multiple initiatives and many different actors, as well as different political groups claiming to represent the legitimate authorities, is no simple task. A sound understanding of the context is needed in order to choose the right partners and the most appropriate tools and methods. In most cases, joint planning and consultation mechanisms are also needed, in order to coordinate important activities involving local partners. Nevertheless, experience has shown that there are no guarantees of success, and there is a risk of ending up with a solution that some of the parties are unhappy with, and that may not work in the long term.

In many reconciliation processes, there are important actors whose voices are not clearly enough heard, for example women's groups. As a result, the solutions negotiated may not be supported by them, and thus may not be as durable as they could be. Moreover, there is a tendency to focus on armed groups, and this may actually act as an incentive for groups to take up arms.

Situations such as the one in Iraq today show how important it is to have good and effective strategies for phasing out international efforts. Plans must be made for transferring power to the country's central and local authorities, with a view to improving the security situation, developing democratic structures and maintaining necessary infrastructure. In the short term, peace and reconciliation efforts may enable previously excluded groups to participate in local

processes to stabilise areas. In the longer term, this can help to bring about more sustainable political solutions to the underlying causes of the conflict.

What Norway is doing

It is in Norway's interests to help to maintain international peace and security. Norway's involvement in peacekeeping operations is based on our support for the UN, as the mainstay of the international legal order, and on our commitments to NATO. Over the years, Norway has participated in many UN peacekeeping operations, as well as in NATO-led operations under a UN Security Council mandate. The operations and missions we have taken part in, from DR Congo, Cyprus and Kosovo to Gaza, East Timor, Sudan/South Sudan, Afghanistan and Libya, have been motivated by the need to stabilise situations that have posed a threat to international peace and security and by the desire to improve conditions for the local population and lay the foundations for development. These will continue to be among the main motives for Norwegian participation in operations of this kind.

The Norwegian Armed Forces are a vital resource in Norway's efforts to promote peace and stability. Norway has long and extensive experience of participating in international peace and crisis management operations. Operations that Norway takes part in will be based on a UN Security Council mandate or on international law, and Norwegian participation will usually be in operations led by the UN, NATO or the EU.

The kinds of activities that Norway might take part in include protecting the authorities and civilian population of a country against armed groups (our participation in [ISAF](#) in Afghanistan is an example of this) and monitoring parties' implementation of peace agreements (as in the United Nations Mission in Sudan ([UNMIS](#)), the United Nations Disengagement Observer Force on the border between Israel and Syria ([UNDOF](#)), and the Multilateral Force & Observers ([MFO](#)) on the border between Israel and Egypt).

Support for building the capacity of the armed forces in host countries (as Norway has done in Iraq since 2014) is increasingly in demand. Norway places great emphasis on incorporating training in human rights, international humanitarian law, and women's rights and gender equality into its efforts in this area. It is a clear requirement that the armed forces are to be under democratic control, and the authorities of the country concerned are also required to take steps to combat corruption in the defence sector.

As already mentioned, there is a close link between the strength of a country's legal system and recruitment to terrorism and criminal activities. For this reason, in some of the countries in which Norway has been involved in conflict resolution, we have also provided experts from the justice sector to build capacity and give advice, as well as other kinds of long-term development assistance. This has been the case, for example, in Palestine,⁸ Kosovo, East Timor, Ethiopia, Liberia, Afghanistan, Somalia, Haiti and South Sudan. Six of these countries are currently among Norway's 12 focus countries, and they will be given particular attention in Norway's development policy in the time ahead.

Norway will continue its efforts through the UN, the EU, NATO and in relation to other relevant forums to ensure that a coherent approach is taken in future international operations and other situations where peace and security have to be established in order to save lives, create development opportunities and ensure sound living conditions.

Norway also aims to contribute to capacity-building and institution-building in Africa, for example through [its strategic partnership with the African Union](#) (AU),⁹ with a view to strengthening the ability of the AU and African countries to meet security challenges of various kinds. Topics to be covered in this work will include peace operations, conflict prevention, peacebuilding, measures aimed at combating terrorism, organised crime and piracy, and the promotion of cybersecurity and development of the digital space.

Conflicts are often deep-rooted, and even after the fighting has ended, hostilities may flare up again. The chances of this happening are greater if large parts of the population were not included in negotiating the peace settlement. In this context, ethnic and religious conflicts are particularly challenging. If the conflict is over control of valuable resources, innovative solutions relating to the sharing of benefits may help to reduce the level of conflict. If the conflict is over illegal resources such as drugs, a lasting solution will require permanent control measures and considerable work on the part of the authorities over time. In any case, the challenges posed by the underlying causes of the conflict will need to be addressed, together with the parties to the conflict, on an ongoing basis.

⁸ Palestine is included in the group of focus countries that are fragile states. This has been done for practical reasons, and does not mean that Norway has recognised Palestine as a state. The other fragile states that are focus countries for Norway are Afghanistan, Somalia, South Sudan, Mali and Haiti.

⁹ https://www.regjeringen.no/en/aktuelt/strategic_partnership/id2363711/

Working to resolve conflicts and stabilise the security situation in fragile states and in countries in conflict with a view to paving the way for long-term development is a high priority for Norway.

International conflict mitigation measures and mediation and reconciliation processes

Challenges

There are several reasons why it is important that the international community takes steps to prevent or resolve conflicts: development processes can be put back on track in the countries concerned; the global security threat level can be lowered; and human suffering and urgent needs can be addressed.

By providing aid swiftly for post-conflict reconstruction efforts, and continuing to provide support in the medium to long term, the international community can show the former parties to the conflict that the peace dividends are within reach. This can increase the parties' motivation to maintain the peace.

In a number of fragile states, the underlying conflict issues remain unresolved, and new issues may have arisen, even if the fighting seems to have stopped. Parties that were formerly in conflict may well see the advantages of refraining from direct hostilities. However, the security situation may not yet be stable enough to attract investments or stimulate significant economic development. In many cases, Norway's and the international community's dialogue with the parties should have a clear development focus, with emphasis on ensuring the safety of people and property. It should also be stressed that aid efforts that promote the normal functioning of society and business activities can serve as a catalyst for economic growth.

The Middle East conflict

The conflict between Israel and Palestine is an example of a deadlocked, asymmetric conflict, where the conditions for growth and development are not yet in place. The security situation is precarious and the prospects for normalising social and business conditions are bleak.

Despite the obvious development potential for the whole region that could be unleashed by peaceful cooperation, the political realities have made it impossible to negotiate a settlement.

There have been a number of attempts at negotiations, with the US playing a key role, but these have been unsuccessful.

In parallel with the negotiations, and to some extent in order for them to be able to take place at all, it has been essential to use economic assistance to improve the situation for the Palestinians, for example by helping to build up Palestinian state institutions. At the same time, it has been important to safeguard the security of Israel. Norway has played and is continuing to play an important role as chair of the international donor group, the Ad Hoc Liaison Committee for Assistance to the Palestinians ([AHLC](#)). The AHLC coordinates assistance to the Palestinians, and seeks to promote dialogue between the main donors, the Palestinian Authority and the Government of Israel. Its aim is to build up a well-functioning state apparatus for Palestine, as this is crucial for a two-state solution. Having said this, it is clear that without a credible political process towards a two-state solution and visible progress in the negotiations between the parties, it will be difficult to engage in long-term efforts to strengthen the Palestinian institutions. So far the situation has not been right for this, but it is important to continue this work and build a foundation for sustainable development, for humanitarian reasons and from a security policy perspective.

The armed conflict that broke out in *South Sudan* in 2013 has been brutal, and the peace agreement that was signed in August 2015 seems fragile. South Sudan is a young state that has been plunged into a savage conflict over political power and control over the country's abundant resources. The civilian population has been severely affected. The peace negotiations, facilitated by the regional organisation the Intergovernmental Authority on Development ([IGAD](#)), have aimed for a peace agreement between the parties that includes a power-sharing arrangement, under which they together will manage the country's resources and govern the country to the benefit of all. This is a process that will take time. Moreover, the conflict has been so intense and polarised that the work to develop the country's institutions, establish constructive patterns of political interaction and bring the development processes back on track may also take a long time. Norway has played a role in the peace process and intends to continue to do so.

In *Colombia*, formal negotiations between the authorities and the Revolutionary Armed Forces of Colombia ([FARC-EP](#)) began in the autumn of 2012 in Oslo. The armed conflict in Colombia has lasted for more than 50 years. Over 6 million people have been internally displaced and over 200 000 have lost their lives. After more than three years at the negotiating table, the Colombian Government and FARC have agreed on three provisional agreements that address the historical root causes of the conflict. These agreements focus on widespread rural reforms, including improving access to land for poor farmers, on improving the

conditions for the political opposition and facilitating FARC's future political participation, and on countering drug production and the illegal drugs trade. As facilitator and guarantor country, Norway has taken part in the negotiations, provided assistance in mine clearance, contributed input and expertise, and sought to build confidence. If a peace agreement is to be seen as legitimate in Colombia, it is essential that it safeguards the rights of the victims of the conflict, and this is now a topic in the negotiations. In June 2014, it was revealed that confidential talks were also being held with the smaller rebel group, the ELN (*Ejército de Liberación Nacional*). Norway is playing a role in this process too.

In *Afghanistan*, finding a political solution to the various conflicts is essential for securing long-term stability and development. Norway voiced this view at an early stage. The aim must be to negotiate a solution whereby the Taliban and other insurgent groups can be transformed into political movements and find their place within a democratic political system.

