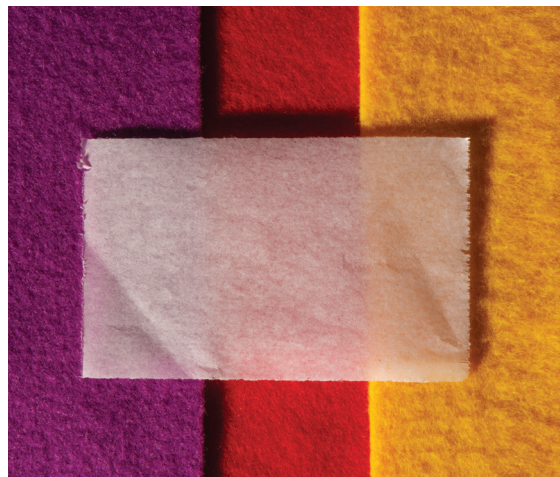




PA-X REPORT: ECONOMIC SERIES



Peace Agreements and Trust Funds

Sean Molloy



This research draws on the PA-X Peace Agreement Database (www.peaceagreements.org), a database of all peace agreements at any stage of the peace process from 1990 to 2016. The database is fully searchable and supports both qualitative and quantitative examination of peace agreements.

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Executive Summary

A 'Trust Fund' or 'Multi Donor Trust Fund' (MDTF) is a 'multi-agency funding mechanism, designed to receive contributions from more than one donor (and often also the recipient government), that is held in trust by an appointed administrative agent' (Walton, 2011: 1). This report examines how peace agreements have addressed or contributed to the establishment or ongoing operation of trust funds.

Key Findings

Peace agreements can affect trust funds in a range of ways. Peace agreements can:

- ▶ Provide for, or encourage the establishment, of trust funds
- ▶ Serve as the catalyst for the creation of trust funds by creating optimism of peace
- ▶ Strengthen or encourage support for existing trust funds
- ▶ Have little impact on the creation or operation of trust funds

Trust funds assist the goal of working towards peace in different ways. Trust funds can:

- ▶ Support implementation of whole agreements
- ▶ Assist in the implementation of specific aspects of a peace agreement
- ▶ Strengthen implementation at state, sub-state and local level
- ▶ Incentivise parties to reach agreement, engage in ongoing negotiations, and/or promote the implementation of peace accords

The literature identifies that trust funds have both advantages and disadvantages.

Peace agreements offer a range of ways to navigate the space between these twin issues.

These include:

- ▶ Highlighting the importance of national ownership
- ▶ Enabling sub-state units, or particular peace implementation bodies to receive donor assistance directly
- ▶ Elevating domestic interests over international influence
- ▶ Stressing the need for sequencing and absorption capacity of the recipient state

Introduction

Peace agreements are 'formal, publicly available documents, produced after discussion with conflict protagonists and mutually agreed to by some or all of them, addressing conflict with a view to ending it' (Bell and Sadanjak, 2019: 2). In an attempt to end violence, peace agreements can seek to create a more equitable distribution of political, economic, and legal power, and create or restructure the institutions to facilitate the governance of a state or sub-state entity. Peace agreements establish mechanisms tasked with protecting specific sections of the population, such as women or ethnic minorities, provide for security sector or judicial reform, and initiate a range of economic and social transformations. The diversity of issues addressed in peace agreements, coupled with their potential to act as roadmaps for more inclusive, equal and peaceful societies, has caused many to view comprehensive peace agreements as creating 'moments of transition' (Rocha Menocal 2015: 22), 'specific opportunities' (Domingo et al. 2013) or 'constitutional moments' (Nolutshungu 1991 cited in Smith and McLaughlin, 2010).

Translating the sense of optimism generated by the 'handshake moment' of a comprehensive peace agreement into real and meaningful transformation, however, requires the availability of capital - financial, human and technical - to help support the implementation of an agreement and the wider peace process. These resources often come in the form of donor assistance. Deciding how and defining who is to fund peace processes, including crucially, the funding of implementation of peace agreement commitments, is challenging and requires difficult decisions. These decisions include the appropriate volume of aid, the sequencing of aid, the allocation of funds, and determining the most appropriate disbursement modalities to assist countries in moving from conflict to peace (Ndikumana, 2015: 4-5).

This report examines the relationship between peace agreements and trust funds. We define trust funds as 'multi-agency funding mechanisms, designed to receive contributions from more than one donor' (Walton, 2011: 1). As such, the intention of the paper is not to critically analyse the effectiveness of trust funds (see further: Kilmurray 2019¹; Herbert, 2013; Barakat, 2009; Leader and Colenso, 2005) but rather to understand how peace agreements specifically and peace processes more generally contribute to, or benefit from the establishment or ongoing functioning of trust funds.²

¹ This short report of the PSRP Economic Series offers a number of insights from the experience of MDTFs in Northern Ireland.

² Acknowledgements: Parts of this paper draw on the PA-X peace agreement database (<https://www.peaceagreements.org/>) and the University of Notre Dame, Peace Agreement Matrix (<https://peaceaccords.nd.edu/>).

Five probing questions guide this paper:

- Q1. What are trust funds?
- Q2. How do peace agreements provide for or contribute to trust funds?
- Q3. What is the purpose of trust funds?
- Q4. What are the opportunities and challenges presented by trust funds?
- Q5. How do peace agreements seek to navigate the opportunities and challenges associated with trust funds?

Q1. What are trust funds?

A 'Trust Fund' or 'Multi Donor Trust Fund' (MDTF) is a multi-agency funding mechanism, designed to receive contributions from more than one donor (and often also the recipient government), that is held in trust by an appointed administrative agent (Walton, 2011: 1). These agents, which can be states, regional organisations, or multilateral institutions, allocate funds through a designated governance structure; and disburse funds to a number of recipients/participating organisations (see Box 1). Trust funds can be country-specific, for example the Afghanistan Reconstruction Trust Fund (ARTF); or thematic, for example the UN Millennium Development Goals Achievement Fund.

Box 1: Types of Trust Funds

Global trust funds address global issues. For example, the UN Joint Fund for the 2030 Agenda aims to provide programme countries with catalytic policy support (as identified by national stakeholders with UN Country Teams and in their respective UN Development Assistance Frameworks, UNDAF) in response to specific, complex, and multi-dimensional policy challenges.

Regional trust funds address regional issues. For example, The United Nations Great Lakes Regional Strategic Framework (UN GLSF) is a multi-agency, regional, and cross-border coordination mechanism to promote peace and security through a multi-sectoral approach in the region of the Great Lakes including Burundi, Democratic Republic of the Congo (DRC), Rwanda, Tanzania and Uganda.

National trust funds exist to offer support in particular countries. They can be administered by the country in question or by an appointed administrator such as the UN or World Bank.

Sector-wide trust funds offer assistance to countries in regards to specific sectors (for example, agriculture, infrastructure, trade).

Q2. How do peace agreements provide for or contribute to trust funds?

Peace agreements have different relationships with trust funds. Peace agreements can:

- a) Provide for or encourage the establishment of trust funds
- b) Indirectly serve as a catalyst for trust funds
- c) Encourage support for existing trust funds, and/or
- d) Have little influence on the creation of trust funds

The section below examines these different relationships in turn.

a. Peace agreements providing for or encouraging the establishment of trust funds

Peace agreements can directly provide for the founding of trust funds. In Guatemala, for instance, the 1996 Agreement on the Social and Economic Aspects and Agrarian Situation included provisions to re-distribute undeveloped land, to develop a land register, impose new taxes on land, and to implement speedy resolution of land conflicts. These were all responses to the systematic denial of land rights to such groups as the Maya indigenous people and Ladino peasants. In order to support these commitments, the agreement also provided for the establishment of a land trust fund within a broad-based banking institution to provide credit and to promote savings, preferably among micro-, small- and medium-sized enterprises.

Inter-state agreements signed during peace processes can also encourage establishing trust funds. In Afghanistan, the idea of an Afghanistan Peace and Reintegration Programme (APRP) was contemplated as a step to help increase national ownership over the peace process and to assist in the drawing down of international troops (UNDP, 2014; Quie, 2018). In support of this, alongside existing trust funds such as the Law and Order Trust Fund for Afghanistan (LOTFA), and the Afghanistan Reconstruction Trust Fund (ARTF), there was to be established a Peace and Reintegration Trust Fund. To this end, provisions in various peace agreements sought to encourage the creation of the trust fund and subsequently contributions to it (see Box 2). The APRP was established in 2010 and is run by an Afghan-managed common secretariat (UNDP, 2014). The utilisation of the funds placed in the trust fund is decided in a financial committee headed by the Ministry of Finance. Often international conferences have been used to set agendas for change in situations which have involved international use of force, and attempt to set agendas for change and so bring with them funding commitments focused on reconstruction and stabilisation – as illustrated also by Bosnia Herzegovina, and Somalia (for more on references to donor conferences, see Box 4).