Afghanistan's National Unity Government and the Taliban have taken the initiative to start negotiations. The international community must make it clear that it expects the parties to continue their efforts to build a peace process. At the same time, political parties, women's groups and other civil society groups are providing input. In Norway's experience, a peace process must be inclusive if it is to enjoy legitimacy and find good solutions. It is crucial that the forthcoming negotiations do not compromise on the fundamental rights for the Afghan people that are set out in the country's constitution, not least women's rights.

Since gaining its independence from colonial powers, *Somalia* has been plagued by hostilities based on inter-clan rivalries and conflicts of interest. The country's central authorities are weak, and this has created a power vacuum in which various other groups have been able to operate more or less freely. These include criminals, pirates, and groups that are having a politically destabilising effect, not least al-Shabaab. International efforts in Somalia have included measures to combat piracy, primarily through patrols at sea, but also on land. Earlier, UN forces were part of the international efforts, but now it is the African Union Mission in Somalia ([AMISOM](#)) that is leading the efforts to improve the security situation. AMISOM is working to strengthen Somalia's own security efforts, through engaging in military operations, institution-building and the training of armed forces and police officers. At the same time, a number of other countries, including Norway, are working to strengthen the country's central authorities and institutions, with a view to enabling the Somalis themselves to combat terrorism and crime and create a conducive environment for social and economic development. Somalia has a large diaspora, and members of this diaspora may be able to

inject capital for economic growth once conditions improve in their home country.

Addressing the challenges

The UN is the most important international organisation for resolving conflicts between countries. Regional and sub-regional organisations, such as the AU, IGAD, the South African Development Community ([SADC](#)) and the Economic Community of West African States ([ECOWAS](#)), are also playing an important role in resolving conflicts in Africa. The EU, the Council of Europe, the Organisation for Security and Cooperation in Europe ([OSCE](#)) and NATO are also important actors in the context of conflict resolution. However, in many countries there has been a need to supplement the efforts of these actors. Third countries – such as Norway – that have broad experience from peace processes can play an important role by arranging meetings, identifying issues of common interest, encouraging the parties to resolve these issues and providing incentives in the form of aid and capacity-building.

Conflict resolution through mediation and reconciliation is a painstaking process, and setbacks are common. In order to motivate the parties to continue a peace process, it is important to convince them that a better future lies ahead if they succeed. Often, they have to be persuaded that a ‘winner takes all’ approach is not the best strategy. The peace process following the civil war in Mozambique showed that even making minor concessions and giving the ‘losing’ party a small amount of influence can be enough to achieve a peace agreement. However, experience from this process also showed that it can be difficult to change ingrained attitudes that the ‘losing party’ should not be given anything, that old antagonisms die hard, and that incentives for ending the conflict and guarantees that resources will be used to the benefit of everyone need to be included in a peace agreement if it is to be durable. East Timor’s management of its petroleum resources can serve as *one* possible model for sound and fair distribution of resources. Aid funds can also be used to give the parties an idea of what the future could be like, thereby motivating them to continue negotiations.

Churches and religious communities have considerable normative influence, and the moral and ethical values that define these groups often create a strong sense of loyalty and internal coherence that may be lacking in political power structures. Experience shows that involving groups of this kind in constructive dialogue with the parties to a conflict can be a more context-sensitive approach, which may prove effective.

What Norway is doing

Norway has extensive experience as a facilitator in peace processes, and has helped to stabilise and resolve a number of conflicts in developing countries. In Norway's experience – based on its involvement in peace and reconciliation processes in many places, including South Sudan, the Middle East and Somalia – it is an advantage to be a small state without a colonial past and with a good reputation as a nation of peace. Norway is rarely suspected of having a self-interest in these contexts, and is therefore often a sought-after third party. However, in many cases we do not know enough about conditions in the countries we are involved in. A special effort is often needed to gain a better understanding of the context of the conflict. Norway is now carrying out more systematic context analyses and risk assessments in all its focus countries, with a particular emphasis on fragile states.

In some contexts, especially in fragile states and in the short term, the aim of conflict mitigation and peace and reconciliation efforts can be simply to gain time and consolidate a post-conflict situation. However, in order for there to be a sustainable solution, proper follow-up work and the well-targeted use of long-term aid are also essential. In some cases, Norway's engagement in conflict resolution has therefore become a long-term task, for example in the Middle East and in South Sudan. In general, however, Norway's long-term conflict resolution efforts should have a limited time span.

Norway is also helping to develop and enhance the UN's mediation capacity, for example through the [Standby Team of Mediation Experts](#), by supporting implementation of UN Security Council resolution 1325 in other countries, and by implementing its own *National Action Plan on Women, Peace and Security*.

Norwegian civil society groups are also contributing to peace and reconciliation efforts, by helping to build lasting relations, enhancing understanding of the conflict context, and forging ties with local civil society groups in the countries concerned.

The Norwegian Armed Forces participate in peace and reconciliation efforts by providing personnel to observer forces such as the Multinational Force & Observers (MFO) in the Sinai and the UN Disengagement Observer Force (UNDOF) in Lebanon.

As mentioned, Norway also has broad experience in the field of religious dialogue. An account of this is given in the report from the Ministry's [‘Religion and Development’ project](#).

Mediation in Nepal

After 10 years of conflict, a fragile peace agreement was signed in Nepal in 2006. Norway stressed the importance of finding a political solution to the conflict at an early stage. Norway's political engagement was at the time, and still is, closely aligned with Nepal's national development agenda. Today, several parts of the agreement have been implemented, and the country's new constitution will probably have been drawn up by the end of 2015.

Norway's political peace efforts have not been without risk. Despite an intention to coordinate our efforts with those of other actors as far as possible, at times it has been necessary to take decisions that have not been in line with other international actors' analyses or interests. One example of this is Norway's efforts to assist former Maoist soldiers in making the transition from military to civilian status, in cooperation with the Nepalese authorities and the Maoists.

Two key aspects of Norway's political engagement should be emphasised in this context. Firstly, it was, and still is, based on sound and independent political analyses. Secondly, Norway's engagement enjoys broad support among the key political actors on both sides of the conflict. Peacebuilding and conflict resolution efforts in developing countries are often guided by Western thinking, and are often carried out with some degree of UN involvement. A distinguishing feature of the peace process in Nepal is that it is owned and run by the Nepalese themselves, who are proud to have developed their own peace process. This gives grounds for hope that it can succeed.

Norway is seeking to enhance the role played by the UN system in peace processes, and has been a strong supporter of the [Joint Programme on Building National Capacities for Conflict Prevention](#), a collaboration between the UN's Department of Political Affairs (DPA) and UNDP. A key part of this programme has been the deployment of Peace and Development Advisors, who help the UN Resident Coordinators to assist the host country in the areas of conflict prevention and reconciliation, particularly in countries where there is no Security Council mandate for a peace operation. Norway will continue to take the initiative and offer its expertise in efforts to bring an end to violent and intractable conflicts and hostilities. In a

number of white papers, the Government has also announced measures to strengthen Norway's peace and reconciliation efforts, and measures to help resolve and prevent conflicts.

The white paper *Opportunities for All: Human Rights in Norway's Foreign Policy and Development Cooperation* sets out that Norway will 'support organisations and other actors, including UN funds, programmes and peace operations, that promote human rights in conflict and post-conflict situations'. Further, Norway will 'take a leading role in advancing the women, peace and security agenda, and in particular promote women's participation and influence on an equal footing with men in peace processes'.

The *National Action Plan on Women, Peace and Security* (2015–18) makes it clear that Norway gives priority to increasing women's participation and influence in peace and security processes. This is crucial for ensuring that decision-making processes relating to peace, security and development are seen as legitimate, and it is crucial for securing a lasting peace. The white paper on *Global security challenges in Norway's foreign policy* sets out a number of initiatives and priority actions to be taken to promote peace and security while advancing development in fragile states.

The Government will seek to strengthen the role of the UN in international efforts to combat terrorism and will work to improve coordination within the UN system and between the UN and other actors.

Efforts to prevent radicalisation and violent extremism will be integrated into Norway's long-term development cooperation. The Government will seek to ensure that the principles of the rule of law are upheld in the local authorities' dealings with terrorists and with all those at risk of being recruited to extremist groups.

Support will also be provided for national programmes aimed at demobilising and deradicalising extremist groups, as well as measures in the field of education that can help to prevent radicalisation. Education and vocational training for vulnerable groups and measures designed to prevent radicalisation in prisons will also be part of this work. Norway is supporting women's organisations and others working to promote gender equality with a view to strengthening the gender perspective in efforts to prevent and combat violent extremism.

The Government will strengthen efforts to prevent radicalisation and violent extremism in Africa, the Middle East and South Asia, and will continue to call for efforts to prevent radicalisation and violent extremism to be given a central place in international counter-terrorism work.

The Government will intensify Norway's strategic cooperation with the EU on the situation in the Sahel and Maghreb regions, and will support EU regional development and protection programmes ([RDPPs](#)) designed to address migration and protection challenges in North Africa and in Syria's neighbouring countries.

Norway will take an active part in conflict mitigation, mediation and reconciliation efforts in fragile states where Norway is already involved, thereby helping to pave the way for long-term development in the affected countries.

Controlling the international arms trade and the use of anti-personnel mines and cluster munitions

Challenges

The right of all countries to defend themselves in the event of an armed attack is enshrined in the UN Charter. Manufacturing conventional weapons and defence-related products is therefore legitimate, as is the international trade in conventional weapons and defence-related products. Having said this, the fact that the production and sale of weapons and ammunition is extremely lucrative means that there is also a significant illicit arms trade at the international level. Easy access to arms and other military equipment lowers the threshold for engaging in violent conflict. Conversely, stringent regulations for the arms trade and the enforcement of these regulations may encourage greater use of negotiations as a method of conflict resolution, thereby improving conditions for the people in the conflict-affected area and for development-oriented business activities. It is therefore in the interest of all countries to take effective and targeted measures to control the trade in conventional weapons.

In areas where there are large quantities of small arms, light weapons and ammunition, the human and economic costs tend to be considerable. In such areas, the legitimate authorities have less control, criminals and terrorists have a freer rein, and the weapons pose a constant threat to people's lives and to security. In areas where there is civil strife, or where the weapons end up in the hands of terrorist organisations or rebel groups (as in Syria), the problems are further compounded.

The costs for other countries are also substantial. Today's terrorists often have ideological goals that cause them to target foreign countries, and criminal cartels frequently seek to consolidate and expand their activities beyond national borders. The methods used by these groups are becoming ever more calculating, and Western countries in particular have had to

devote increasing intelligence and security capacity to responding to this threat. It is especially important to help the authorities of developing countries that have become hotbeds of crime and terrorism to regain control over areas where law and order has broken down. In addition, all countries need to play their part in the efforts to prevent easy access to weapons and ammunition. The sources of income for criminal and terrorist activities need to be cut off, and channels for illicit financial flows and money laundering need to be blocked.

The rest of the international community can make an important contribution in this context, and together we have the resources to make a difference, for example by limiting the trade in weapons, carrying out satellite surveillance and expanding intelligence cooperation.

Addressing the challenges

The challenges in this field are global, and they call for a global concerted effort, based on frameworks and treaties that clearly define the problems, the goals, and the means to be used for reaching them. Considerable effort is put into negotiating treaties and establishing institutions that can promote cooperation and monitor implementation of any agreements reached. In addition, all countries that ratify these treaties have to incorporate them into national legislation. If national legislation is not properly enforced, weapons and ammunition may find their way to countries in conflict, at risk of conflict, or where crime is rife and a breeding ground for terrorism already exists or could easily develop. However, in 2014 the UN Arms Trade Treaty ([ATT](#)) entered into force. The Treaty covers trade in conventional weapons, including ammunition and components of conventional weapons, and emphasises the responsibility of all states that trade in weapons and military equipment to establish and implement national control systems to regulate exports. The Treaty includes important prohibitions and criteria relating to export licences, violations of international humanitarian law, international human rights, organised crime and terrorism in importing states. It forms an important basis for efforts to prevent the illicit supply of weapons to areas affected by armed conflict or high crime rates. This gives grounds to believe that these efforts will be more successful in the future.

There is an extensive arms trade between the NATO countries. Most of these countries also export arms to non-NATO countries, and in such cases end-user declarations are required to prevent resale. Some NATO members have stricter rules than others for exports to non-NATO countries.

The Convention on Cluster Munitions ([CCM](#)), which was signed in Oslo in 2008, prohibits the production, stockpiling, sale and use of cluster munitions. Munitions of this kind are a particular threat to the civilian population, as they leave behind unexploded submunitions that are spread over large areas and can remain undetonated for years, posing a grave risk to children playing in these areas.

At the end of 2014, 162 countries were party to the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction ([the Mine Ban Treaty](#)), among them most former producers of anti-personnel mines. Like cluster munitions, anti-personnel mines do not discriminate sufficiently between combatants and civilians. They have been widely used, and constitute a risk to life and health long after hostilities have ended.

What Norway is doing

Norway manufactures and exports a substantial volume of military equipment. Some 90 % of exports go to other NATO countries and other Nordic countries. Norway has strict and comprehensive export control legislation. [The guidelines for processing export licence applications for defence-related products](#) at the Ministry of Foreign Affairs were revised in 2014. The guidelines make it clear that an end-user statement is always required before a licence can be granted. In order to grant a licence to export any kind of weapon or ammunition to countries outside Group 1 (NATO countries and European like-minded countries), an officially confirmed end-user statement containing a re-export clause is required. No arms or ammunition are to be sold to areas where there is war or a threat of war, or to countries where there is a civil war. Moreover, if there is considered to be an unacceptable risk that the equipment will be used for internal oppression or serious human rights violations, for example, an export licence will not be granted.

Norway played an important role in the negotiations on the ATT, the CCM and the Mine Ban Treaty, and is a state party to all three treaties. Together with Ecuador, Norway has for the last two years been a coordinator on universalisation of the CCM, with the aim of bringing the number of states parties to the Convention to 100 before the first Review Conference in September 2015. As of 20 September, there are 96 states parties, and more are expected to complete their ratification procedures in the coming months.

The Government Pension Fund Global's ethical guidelines, the *Guidelines for observation and exclusion from the Government Pension Fund Global*, place great emphasis on not

investing in companies that contribute to human rights violations, produce weapons that violate fundamental humanitarian principles or sell weapons or military materiel to states that are subject to investment restrictions, UN sanctions or other far-reaching restrictive measures that Norway has aligned itself with.

Norway's annual white papers on its exports of military equipment and components are a signal to the international community of Norway's commitment to transparency and accountability in this context. The Government will maintain and further develop a strong regulatory framework for Norwegian arms exports. It would also like to see a requirement for all countries to provide end-user declarations, and we are advocating that this becomes the norm in NATO. Norway is also seeking to achieve agreement on this in a number of other international arenas.

Work is also under way to harmonise the marking and tracking mechanisms for Norwegian weapons and ammunition with the provisions of the EU Firearms Directive, which is currently being revised with a view to establishing common rules on marking of firearms, to improve the traceability of weapons and thus help prevent the illicit arms trade and criminal activities. Similarly, efforts are being made to harmonise Norwegian rules with the rules that are being developed in the UN.

Norway is supporting work to clear mines, cluster munitions and other weapons that pose a threat to civilians. Norway's funding for mine clearance is being channelled through various international organisations and NGOs. [Norwegian People's Aid](#) plays a key role in this area, and has built up valuable expertise over a number of decades on issues relating to monitoring, clearance and the destruction of stockpiles. In 2014, the organisation received a Government allocation of NOK 100 million for helping affected countries to meet their international obligations on clearing mines, cluster munitions and other explosive remnants of war.

Norwegian People's Aid uses multilateral forums and its operational experience to promote the use of more effective methods by countries and other clearance operators, and consults closely with the Ministry of Foreign Affairs on how best to achieve common objectives. In this way, Norway's support leads to concrete results in affected countries and creates arenas for discussing and developing field-based policies and more effective methods.

Norway will continue to play an active role in promoting the regulation of the international trade in arms and defence-related products. It will work to end the trade in munitions and mines that do not adequately discriminate between civilians and combatants, to curb the trade in small arms, and to make the use of end-user statements and re-export clauses the norm for

all countries. In principle, limiting access to light weapons and small arms will make it more difficult for terrorist organisations and organised criminal networks to carry out their activities. This in turn will improve the situation for the civilian populations in fragile states. More extensive export controls for defence-related products could reduce the use of these products in armed conflicts, enabling a swifter cessation of hostilities. This would make it possible to normalise the situation and promote development in fragile states and other conflict-affected countries more quickly.

Efforts to prevent and combat organised crime

Challenges

Trafficking in drugs, human trafficking and people smuggling, trade in weapons, and environmental and ICT crime account for most organised crime worldwide. Organised crime undermines development in many ways. In some developing countries, this form of crime is widespread and is a constant threat to the life and health of the population, undermines legal business activities, and leads to a huge loss of tax revenue and resources. Political institutions, the business sector, development targets, the environment and security are all threatened.

In some countries, especially in Central and South America, the production and sale of illegal drugs is associated with widespread violence. Criminal cartels keep arsenals of weapons and private armies to protect the vast illegal profits generated by these activities, which makes it difficult for the authorities to put an end to their operations. In addition, bribes are used to tempt politicians, police officers, judges and members of the armed forces to turn a blind eye to this form of criminal activity or to cooperate with criminals.

Meanwhile, these criminal groups encourage and protect local farmers' production of the raw materials used to make illegal drugs, and are often involved in the further processing and transport of drugs. The cultivation of the coca plant in some parts of South America and the cultivation of opium poppies in Afghanistan are such important livelihoods for large parts of the population that it is difficult to persuade farmers to grow alternative crops. The economic interests of the power elite are another reason why attempts to bring about change are often half-hearted.

Differences in economic conditions between developing countries and developed countries and flight from conflict and oppression provide opportunities for organised people smuggling across borders to rich countries. The smuggling of refugees and labour migrants to Australia

and Europe generates a significant amount of income for the organisers. The same is true for the people behind illegal migration from Mexico to the US. The profits generated by people smuggling through Libya have been used to finance more than 100 militia groups and are thus helping to destabilise the country. According to the UN Office on Drugs and Crime ([UNODC](#)), the way migrant smugglers in the Mediterranean area operate shows that they are well organised. People smuggling helps to finance other undesirable activities as well as creating huge flows of refugees, which are difficult for many countries to deal with. Moreover, the people being transported in this way are putting their health and lives at risk.