Box 2: Provisions Encouraging Creation of Trust Funds

[Afghanistan, Communiqué of the Conference on Afghan Leadership, Regional Cooperation, International Partnership \(London Conference Communiqué\), 28 January 2010](#)

"Conference Participants welcomed:

...the international community's commitment to establish a Peace and Reintegration Trust Fund to finance the Afghan-led Peace and Reintegration Programme. Conference Participants welcomed pledges to the Trust Fund and encouraged all those who wish to support peace-building and stabilisation efforts in Afghanistan to contribute to this important initiative" (page 3)

[Afghanistan, Renewed Commitment by the Afghan Government to the Afghan People and the International Community to Afghanistan \(Kabul Conference Communiqué\), 22 July 2010](#)

"The international community reiterated its commitment to continue to support this endeavor through the Peace and Reintegration Trust Fund, and looks forward to local Peace Jirga meetings that include men and women at district and provincial levels to discuss elements of an enduring peace" (page 6)

b. Peace agreements indirectly serving as the catalyst for trust funds by contributing to peace

In other cases, while peace agreements do not provide for, or refer to, the setting up of trust funds, they can nevertheless serve as the catalyst for increased donor engagements. An example from Nepal is the 2006 [Comprehensive Agreement](#) concluded between the Government of Nepal and the Communist Party of Nepal. The agreement covers a range of issues including political, economic and social transformation, and conflict management, human rights, provision for a ceasefire, management of the military forces, and implementation of the agreement. The agreement does not, however, specifically ask for financial support. Rather, the agreement states that 'We sincerely request the international community including all friendly countries and the United Nations to extend support to Nepal in the campaign of establishing a full-fledged democracy and lasting peace' (page 16).

Nevertheless, following the signing of the agreement in 2006, in February 2007, the government initiated the Nepal Peace Trust Fund (NPTF) and earmarked one billion Nepalese Rupees (NPR) from the government to this fund. This initiative was designed to provide a mechanism for interested donor agencies and governments to contribute to the peace process by providing additional funding. In March 2007, Nepal met with bilateral and multilateral donor agencies. In the meeting, multilateral and bilateral donors agreed to extend assistance towards reconstruction, rehabilitation, and the peace process in Nepal, in an integrated manner. In August, Nepal's donors agreed to give more than 2 billion NPR. In December 2007, the UN Secretary General declared that Nepal was eligible to receive assistance from the United Nations Peacebuilding Fund (UNPFN). The UNPFN was complementary to the NPTF. In this case, the peace agreement served as the catalyst for the subsequent trust fund that followed.³

³ Peace Accords Matrix (Date of retrieval: (8/3/2019), <https://peaceaccords.nd.edu/provision/donor-support-comprehensive-peace-agreement>, Kroc Institute for International Peace Studies, University of Notre Dame

A similar situation emerged in the case of Iraq. The [Law of Administration for the State of Iraq for the Transitional Period](#) (TAL) signed by the Iraqi Governing Council, came into effect on June 28, 2004, after the Coalition Provisional Authority transferred power to the Iraqis. It was to function as Iraq's provisional constitution until superseded by the permanent Iraqi Constitution in May 2006 (approved in October 2005). The TAL contains provisions for: rights; political structure including executive and legislature; the judiciary; the special tribunal and national commissions; provisions for the sub-regions, governorates and municipalities and the roadmap for the transitional period. While containing no express provisions on funding, shortly after UN Security Council Resolution 1546 (8 June 2004) asked that member states, International Financial Institutions (IFIs) and other organisations strengthen their efforts to assist the people of Iraq in the reconstruction and development of the Iraqi economy, including by providing international experts and necessary resources through a coordinated programme of donor assistance. The United Nations Development Group Iraq Trust Fund (UNDG ITF) was subsequently established as one of two trust funds of the International Reconstruction Fund Facility for Iraq (IRFFI). The IRFFI was designed in close consultation with the Iraqi authorities and donors by the World Bank and the United Nations in response to international requests to create a mechanism to enable donors to channel their resources and coordinate their support for reconstruction and development activities in Iraq.