Groups or individuals who gain control of resources often demand illegal payments from those seeking access to these resources. This kind of corruption is like an additional tax that lowers business profits and places an extra economic burden on ordinary people. This in turn undermines opportunities to improve living standards and develop business activities. Small-scale corruption among public officials is widespread in many countries. It affects the day-to-day lives of ordinary citizens and undermines confidence in the public administration.

Corruption also takes place on a larger scale in connection with the granting of production licences and licences for the exploration or exploitation of natural resources. In some countries, the ruling elite has taken over control or ownership of the most lucrative business areas for their own financial gain. When this happens on a large scale, the normal rules of competition that help to ensure that resources are utilised in the best and cheapest way are dispensed with. The result is an uneven distribution of property and income to the advantage of people and companies that are not necessarily the most innovative or the most interested in investing in the country. Fewer jobs are created, there is less demand for goods and services, economic growth slows down, and people's living standards fall.

Terrorist organisations often partly finance their operations through the sale of valuable assets from the areas they control. According to [a report to the UN Security Council](#), al-Shabab in Somalia has levied illegal taxes on charcoal exports, and this has been one of their most important sources of income. According to [Elephant Action League](#), al-Shabab is also assumed to be behind much of the elephant poaching in East Africa. In Tanzania in particular, poaching has increased significantly in recent years. Poaching poses a serious threat to the elephant population, but other species are also affected. The increase in poaching is linked to an increase in organised crime and possible terrorist activities, and large volumes of ivory and illegal drugs have been seized. In the Middle East, ISIL has been making money by smuggling oil and antiquities out of the countries concerned, and then selling them. [In 2008,](#)

[the Taliban made](#) between USD 250 million and USD 500 million from taxation on opium production and export in Afghanistan.¹⁰ Organisations such as these also receive funds in the form of illegal gifts from individuals and sometimes from governments that sympathise with their aims, and they also organise criminal activities in other areas to finance their operations.

When states are unable to enforce law and order at their borders, in remote areas and at sea, the population is more vulnerable to violence, exploitation and abuse from organised criminals, militias and terrorist groups. In many areas in North Africa, East Africa, the Sahel, the Middle East, Central Asia, West Asia and Latin America, cross-border raids are carried out, resources are illegally exploited and smuggled out of the country, or illegal taxes are imposed on such activities. This provides considerable income for those who control these areas. Moreover, if a state is unable to provide security for the population, confidence in the state will gradually be undermined.

Money laundering: Money acquired through criminal activities such as trafficking in drugs and people, corruption, theft and smuggling resources and antiquities, is laundered on a regular basis, for example through shell companies in jurisdictions where there is little transparency and low or no taxation. In many cases, fictitious or overpriced goods are bought from such companies, and most of this money is then invested in shares, real property or other legal activities in developed countries.

¹⁰ The export value of opium from Afghanistan in 2014 was estimated at around USD 2.9 billion.

Cybercrime and terrorism

Some terrorist organisations have added cybercrime to their repertoire. [The SITE Intelligence Group](#) has found a number of websites that ISIL and other jihadist organisations have set up to make money. SITE has also found a set of instructions produced by ISIL on how to swindle the payment service PayPal. The hacker group [Anonymous](#) has taken down several similar sites. ISIL also carries out systematic website defacement, i.e. hacking websites they dislike and adding their own message. In addition to the opportunity to make money, it is presumably important for groups like ISIL to show that they can gain ground in cyberspace for propaganda and recruitment reasons.

Addressing the challenges

Organised crime undermines the population's physical security and its legal safeguards. This in turn reduces the quality of life and impedes development in the country concerned. This is a challenge particularly in developing countries where a large proportion of the population is poor, has few resources and is vulnerable to abuse.

It is the authorities in the country concerned that have the main responsibility for combating organised crime. Other countries can support this work where this is wanted and where international measures can help to ensure that such crime is less lucrative. A number of intergovernmental and international organisations are engaged in the fight against organised crime, and coordinate their resources for this purpose.

The United Nations Office on Drugs and Crime ([UNODC](#)) is mandated to assist UN member states in preventing and combating organised crime, including trafficking in people and illegal drugs, illicit trade in weapons, money laundering, piracy, corruption, terrorism and environmental crime. Promoting the rule of law is also part of its mandate. UNODC is a global arena for developing standards, exchanging information and forging contacts. It is vital for Norway to take part in this arena.

[The Pompidou Group](#) under the Council of Europe develops and coordinates measures against drug crime and drug misuse, and disseminates information about these issues. Its work involves cooperation with countries in North Africa. The growing traffic in drugs via West

Africa is fuelling the criminal economy in the region, helping to finance terrorism, and destabilising governments. Norway is chair of the Pompidou Group for the period 2015–18.

[INTERPOL](#) is the world's largest international police organisation, with 190 member countries. Its main priorities are the maintenance and further development of a global police information system, support to national police authorities, innovation, capacity building and research, and assistance with identification of criminals. As regards cooperation on extradition, Interpol also has an effective system for helping to bring criminals to justice.

[Europol](#) is the EU's law enforcement agency and involves cooperation between the police authorities in the EU member states. Its task is to prevent and combat all forms of organised crime as well as serious crime that affects at least two member states. Exchange of information in accordance with national law is a key aspect of this work. Europol produces various reports and assessments, including analyses of crime and terrorism in the EU and threat assessments, but does not have operational police powers. Norway has a cooperation agreement with Europol.

The Financial Action Task Force ([FATF](#)) is an intergovernmental body with 34 members, which promotes 'effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system'. It has also 'developed a series of Recommendations that are recognised as the international standard for combating of money laundering and the financing of terrorism and proliferation of weapons of mass destruction'.

Several countries are actively combating money laundering and illicit financial flows. For example, [The Metropolitan Police in London, in cooperation with the Department for International Development DFID amongst others](#), assists developing countries in tracing funds that previous leaders and others have concealed. The British authorities also help to return such funds to the treasury of the country concerned.

The UK is one of the countries that have recently introduced the requirement that companies registered in British jurisdictions provide information on the [company's beneficial owners](#) or people with significant control for a publicly accessible central register. This can help to combat terrorism financing, money laundering and the criminal misuse of companies. Requirements on transparency and beneficial ownership are also set out in FATF Recommendations 24 and 25.

For many years, international efforts through the OECD's Global Forum on Transparency and Exchange of Information and FATF have sought greater insight into secrecy jurisdictions. With regard to taxation, the [OECD's Global Forum](#) in particular has focused on greater transparency and exchange of information on ownership and other interests in companies, trusts and other corporate vehicles, as well as of banking and other financial information relevant for tax purposes. This has helped to increase transparency in many of these jurisdictions and made it more difficult to conceal money acquired from criminal activities, such as income from trafficking in drugs and people, and terrorism financing. Several civil society organisations, including [Transparency International](#), [Global Financial Integrity](#), [Tax Justice Network](#) and [Oxfam](#) have been actively involved in these efforts, which have resulted in a number of countries implementing measures to combat illicit financial flows.

People smuggling. A record high number of people are currently fleeing from war, conflict and oppression in what is being described as the worst refugee crisis since the Second World War. Around 95 % of the more than 50 million people who have been forced to leave their homes are from the Global South. The number of people migrating to other countries due to poverty, environmental degradation and poor governance in the hope of finding a better future is also increasing. Most refugees and migrants stay in their own region, but the number of people trying to reach well-functioning states is rapidly increasing. In 2014, 25 % of the world's population was under the age of 14, and 42 % under 24. If young people no longer believe there is a future for them and their families in their own country, global communication (not least social media), global transport systems and global organised crime make it easier for many of them to look for a better future elsewhere. As a result of the large number of migrants and the growth in organised human trafficking, countries of origin and transit and recipient countries are increasingly working together to find solutions. These challenges are also on Norway's agenda in more and more contexts, and are influencing the priorities we set in a number of policy areas.

The only long-term solution to the situation we are facing today is development. Disparities between and within countries must be reduced. Young people need to see that they have opportunities to contribute to both their own and their country's development. Peace and reconciliation efforts must produce results and prevent conflict, unrest and state failure, and reduce the need for protection. Humanitarian aid must be provided to alleviate suffering during crises, and long-term aid must be used to lift countries into the middle-income country group. Good governance is crucial for well-functioning states, and there must be education

and employment opportunities for all, so that everyone can benefit from progress and social mobility. Well-managed and results-oriented aid has a key role to play in the response to today's migration challenges.

There is extensive international cooperation between police and immigration authorities in many countries with the aim of reducing human trafficking and people smuggling, finding ways of reducing criminal exploitation of refugees, and thus preventing tragedies such as those we have seen in the Mediterranean. Permanent solutions usually require political efforts and investment over time to promote more sustainable livelihoods in the countries of origin or in the areas where refugees and internally displaced people are staying.

What Norway is doing

Norway provides support to the UN, the EU, the international and intergovernmental organisations mentioned above, and to a number of international initiatives to reduce international crime and people smuggling. [Norway's participation in the joint operations Triton and Poseidon](#), carried out by the EU's border management agency, Frontex, in the Mediterranean are part of this work. These joint operations are rescuing shipwrecked migrants and helping to investigate human smuggling across the sea. We are also cooperating with the EU to identify cases of people smuggling through countries in Africa, and are taking part in the efforts to support the countries that are receiving large numbers of migrants.

Norway considers it important that the work being done to address the immediate migration situation is as well coordinated as possible. The International Organization for Migration ([IOM](#)), the UN Refugee Agency ([UNHCR](#)), other UN organisations that work with refugees and migrants, and civil society organisations, such as the [Norwegian Refugee Council](#), are regarded as being best able to deal with these issues. Norway supports these organisations in their efforts to help refugees in neighbouring host countries, and we are also resettling the number of refugees that Norway has the capacity to take in. In the long term, resolving the migration issue will require a considerable increase in development and in income levels in poor countries, a reduction in the number of conflicts, and solutions to security and climate challenges that are driving people from their homes and their communities.

Norway takes an active part in international efforts to reduce money laundering and prevent illicit financial flows, for example through FATF, and supports initiatives to enhance transparency in secrecy jurisdictions. The Government also expects Norwegian companies, and particularly companies where the state has an ownership interest, to comply with and

report on international standards for corporate social responsibility, such as the [OECD Guidelines for Multinational Enterprises](#) and the [UN Global Compact](#), which sets out that participating businesses should work against corruption in all its forms, including extortion and bribery.

[International IDEA](#) maintains that the global efforts to combat organised crime are being addressed by various organisations that are effective in themselves, but are working in a situation where no one organisation has clear, strategic, overall responsibility. In IDEA's view, this points to a systematic inability to tackle organised crime effectively. For this reason, Norway supports the [Global Initiative against Transnational Organized Crime](#), which is a network of close to 100 international experts who are working together to draw up a global strategy for fighting organised crime that also takes into account issues relating to development, justice and security at global, regional and country level.

Norway will also draw up a strategy for its international efforts to combat organised crime, and this too will look at development and security issues.

The support provided through Norway's [International Climate and Forest Initiative](#) to improve governance in partner countries is closely related to efforts to fight crime in the forestry sector and other illegal exploitation of natural resources such as illegal logging, and hunting and trade in threatened species. These activities are extensive and growing, and are closely linked to other international organised crime. The Climate and Forest Initiative cooperates with multilateral organisations such as the UN Office on Drugs and Crime (UNODC) and Interpol on issues such as the illegal exploitation of natural resources.

Norway took the initiative for the establishment of Interpol's Fisheries Crime Working Group and UNODC's expert group on transnational organised crime at sea. Closer international police cooperation is important in order to be able to investigate those responsible for transnational organised crime in the fishing industry, particularly in developing countries. Combating fisheries-related crime is one of the focus areas of the Norwegian development programme Fish for Development.

In addition, the white paper *Global security challenges in Norway's foreign policy* sets out other areas for action:

Norway will follow-up the FATF Recommendations and rectify weaknesses that were identified in the [FATF's 2014 evaluation of Norway](#). Norway is also taking an active part in

the development of the FATF standards, with a view to ensuring that more countries implement them properly and effectively.

A development cooperation programme to fight organised crime and illicit trade will be launched in 2016, and its funding will gradually be increased to NOK 100 million a year. Issues relating to crime are to be integrated into development policy. Efforts to combat organised crime in developing countries are to be strengthened through the development of analysis capacity, systems for sharing information and targeted measures to strengthen the police, customs authorities and judiciary in the countries and regions concerned. Efforts to fight crime in various specific areas, such as the environment, fisheries, illicit capital flows, are to be intensified, as are efforts at regional and country level.

A national group of experts is to be established to analyse how serious crime and organised crime are affecting countries where Norway has foreign and development policy interests, and recommend coordinated measures to address this issue. This work will involve dialogue with private actors and the business sector.

The Government expects companies, especially companies where the state has an ownership interest, to comply with the [OECD Guidelines on Helping Prevent Violent Conflict](#). The Government also supports the [Kimberley Process](#), which seeks to stop trade in rough diamonds from areas affected by armed conflict, so-called ‘conflict diamonds’.

Overall, the efforts Norway is engaged in will help to ensure a better coordinated and more effective fight against international crime and in the long term this will promote growth and increase opportunities for sustainable development in poor countries.

Security sector reform

Challenges and how they are being addressed

Stable states that are able to withstand or manage conflicts and crises are essential for combating poverty, safeguarding security and preventing violations of human rights. Stable states are also a prerequisite for addressing transnational challenges such as regional conflicts, organised crime and terrorism, and are thus vital for Norway’s own security.

If states are to achieve lasting stability and development, they must have an effective justice and security sector that enjoys democratic legitimacy. [Security sector reform](#) (SSR) refers to targeted measures designed to enhance the effectiveness and legitimacy of the justice and

security sector. These are measures aimed at the armed forces, the intelligence and security services, paramilitary forces, coast guards, border guards, and the justice sector (which includes the police, the criminal investigation and prosecution services, the courts and the correctional services). Efforts to strengthen parliamentary oversight and to develop effective management and oversight bodies in the public administration are also key elements of SSR. The aim is to establish effective security structures and institutions within a sustainable financial framework that can guarantee the state's (national) and the population's (human) security in a system that is subject to democratic control.

Security sector reform is an ambitious task, and success depends on several factors. It is important to ensure adequate coordination to prevent efforts from pulling in different directions. There may also be problems relating to local ownership of the reforms. National security structures are often deeply entrenched in society, and it may be difficult to find groups that can lead a reform process. Unless the reform process has local support, the chances of success will be minimal. It is also difficult to know how far it is appropriate to support local security sector arrangements that do not follow the principles of SSR and that may be ineffective. A fine balance has to be struck in such cases.

Women are extremely vulnerable in conflict situations, and women's education and participation in security services and peacekeeping operations have important conflict-reducing effects in many developing countries. Implementation of Security Council resolution 1325 is a key part of Norway's international peace efforts and our efforts to promote security of the individual and social participation.

To an increasing extent, SSR is incorporated into the mandates for international peace operations. This reflects the fact that these have developed from peacekeeping operations into broader and more long-term peacebuilding operations, where the focus is on disarmament, demobilisation and reintegration of ex-combatants, elections, protection of civilians, and strengthening and reform of state institutions.

NATO is increasingly emphasising the importance of security sector reform and capacity building in states' defence sectors to ensure that the legitimate authorities are able to safeguard the country and promote sustainable political and economic development. In 2014, the Alliance established the Defence Capacity Building Initiative to support countries in NATO's neighbouring areas in their work in this area.

Over the past five to six years, SSR has also become a more prominent part of the aid debate, both nationally and internationally. The situation in countries such as Afghanistan and Somalia, together with reports such as the World Bank's *World Development Report 2011* which focused on these issues, are among the main reasons for this. Norway is working to ensure that SSR mandates are properly followed up and that this approach is further developed.

Norway's SSR efforts

SSR is an important component of Norwegian foreign and security policy, and one of the Government's key aims is to help strengthen the capacity of the UN and that of other multilateral and regional organisations in the area of SSR, for example by providing civilian police officers and other civilian personnel who can carry out SSR work within the framework of a peace operation. Norway plays a relatively large role in international SSR efforts, contributing both personnel and support for international policy development and competence building. The overriding objectives of Norway's efforts are to promote peacebuilding and social development in post-conflict and fragile states.

Norway's SSR efforts involve a range of actors worldwide, who are engaged at different levels and stages of the process. Norway's contributions are primarily channelled through multilateral organisations, but a considerable number of trilateral and bilateral projects are also carried out in direct cooperation with the authorities of the recipient countries and with NGOs. Examples include the participation of Norwegian police, lawyers, public prosecutors, judges and personnel from the correctional services in UN and EU operations.

Through the UN and the EU, Norwegian police experts are involved in capacity building in Haiti, Liberia, South Sudan and Ramallah, as well as in the Temporary International Presence in Hebron (TIPH). Norway is also helping to train personnel from African countries for UN and AU operations.

Since 2007, Norwegian experts have taken part in the Norwegian Mission of Rule of Law Advisers to Moldova ([NORLAM](#)), and have contributed to the development of legislation, the use of alternative penalties and better prison conditions in the country. This work is administered by the Ministry of Justice and Public Security. In the period 2004–13, personnel from Norway's justice sector took part in a similar mission to Georgia.

The Norwegian Armed Forces are involved in capacity building in Kenya, Iraq, Afghanistan, Georgia and Ukraine, as well as in several countries in the Western Balkans. These activities are under the auspices of NATO or the EU or within a bilateral framework, as in the case of Kenya, or through a coalition, as in the case of Iraq. In several of these areas, we cooperate with Baltic countries and other Nordic countries to increase the impact of our efforts.

Norway also supports the UN's and the AU's work on further developing the civilian dimensions of peace operations. For example, we are involved in the development of the UN's Strategic Guidance Framework for International Police Peacekeeping, SSR capacity-building activities for the authorities in other countries, the development of the UN's integrated mission planning capacity, and efforts to enhance UN peace operations.

Strengthening the position of women in the security sector is a priority area, as made clear in the white paper *Opportunities for all: Human rights in Norway's foreign and development policy*. The white paper sets out that the Government will be a driving force for the inclusion of security sector reform measures that promote human rights, and for the inclusion of women's rights, needs and participation in decision-making processes in this context, in line with the *National Action Plan on Women, Peace and Security*.

Norway's SSR efforts are contributing in several ways to peace and security, and are thus helping to promote long-term sustainable development.