c. Peace agreements strengthening or encouraging support for existing trust funds

Peace agreements can also serve to increase or sustain contributions to existing trust funds. In Afghanistan, for instance, the Law and Order Trust Fund for Afghanistan (LOTFA), administered by the United Nations Development Programme was established in 2001. LOTFA is used to pay the salaries of police and correction personnel and to build the capacity of the Afghan Ministry of the Interior and the Police. The multi-donor Afghanistan Reconstruction Trust Fund (ARTF) was founded in May 2002. The ARTF, administered by the World Bank, is a partnership between 34 donors and the Afghan government aiming to improve the effectiveness of the reconstruction effort. Donors have paid over US\$10 billion into the ARTF to provide direct assistance to the government (Special Inspector General for Afghanistan Reconstruction, 2018: 2). ARTF funds are allocated between two primary windows that have separate, distinct priorities: the Investment Window (IW) and the Recurrent Cost Window (RCW).

The IW funds development projects that the Afghan government implements. The RCW reimburses the Afghan government for predictable, recurring, non-security-related Afghan government expenses such as non-uniformed government employee and teacher salaries, and government operations and maintenance costs. The World Bank uses two third-party monitors - the Monitoring Agent and Supervisory Agent - to monitor the RCW and IW respectively.

Box 3: Provisions Encouraging Donor Contributions

[Afghanistan, Communiqué of the Conference on Afghan Leadership, Regional Cooperation, International Partnership \(London Conference Communiqué\), 28 January 2010](#)

“Conference Participants supported the ambition of the Government of Afghanistan whereby donors increase the proportion of development aid delivered through the Government of Afghanistan to 50% in the next two years, including through multi donor trust funds that support the Government budget e.g. the Afghanistan Reconstruction Trust Fund and the Law and Order Trust Fund for Afghanistan. But this support is conditional on the Government’s progress in further strengthening public financial management systems, reducing corruption, improving budget execution, developing a financing strategy and Government capacity towards the goal. Conference Participants confirmed their intention to establish a detailed roadmap with the Government of Afghanistan, before the Kabul Conference, and to provide technical assistance to help develop the Government’s capacity to achieve its goal” (page 4).

The agreement reached at the London Conference (see Box 3) demonstrates that interstate agreements in peace processes can be used to encourage the donor community to continue efforts to fund a peace process, utilising ongoing negotiations and agreements as opportunities to show progress. Similarly, in Bosnia the [Conclusions of the Peace Implementation Conference held at Lancaster House](#) 'calls for immediate and generous help for the continuing work of the humanitarian agencies and for contributions to the ICRC appeals and the United Nations consolidated appeals, as well as the new UNHCR Trust Fund for Shelter' (page 7).

To this end, peace agreements can also serve as useful mechanisms to galvanise a range of actors to help fund a peace process. As an example, in the African Great Lakes agreements – a set of regional agreements which attempted to create a regional framework to address inter-linked conflicts in the region, provided that parties should engage the UN and all its agencies, the African Union and relevant Regional Economic Communities, and IFIs to support a Special Fund for Reconstruction and pledge to mobilise resources available in the region (see 2004 [Dar-Es-Salaam Declaration on Peace, Security, Democracy and Development in the Great Lakes Region](#), page 7).

The diversity of actors that peace agreements seek to integrate supports the views of various scholars that increasingly peace funding is coming from sources that extend well beyond the western liberal paradigm (Paczynska, 2017; Carothers and Samet-Marram, 2015; De Carvalho and de Coning, 2013). This can even include references to private sector actors (see, for example, [Colombia, Political Agreement between the National Government, the Political Parties, M-19 and the Catholic Church](#)...., 9 March 1990), where an agreement stipulated that the National Peace Fund as envisioned in the Political Pact, designated to promote initiatives and programmes for the benefit of communities in the areas in which the demobilised guerrillas have held influence, could have its funding added to private enterprises (pages 1-2); and in the Democratic Republic of Congo, where the [Intercongolese Negotiations: The Final Act](#) ('The Sun City Agreement', 2 April 2003) stated that national and foreign private companies that have contributed to the exploitation of the country's resources, and whose activities have been instrumental in the tragic degradation of the environment, grant all the funding necessary to make good the damage and restore the environment (page 64).

One approach in particular that is adopted in peace agreements is to provide for donor conferences (see Box 4). The purpose of these conferences is often to set an ongoing stabilisation agenda, and to bring together would-be donors, as well as interested states, and to encourage contributions to either the implementation of peace agreements, the implementation of aspects of an agreement, or post-conflict efforts more generally. For instance, the 2015 [Accord Pour la Paix et la Reconciliation au Mali - Issu du Processus d'Alger in Mali/ Aazwad](#) stipulates that '[a] Conference to appeal for funds shall be convened within two months of developing the Specific Development Strategy' (page 9). The agreement goes on to state that the 'Conference shall institute a Sustainable Development fund which shall serve as a financing mechanism for the Specific Development Strategy' (page 9).

Box 4: Agreements Providing for Donor Conferences

Comoros/ Anjouan, [General Agreement on National Reconciliation \(Fomboni Agreement\)](#), 17 February 2001

Israel/ Palestine, [Wye River Memorandum](#), 23 October 1998

Libya, [Libyan Political Agreement \(Sukhairat Agreement\)](#), 17 December 2015

Mozambique, [Protocol on Detailed Agenda](#), 28 May 1991

Niger/ Air and Azawad, [Accord établissant une paix définitive entre le Gouvernement de la République du Niger et l'Organisation de la Résistance Armée](#), 15 April 1995

Rwanda, [Protocol of Agreement between the Government of the Republic of Rwanda and the Rwandese Patriotic Front on the Repatriation of Rwandese Refugees and the Resettlement of Displaced Persons](#), 9 June 1993

Sri Lanka, [Declaration in Support of the Peace Process in Sri Lanka \(Oslo Declaration\)](#), 25 November 2002

Yemen, [Seven Point Peace Plan \(Muscat Principles\)](#), 19 October 2015

d. Peace agreements have little impact

As a final note, peace agreements can also have little impact on the creation of trust funds, but a connection between the use of money and the peace process still exists and requires further thought. For instance, in the case of Aceh, despite the existence of a series of peace agreements from the years 2000 to 2005, the impetus for a trust fund came not from any agreement but rather the 2004 tsunami. Following the tsunami, the Gerakan Aceh Merdeka (GAM) declared a unilateral ceasefire. A newly-elected President announced that the tsunami had produced an overwhelming political, moral, economic and social imperative to end the conflict. The final status of Aceh had been a major sticking point in negotiations (Ramsbotham, 2015). According to Ramsbotham, following the tsunami, 'the parties were now able to move from incompatible positions of autonomy and independence (anathema respectively to the GAM and the government) to a new formulation of 'self-rule' (tolerable to both). Negotiations resumed a month after the tsunami, in January 2005, and by July a peace deal had been signed.' The Multi Donor Trust Fund (MDF) for Aceh and Nias was established by a group of international donors in response to the Government of Indonesia's request for coordination and support for the reconstruction and rehabilitation in Aceh and Nias following the tsunami and earthquake disaster in late 2004 and early 2005. The MDF has approximately US\$692 million in funds from 15 different multilateral and bilateral donors. The MDF supports the Government of Indonesia's master plan in the rehabilitation and reconstruction process.

In Sri Lanka, by contrast, political developments post-tsunami intensified prolonged crisis, displacing any potential for compromise and leading eventually to all-out military victory by the state and to date no viable reform or redress. As Ramsbotham (2015) assesses, while the government and the Liberation Tigers of Tamil Eelam (LTTE) agreed to develop a joint mechanism to deliver relief to the affected population, potentially unlocking a forum for more constructive dialogue, a dispute over the LTTE's claim of administration rights for emergency aid funds led to a hardening of party positions. The two cases demonstrate how different responses to the same crisis - the 2004 tsunami - had different impacts on the setting up and function of the respective MDTFs, and also of course the conflicts and peace processes.

Q3. What is the purpose of trust funds?

Trust funds serve a range of purposes. These can be discerned from the express provisions of peace agreements and from the activities of MDTFs. Trust funds can:

- a) support implementation of whole agreements
- b) support implementation of discrete tasks or aspects of an agreement
- c) support implementation at state, sub-state and local levels
- d) incentivise implementation, ongoing negotiations, or peace

The section below examines these different relationships in turn.

a. Supporting implementation of whole agreements

Peace agreements can expressly provide for the establishment of trust funds to facilitate the implementation of a peace agreement. In Darfur, for instance, after a decade of conflict, the 2011 [Doha Document for Peace in Darfur](#) (DDPD) provides for measures and modalities to address the root causes of the Darfur conflict. It included, amongst other things, chapters on human rights and fundamental freedoms, power-sharing arrangements and justice and reconciliation measures. The DDPD also included a provision on the establishment of a trust fund to help support the implementation process (see Box 5).