Anti-piracy efforts

Challenges

Piracy restricts trade between countries and makes transport more expensive. It leads to increased use of force, the need to take long detours, and high insurance premiums. All of this raises costs for exporters, shippers, and ultimately consumers. For decades, piracy has been widespread in parts of Asia, but on a manageable scale. Over the last decade, there has been a marked increase in piracy in the Indian Ocean off the Horn of Africa, particularly from bases in Somalia. Armed pirates have boarded large vessels from small high-speed boats. Ships have been seized and crews captured, and ransoms have been demanded from the shipowners. In many cases, the cargo has been sold on. Piracy can be very detrimental to commercial activities. In East Africa, low-income countries in the region have been hardest hit, as their trade has been severely affected. The World Bank estimates that piracy has had a negative impact on 25 % of trade in the region, and that tourist visits to East African coastal countries

have dropped by 6.5 % relative to visits to other countries due to the threat of piracy. In recent years, there has been a sharp increase in piracy in the Gulf of Guinea, where it is the offshore oil industry that is worst hit.

There are several underlying causes of piracy. Among these are extremely high profits, in some cases combined with low risk. The situation in East Africa has improved as a result of patrols by naval vessels and operations targeting pirate networks, but the economic gains for pirates can still be so high that they overshadow the risks in their view. Another important underlying cause is that there are few opportunities for gainful employment in the region. Moreover, as a result of weak government structures, pirate networks run little risk of being held accountable for their actions. Widespread corruption means that it is possible to pay your way out of prosecution and punishment, or the activities of pirates may be protected by government officials who are closely involved in piracy themselves. Many piracy operations, including those based in Somalia and Nigeria, are well organised.

Piracy is only possible in societies with a weak government apparatus. In Somalia, pirate networks have bought themselves freedom to operate by entering into agreements with terrorist organisations such as al-Shabab.

The huge amounts of money that pirates can make, combined with a lack of security and government control, as in the case of Somalia, create opportunities and breeding grounds for other types of illegal activities, such as the emergence of terrorist groups that can threaten peace and security far beyond the region.

Addressing the challenges

Both short-term and long-term measures have been used to address piracy. A number of shipping companies have employed armed security guards to prevent pirates boarding their ships. Naval vessels have patrolled vulnerable areas and have escorted cargo ships across waters where there is a risk of attack from pirates. These measures mean that pirates have fewer opportunities to hijack ships, and their profits have fallen. Piracy has thus become less attractive and recruitment to these operations has been reduced. More stringent legislation, judicial system development, and prison building are examples of more long-term and preventive measures. In addition, efforts have been made to promote development and provide alternative sources of income for those engaged in piracy. These efforts seem to have been effective, and there is now less piracy in this East Africa than just two years ago. The military offensives against al-Shabab also seem to have reduced the prevalence of piracy. In

areas where al-Shabab has been ousted, communities have become more stable, pirate networks no longer enjoy protection, and in many cases pirates have been driven away by tribes and clans seeking to stabilise and develop their areas.

Piracy in West Africa has increased significantly since 2014. In the Gulf of Guinea, more than half of the attacks were carried out beyond the territorial waters of the coastal states, by Nigerian pirates.¹¹ [The Yaounde process](#), the West African countries' own process to improve maritime safety and security, is progressing slowly, while the Economic Community of West African States (ECOWAS) has expressed scepticism about the Maritime Trade Information Sharing Centre ([MTISC](#)) in Accra, which is an effective coordinating body, but set up and run by Western countries with shipping interests in the area. The piracy problem in the Gulf of Guinea has not received as much international attention as piracy in East Africa, although several countries are now trying to draw attention to the situation in West Africa.

In the longer term, it should be expected that development processes will lead to better governance in the countries pirates come from, with stronger institutions and more government control, so that people in these countries as well as foreign companies will be more willing to invest in businesses there. This could increase central and local government revenues and create more jobs, which in turn could encourage potential recruits to piracy or terrorism to choose other livelihoods instead. This is an important goal of long-term aid to fragile states, in addition to fighting poverty. In regions that are generally dominated by clans, warlords and criminal cartels who have economic interests in this type of activity, it is, however, no easy task to get countries onto a positive development path. The high returns for those involved in piracy make it difficult to break the negative cycle. The key to success lies in the countries themselves. The government must have a genuine commitment to development and be in a strong enough position to fight lawlessness and criminal activities and provide a good framework for legal business operations and long-term development efforts.

What Norway is doing

Norway has contributed to the fight against piracy off the Horn of Africa. We have provided naval vessels and maritime patrol aircraft. Norway has also played an active role in the political processes to stabilise the region, and has provided substantial funding for aid and

¹¹ According to [Oceans Beyond Piracy](#)

development. For example, Norway has financed infrastructure and educational programmes in Puntland and Somalia. Personnel from the Norwegian justice sector have helped Somalia to draw up legislation against piracy, and Norway has co-financed UNODC's prison project and provided prison experts. Norway also contributes to the financing of the MTISC in Accra.

The fight against pirate networks in Africa must be seen in the context of the overall international efforts to fight corruption, organised crime, drugs trafficking and extremism. It also depends on targeted efforts to promote development and stability, not least through security sector reform.

The part played by Norway in the coordinated efforts to address piracy has contributed to the progress that has been made. Norway will continue to take part in these efforts.

Key factors for development that can promote peace and security

Economic progress and development are no *guarantee* for peace. Strong ethnic and religious divisions may persist irrespective of a country's overall income and knowledge levels. However, research indicates that development factors such as a high level of education, enough jobs, favourable conditions for investment, mutually-dependent trade relations, a well-functioning communication and transport infrastructure, and favourable climate conditions reduce the risk of conflict. Religious and ethnic extremism must be countered with targeted measures.

For a sound security situation to be sustainable, it must be grounded in the plans of a legitimate government and upheld by well-functioning institutions. Lasting security requires a strong central government with sufficient revenue from taxes and other sources to develop and maintain the country's infrastructure, access to energy, institutions and social services.

Information about who really holds the power in a country, its internal economic relations, what primarily motivates those who are in power and their true plans for use of the country's resources is important for those who wish to invest in or engage in trade with that country and for those who provide funding or other types of support. All activities, whether aid and international diplomacy or those based on commercial interests, such as trade and investments, should be based on a thorough understanding of power constellations, scope for action and potential developments. A clear awareness of the context can make it easier to take decisions that reduce the level of conflict, lessen the probability of corruption and contribute to civil security and development.

Employment, international trade, and domestic and foreign investments

Challenges

Many countries, particularly in Asia, have experienced rapid economic growth, while others, particularly in Africa, have lagged behind. One of the reasons for the vast differences is differing degrees of participation in the international economic system. There is ample empirical evidence that increased trade stimulates economic growth.

Trade generates income for countries, investments in export industries and related sectors, government revenues, increased purchasing power and economic growth. Trade leads to technology transfer and new jobs, while employment in less productive sectors declines. The effects of increased export depend on the sectors in which growth occurs, the level of education in the country, the sustainability of production and the degree of processing in these sectors.

The benefits of increased trade may be distributed unevenly, and some groups may be worse off than before. For example, increased efficiency and economies of scale may initially lead to unemployment, migration from rural areas and urban congestion. Gradually, trade combined with national policies that emphasise equitable distribution, jobs, environmental concerns, education and welfare services, and the economic status of women will lead to business development, knowledge transfer, and higher rates of economic growth and employment. The ensuing higher standard of living reduces the likelihood of social unrest and crime.

However, this course of development may well include setbacks. In fragile states with a high level of conflict, where many of the institutions needed to support desired development are lacking, even good intentions by former adversaries will not be able to bring about change. In countries that have been dominated by conflict, or where organised crime is rampant, it can take a long time for attitudes between groups or clans to change enough to make the advantages of lasting cooperation instead of conflict clearly evident. The existence of natural resources with a vast potential for profit may make it particularly difficult to motivate different groups to cooperate.

Unemployment among demobilised soldiers often results in growing crime and may lead to the resurgence of conflicts unless the problem is addressed through the implementation of retraining and employment programmes. However, these can only have lasting effect if they

are based on a sustainable private sector and are combined with the entire cluster of factors that promote development, including trade, institution building, protection of the environment, responsible social policies, peace and stability.

Addressing the challenges

In order to speed up the development process in countries that have recently experienced conflict, and to counteract economic decline in other countries that could develop into breeding grounds for conflict and terrorism, it is important that developed countries are aware of the role of trade and private sector development as driving forces for development.

A number of measures may be needed to promote trade and investment, including advice on combating corruption, a reduction of trade and investment barriers, and the elimination of export taxes to stimulate economic growth. The World Bank, the World Trade Organization (WTO) and other international institutions have considerable expertise and experience in these areas. Aid is needed to build and improve infrastructure such as ports, roads, communications technology and energy supplies – and to provide impetus to the economy. Education and vocational training are other important factors.

In fragile states, the advantages of peaceful solutions and cooperation can be highlighted by using aid funding to establish job creation programmes. However, there is a risk of setbacks with serious repercussions if these programmes do not succeed. It is particularly important to link these programmes to industries or even to companies that have clear growth potential and that will, in time, be sustainable without support from abroad.

In general, the development perspective should be included in international discussions on trade and investment regimes. Further, it is important that all countries are aware of the peace and security aspects when they enter into bilateral and multilateral agreements on trade and investment.

What Norway is doing

[A white paper on globalisation and trade from 2015](#) states that the Government will consider changing the Norwegian generalised system of preferences to give further preferences to imports from countries that are just above the least-developed-country (LDC) threshold.