The Darfur Regional Authority (DRA), Government of Sudan and the international community agreed on the need to have a coordinated and comprehensive strategy for supporting peace and development in the region. In accordance with the provisions of the DDPD, the Darfur Joint Assessment Mission (DJAM) was conducted in the latter part of 2012. Informed by the needs and priorities of communities, identified through comprehensive, consultative workshops in all five Darfur states and the refugee communities in Chad, the Darfur Development Strategy (DDS) evolved. The DDS offered a 'sequenced, coordinated and holistic plan for equitable, sustainable and participatory development, vital to move Darfur out of a cycle of conflict and poverty, towards a stable and prosperous future' (United Nations in Sudan). The resultant United Nations Fund for Recovery Reconstruction and Development in Darfur was established to support the effective implementation of the Darfur Development Strategy (DSS) in pursuit of the overall objective of the DDPD to support the transition from humanitarian assistance to recovery and development.

Peace agreements can also establish trust funds to support the work of bodies tasked with implementing an agreement. In Liberia, the [Decision A/DEC.3/8/90 on the Establishment of a Special Emergency Fund for ECOWAS Operations in the Republic of Liberia \(Ecowas Peace Plan, 7 August 1990\)](#) established a Special Emergency Fund for the ECOWAS operations in Liberia. The Special Emergency Fund was to be endowed with an initial amount of US\$50 million derived from contributions of ECOWAS member states and donor governments and institutions outside the sub-region (page 1).

Box 5: Trust Funds to Support Peace Agreement Implementation

[Sudan/ Darfur, Doha Document for Peace in Darfur \(DDPD\)](#), 31 May 2011

"Since the financial resources and expertise required to undertake such an operation are beyond Sudan's capacity, the Parties request the international community to urgently and fully participate in this initiative and assist in the provision of necessary resources and expertise and partake in meeting the needs set for this purpose through the establishment of a Multi-Donor Trust Fund. The operational procedures of the Fund shall be determined by a supervisory body to be established by the Donors and the GoS" (page 38).

"... The GoS and the international donors will be invited to contribute towards funding the DIDC [Darfur Internal Dialogue and Consultation]. Funds shall be held in a special trust fund established for purposes of the DIDC" (page 89).

b. Supporting implementation of specific aspects of an agreement

Trust funds can be established by peace agreements to help support the implementation of certain parts of a peace agreement, an approach to funding provision in peace agreements more generally (see Box 6). In East Timor, for instance, the 1999 [Agreement Between the Republic of Indonesia and the Portuguese Republic on the Question of East Timor](#) included a request that a UN mission carry out a referendum on autonomy for the East Timorese. To this end, the agreement also provided that 'the Secretary-General will seek the approval of the Security Council for the operation in order to ensure assessed budgetary funding' adding that '[v]oluntary contributions will be channelled through a Trust Fund established for this purpose' (page 4). The subsequent Agreement Regarding the Modalities for the Popular Consultation of the East Timorese Through a Direct Ballot (5 May 1999) sought to outline practical arrangements for ballot to be held on 8 August 1999 with voters being asked to either accept or reject the proposed special autonomy for East Timor within the Unitary State of the Republic of Indonesia. In order to help support the Popular Consultation, the agreement restated the above provision to seek approval from the UN Secretary-General for the establishment of a trust fund.

Prior to the popular consultation, the Secretary-General established a trust fund intended to both help finance the UN presence in East Timor and to finance the popular consultation. [UN Security Council Resolution 1236](#) (7 May 1999) welcomed 'the establishment by the Secretary-General of a Trust Fund to enable Member States to make voluntary contributions to assist in the financing of the United Nations presence in East Timor', and urged 'all Member States who are in a position to do so to contribute without delay' (page 2). In August 1999, shortly before the popular consultation, donations to the trust fund had surpassed US\$21.7 million.