The white paper also emphasises that trade is a necessary but not sufficient instrument for development, employment and growth. The export interests of many developing countries

have received too little attention in negotiations. This has hindered the integration of developing countries into the global trading regime. Trade will be used as an instrument of development policy to a greater degree than previously.

Norway pursues a liberal trade policy, with few trade barriers on much of what we import. In Norway's trade policy profile, the agricultural sector differs from other sectors with its high tariffs and extensive subsidies. Norway must be prepared to face tough demands for market access in the agricultural sector in WTO negotiations, in the Article 19 negotiations with the EU, and in free trade negotiations. Greater liberalisation of trade in agricultural products is a precondition for further development of the international trade regime. The Government will continue to place emphasis on the Norwegian agricultural sector's need for protection. At the same time, protection of the agricultural sector will be weighed against Norway's general trade policy interests and export interests in specific areas.

Norway will also seek to ensure that free trade agreements Norway is party to take into account the development perspective and allow for adaptation in relation to individual countries. In countries where Norway is engaged in development cooperation, some of the support may be used for trade-related capacity building and technical assistance.

The Government will seek to ensure that the Doha Round of negotiations in the WTO reaches a successful conclusion, and will give priority to the lowering of trade barriers in other developed countries and in emerging economies. Further, Norway will seek to uphold the development dimension of the negotiations and to ensure that the least-developed countries (LDCs) are not required to make additional concessions.

In order to ensure that marginal groups in developing countries also benefit from economic growth, Norway will work to promote increased access to financial services for these groups, as outlined in the white paper [*Working together: Private sector development in Norwegian development cooperation.*](#)

In promoting private sector development in developing countries, Norway will increase its focus on favourable conditions for human rights and workers' rights, protecting the environment and promoting anti-corruption work. International standards and best practices in the area of corporate social responsibility form the basis for private sector development efforts in these countries.

The Government will increase support to trade-related development cooperation, also in connection with free trade agreements.

The Government expects Norwegian companies that are operating in developing countries – particularly those that are wholly or partially state-owned – to comply with [the OECD due diligence guidelines for responsible supply chains of minerals](#) from conflict-affected and high-risk areas.

All these measures aim to accelerate development in developing countries so that they can become more stable, economically sustainable, secure societies with more jobs and a better-educated population. A higher standard of living reduces the potential for conflict, and more jobs and better opportunities for starting a business make it less likely that young people will turn to crime and terrorist activities.

Climate change, development and security

Challenges

The impacts of climate change are becoming increasingly apparent, sometimes with dramatic consequences. Climate change is taking place in all parts of the world, but exposure to climate change is higher in some regions and countries than in others. If the same countries have too little capacity for disaster risk reduction, both as regards the long-term impacts and as regards acute natural disasters such as cyclones, flooding and drought, they will be very vulnerable to climate change. Both drought with the gradual loss of water resources and extreme weather events can cause loss of life, destroy communities and make large areas uninhabitable. Even in generally peaceful countries such as Tanzania, there is growing conflict relating to land issues and the use of natural resources. Conflicts about land rights, particularly between nomadic cattle herders and farmers, or between local communities and investors, have led to clashes before now, and sometimes to loss of life.

Climate change may undermine people's livelihoods, result in a lack of food and water and exacerbate poverty, and such negative impacts are among the drivers behind the increasing flows of migrants. In some regions, a rise in the number of major humanitarian crises, violence and conflict is being caused by or made worse by climate change. Norway is seeking to integrate climate-related measures into its development cooperation to ensure that climate change does not undermine the effect of other initiatives.

Addressing the challenges

If we are to avoid a steep rise in security challenges related to the impacts of climate change, it is absolutely essential for the countries of the world to cooperate to bring global greenhouse gas emissions under control through the UN Climate Change Convention and other major initiatives to promote a low-carbon path of development. It falls outside the scope of this document to discuss these issues, but it should be noted that stabilising the climate and reducing pressure on vulnerable ecosystems and on population groups who live in vulnerable areas will also reduce conflicts over land, water and grazing rights. This also gives people who live in these areas less reason to move into slum areas in towns or to migrate long distances, which will for example help to reduce organised crime. Thus, climate-related measures will also promote a safer and more peaceful society.

Considerable attention is being focused on adaptation measures and action to reduce vulnerability to climate change, both internationally and in Norwegian development cooperation. Support for measures to enhance food security, for climate-resilient agriculture and for improvements in management of natural resources, including water, can help to ensure that people in developing countries enjoy decent living conditions and are not forced to migrate or likely to resort to violence to solve disagreements. Water shortages and competition for water from transboundary river systems can result in serious conflict. Targeted efforts to develop joint management systems for shared rivers can encourage dialogue and be an important way of building peace. Sustainable, climate-resilient food production throughout the value chain from farm (or sea) to fork via the different markets can enhance food security, reduce poverty, create jobs and promote business development. This in turn can result in a more resilient society where it is more difficult to recruit people to extremist or terrorist organisations, or to piracy such as we have seen in Somalia.

One important way of reducing the damage caused by climate-related natural disasters is to increase support for capacity and competence development in the use of hydrometeorological data. Such data sets are important planning tools when building housing, schools, hospitals, energy installations and other infrastructure, and for food production and water resource management. Hydrometeorological data can be used to plan measures in all these sectors to reduce losses and damage, which will in the next instance reduce climate-related migration.

A key element of initiatives to address climate-related conflicts and disasters is work to build resilient local communities that enjoy food security and have access to sufficient water for households and agriculture. It is important to provide information and education on the

impacts of climate change on people's health and agricultural production, and on the implications for extreme weather events and natural disasters, including drought and flooding. In the time ahead, we realised that it will also be necessary take projected climate change into account when considering investments in other sectors.

What Norway is doing

Climate stability is considered to be a global public good. Norway is pursuing an active domestic and foreign policy as regards measures to reduce greenhouse gas emissions and other mitigation measures, including work under international agreements, at national level and in our development cooperation. Climate-related measures include mitigation, adaptation and disaster risk reduction. In its support for mitigation actions in developing countries, Norway focuses mainly on the use of renewable energy sources and on reducing deforestation.

Norway's International Climate and Forest Initiative combines climate policy and development policy objectives. Its starting point is that climate-related and development actions are to some extent interdependent and mutually supportive. Its aims include reducing poverty and improving political and economic governance. Key drivers of deforestation in developing countries are poverty, poor governance and weak institutional capacity.

The Climate and Forest Initiative's efforts to improve governance in natural resource management, particularly in the forest sector, are relevant in the context of policy coherence. Steps to strengthen civil society organisations and the rights of indigenous peoples and local communities are crucial for political stability and security. Also important in this context are initiatives for sustainable economic development in forest-dependent communities, for example support for entrepreneurship and the development of alternative livelihoods. However, improvements in political governance are also being catalysed through initiatives that promote political processes and cross-sectoral cooperation and lead to reform of natural resource management.

Norway is engaged in extensive cooperation with several developing countries on natural disaster risk reduction, which also deals with disasters caused by climate change. We are providing both financial support and technological solutions and expertise for adaptation and risk reduction. Norway is also supporting the development of preparedness and response systems for use during crises.

Climate change is intensifying the need for cooperation on water resource management – on transboundary river systems (including measures to reduce conflict), flood prevention measures, drought management, and improving access to clean drinking water. In the next few years, Norway intends to increase its funding for water resource management, and will also take steps to mobilise the private sector and NGOs so that efforts in this sector can be stepped up.

In Ethiopia, Norway has entered into cooperation on [an integrated initiative for forest management, renewable energy and climate-smart agriculture](#). This model is giving good results, and a dialogue is under way with a view to extending it to other countries in the region.

Norway is also supporting the development of the Global Framework for Climate Services in cooperation with the World Meteorological Organization (WMO). This will improve developing countries' capacity and expertise in accessing and using meteorological information. Such information is vital both as a planning tool in health, agricultural and water management initiatives and for forecasting and disaster risk reduction in connection with extreme weather events, which are expected to become more frequent and more intense.

The Government also expects Norwegian companies operating in Norway and abroad to reduce their impact on the climate, for example by following the OECD Guidelines for Multinational Enterprises, the principles of the UN Global Compact, [the Performance Standards adopted by the International Finance Corporation \(IFC\)](#) and the [Equator Principles](#).

A review by PricewaterhouseCoopers of reporting on corporate social responsibility (including criteria relating to a number of issues, including climate) by government-owned companies in Norway, commissioned by the Ministry of Trade and Industry, was published in 2010. It showed a good deal of variation in how well the companies were meeting the Government's expectations.

Through the Nansen Initiative, Norway has spearheaded efforts to raise international awareness about cross-border flows of refugees and migrants displaced by climate-related natural disasters. There is a pressing need for more knowledge and better analyses in this area, and also for improving responses, including disaster risk reduction, climate change adaptation and clearer operational mandates for international and regional organisations.

Steps to limit global warming and reduce pressure on vulnerable ecosystems and population groups living in vulnerable areas will also reduce the level of conflict about land, water and

grazing rights. This in turn means that people in such areas will have less reason to move to slum areas in towns or to migrate long distances, which will for example help to reduce organised crime. Thus, climate-related measures will also promote a safer and more peaceful society.

Institution building, the rule of law and better governance

Challenges

Effective institutions of various kinds that complement each other and help to ensure that legislation is enforced, key social services are provided and the needs of the population and the business sector are met form the very fabric of a well-functioning society and are the cornerstone of any state governed by the rule of law. There are strong indications that countries that are committed to the principles of the rule of law and that have a well-functioning public administration underpinned by professional institutions and good governance are less vulnerable to conflict, better able to provide security for the population, and have a higher level of economic and social development than countries where the public administration and governance are weak.¹² As the World Bank and others have established, the development of professional institutions in areas that have been affected by war and conflict is an important factor in preventing conflicts from re-emerging.¹³

The population of any country needs institutions that can protect them and ensure that their rights are fulfilled. In order to ensure that these institutions function as intended, it is crucial that they have a mandate to enforce legislation, professional personnel, a legal basis for their activities, the necessary political backing and the respect of the population.

Countries affected by conflict or countries where those in power have neither the will nor the ability to provide security for the population often have weak institutions or lack institutions altogether in one or several key areas. In such countries, the bureaucracy, the military and the police can abuse their position in society and engage in acts of violence and corruption. The lack of legal safeguards can mean that people or families who have run businesses or lived in and cultivated areas of land or lived off other natural resources for generations are forced to

¹² Kemal Derviş, former head of UNDP, Vice-President of the World Bank and Turkish Minister of State for Economic Affairs: ‘It is the nature of governance that determines whether people deploy their talents and energy in pursuit of innovation, production, and job creation, or in rent seeking and lobbying for political protection.’

¹³ World Development Report 2011: Conflict, Security and Development

move and hand over their property to others who have managed to acquire the ownership papers. They can thus lose their traditional rights and means of subsistence¹⁴. Inadequate documentation including birth registration and other identity papers is another factor that makes abuse of this kind possible. In many countries, political interference in the courts and poorly developed investigation and legal procedures mean that convictions can be arbitrary, politically motivated or made on the basis of insufficient evidence.

Weak institutions also make it possible for criminal organisations or individuals to take the law into their own hands and strengthen their position by means of corruption and/or through the use of force. Terrorist groups or organisations can extend their room for manoeuvre by collaborating with corrupt police officers, military personnel or local politicians. These challenges can extend beyond individual countries and become regional or global in nature, and thus become the concern of neighbouring countries, regional bodies and the international community.

Addressing the challenges

In most fragile states, there is a great need for humanitarian aid and other forms of short-term assistance. However, this type of assistance does not address the root causes of conflicts and poverty. What is most important is conflict prevention by means of institution building and other measures that promote good governance, and these issues are being given greater priority in Norway's development policy. Institution building (or work to build the capacity of existing institutions) is an important and recognised way of promoting good governance and an investment-friendly economic and political climate, and thus building stable societies in developing countries. It is important for external actors to identify political forces in the country concerned that are willing and able to address the country's challenges, forces that they can cooperate with and to whom they can provide advice and assistance with regard to strengthening existing institutions or building new ones. The focus should be on key institutions that are responsible for safeguarding security and welfare, and that can provide services in accordance with national legislation. This is particularly important in fragile states.

Cooperation between institutions in donor countries and those in developing countries is a preferred way of building institutions. This type of cooperation allows experts from

¹⁴ Demonstrating the need for birth certificates and the registration of land titles. [Cf. ILDs work.](#)

institutions in developing countries to draw on the experience and expertise of relevant institutions in the donor country. Often experts from third countries are hired in to assist with this work.

Multilateral and international organisations play an important role in this area. The World Bank provides extensive guidance, training and assistance with institution building in the area of public financial management. The IMF plays a key part in strengthening central banks and financial supervision in developing countries, while UNDP and other UN bodies are engaged in institution building and training of personnel in a wide range of areas. One important lesson that has been learned from the years and decades of providing this kind of support is that in order to ensure the development of sustainable institutions it is essential to avoid establishing parallel structures and rather build up existing institutions that both the population and public employees are familiar with. Another important lesson learned is that supporting the establishment and operation of individual institutions in isolation is not a sustainable solution, especially in cases where the necessary complementary and subordinate institutions are lacking.

Institution building is just as much about changing laws, rules and attitudes as it is about the development of administrative structures at state and municipal level. It is important for external partners to have in-depth knowledge of the context in which they are operating so as not to promote legislation that conflicts unnecessarily with existing social and legal norms. Experience has shown that institution building should focus on existing rules and legal practices, which can be further developed and adapted, as necessary. One problem is that different aid providers often recommend different models based on their own bureaucratic traditions or practices. Coordination is therefore essential, and efforts should ideally be managed by the partner country that has best knowledge and experience of the developing country concerned. At the same time, cooperation with the country's authorities and country-level actors is crucial.

In order for institution-building initiatives to be successful, external actors must have a thorough understanding of how the political and administrative system in the country concerned functions in practice. Often there is not enough awareness of factors such as systems for rotation of personnel, patrimonial traditions, clan loyalties, nepotism, the influence of criminal networks or disparities in terms of wage differences and job opportunities between sectors and in neighbouring countries. In many countries, the presence of factors like these undermines the efficiency of the public administration, encourages brain

drain and makes it difficult to build up long-term expertise in individual institutions. Political economy analysis is therefore vital in order to gain a clear understanding of what is achievable and how to achieve it.

What Norway is doing

Norway gives high priority to supporting the establishment of institutions that can promote stability in countries in transition from conflict to sustainable development, and seeks to coordinate its work with that of other donors and actors working in the country concerned in order to avoid duplication of efforts. In Norway's view, the political will to give institutions the authority they need to perform their functions properly is essential if such efforts are to be sustainable.

With the necessary political will, institutions can function well and, as we have seen in many cases, such as in connection with the Oil for Development programme, they can give legitimate governments better control over revenues from natural resources and help increase transparency surrounding the use of these resources. [The Oil for Development programme](#) is helping to improve the management of petroleum resources in a number of countries.¹⁵

In Zambia, Norway has engaged in institutional cooperation with the tax authorities for several years with a view to strengthening the tax administration system in the country. There has been a particular focus on developing a separate body to monitor the activities of the country's important mining sector. Tax revenues from this sector have increased significantly as a result of these efforts. This work has been reinforced by the support Norway has provided to the Office of the Auditor General in Zambia, which has included expert assistance from the Office of the Auditor General of Norway. This cooperation has been very successful and has led to a significant increase in Zambia's tax revenues.

Through the EEA and Norway Grants, cooperation aimed at reforming justice institutions has been established between the Norwegian justice sector and the justice sector in beneficiary countries, notably Romania, Lithuania and Poland. Justice sector cooperation has also been established outside the framework of the Grants between Norwegian institutions and justice institutions in other countries, mainly Eastern European countries, for example the Norwegian Mission of Rule of Law Advisers to Moldova (NORLAM), as mentioned earlier in this report.

¹⁵Angola, Cuba, Ghana, Iraq, Lebanon, Mozambique, Myanmar, South Sudan, Sudan, Tanzania and Uganda

Support for institution building is often linked to cooperation between Norwegian institutions and institutions in the recipient country. Much of the funding provided is channelled through key organisations in Norway. The Norwegian Association of Local and Regional Authorities is involved in capacity-building cooperation at local and regional level in a number of developing countries. Support has been targeted towards areas such as building institutions that have key social functions and strengthening local democracy. Individual local authorities are often involved in this type of cooperation.

The Office of the Auditor General of Norway supports the development of sister institutions in a number of countries, for example through the International Organization of Supreme Audit Institutions ([INTOSAI](#)). Statistics Norway has, both on its own and in cooperation with similar institutions in Western countries, helped to develop national statistical offices in a number of developing countries, for example through the Partnership in Statistics for Development in the 21st Century ([PARIS21](#)). The Institute of Marine Research, and Norwegian universities and university colleges enjoy extensive cooperation with counterpart institutions in developing countries. Support for strengthening key national institutions is also provided through World Bank and UN funds and programmes. Through the World Bank, Norway is helping to strengthen public financial management in developing countries, which is vital for ensuring sound economic management and resource use.

Measures that succeed in strengthening key institutions in developing countries, particularly in fragile states, promote stability in the countries concerned and make them more resilient to conflict, terror and crime. The stronger these institutions are, the more difficult it is to circumvent them, although there will always be some risk of criminal and terrorist activity.

Conclusion

The purpose of this report has partly been to illustrate how peace, security and the fight against international crime and terrorism are essential for long-term development. It describes how this is reflected in Norwegian development policy. It also seeks to show how long-term development efforts in key areas, such as institution building, improving conditions for trade and investment and addressing climate change, can lead to job creation, higher incomes and better prospects for the future. Reducing poverty and need also helps to lessen feelings of hopelessness and despair with regard to securing a livelihood, and in this way development efforts help to counter recruitment to crime and terrorism and prevent conflict. Norway's efforts, both its development cooperation and its work in other areas, play a role in this.

One of the main points made in this report is that peace and security promote development, which in turn promotes peace and security. Maintaining this positive interplay, particularly in fragile states, requires the best possible common understanding of the local context as well as coordination between peace and security efforts and development cooperation. This is an important goal for Norway's efforts.

The report does not examine all the important factors involved in creating this positive, mutually reinforcing interplay between peace and security on the one hand and development on the other. However, it discusses a number of them, and describes the positive role that Norway is playing in both areas.

The report goes beyond the field normally covered by reports on policy coherence for development, which usually focus on development-related policy in areas other than aid. The role of aid has deliberately been included this time to provide a comprehensive description of all the ways in which security policy can promote development and how development efforts and instruments can be used to promote security and peace.