The East Timor example also demonstrates the versatility of trust funds. In this case, the mandate of the trust fund was subsequently expanded to support implementation of other aspects of the peace process. After the popular consultation, the UN trust fund became an organizing vehicle for aid directed at supporting the East Timor government and institutional development. At a conference of donor states, the World Bank, and the UN met in Tokyo from 16-17 December 1999 and established a parallel trust fund, administered by the World Bank and the Asian Development Bank (ADB), to finance reconstruction projects. Amongst other contributions, the multi-donor TFET provided grants for economic reconstruction and development activities in East Timor that are prepared and supervised by the World Bank and the ADB. Attending donor states made a three-year commitment to the funds in the amount of US\$522.45 million. Of this amount, US\$148.98 million was for humanitarian assistance and US\$373.47 million was directed towards supporting the civil administration, reconstruction, and development within East Timor. Subsequent donor meetings were held in Lisbon (June 2000) and Brussels (December 2000). In October, 2000, meeting the European Union (EU) donated another €18.2m to the trust fund (UN Security Council, 2000).⁴

⁴ Peace Accords Matrix (Date of retrieval: (8/3/2019), <https://peaceaccords.nd.edu/provision/donor-support-agreement-between-republic-indonesia-and-portuguese-republic-question-east>, Kroc Institute for International Peace Studies, University of Notre Dame.

Box 6: Funding Specific Aspects of an Agreement

Eritrea/ Ethiopia, [UN Security Council Resolution 1177](#), 26 June 1998, "Requests the Secretary-General to provide technical support to the parties to assist in the eventual delimitation and demarcation of the common border between Ethiopia and Eritrea and, for this purpose, establishes a Trust Fund and urges all Member States to contribute to it" (page 2).

Kosovo/ Serbia Yugoslavia (former), [Interim Agreement for Peace and Self-Government in Kosovo](#) (Rambouillet Accord), 23 February 1999

"The international community will provide the means for the rapid improvement of living conditions for the population of Kosovo through the reconstruction and rehabilitation of housing and local infrastructure (including water, energy, health and local education infrastructure) based on damage assessment surveys" (page 24).

Liberia, [Cotonou Accord \(Geneva Ceasefire Agreement\)](#), 25 July 1993

"Further, the Parties hereby call upon the United Nations, other international organizations and countries, to programme and finance the process of demobilization, retraining, rehabilitation and re-absorption of all former combatants to normal social and community life" (page 5).

Mali/ Azawad, [Accord préliminaire à l'élection présidentielle et aux pourparlers inclusifs de paix au Mali \(Accord préliminaire de Ouagadougou\)](#), 18 June 2013

"The Parties shall facilitate the deployment of humanitarian aid in Northern Mali and encourage the voluntary return of persons displaced due to the armed conflict and refugees, with the support of Mali's partners" (page 6).

[cont'd]

[Philippines/ Mindanao, Terms of Reference for the Joint Normalization Committee](#), 22 March 2014

"The JNC shall undertake resource mobilization from donor contributions to supplement the budgetary requirements provided under the Bangsamoro normalization fund mechanism. The Parties agree to allow either party to access funds from donors for the operations of the different mechanisms under the normalization process" (page 3).

[Cote d'Ivoire, Linas-Marcoussis Agreement](#), 23 January 2003

"Government of National Reconciliation will within one year overhaul the general regime governing the press so as to strengthen the role of the regulatory authorities, guarantee neutrality and impartiality of the State broadcasters and foster the financial independence of the media. These measures may receive the support of international development partners" (page 7).

c. Supporting implementation at state, sub-state and local levels

Trust funds can also support the implementation of a peace agreement at different levels. Peace agreements, particularly those that involve some form of dispute between a central state and sub-state entity, often include provisions relating to increased autonomy or eventual secession. These provisions and commitments exist to end conflict in this particular setting by addressing the grievances of those who seek to challenge the state's control over a particular area. In these cases, agreements can seek to channel resources to multiple entities through trust funds.

Sudan/South Sudan offers a useful example. The signing of the [Comprehensive Peace Agreement](#) on 9 January 2005 between the Government of Sudan (GOS) and the Sudanese People's Liberation Movement (SPLM) marked the end of two decades of civil war. The CPA calls for a six-year interim period and encompasses power and wealth sharing agreements that give the recently established Government of Southern Sudan (GOSS) regional autonomy and the people of Southern Sudan the right to vote, at the end of the interim period, on whether to remain within the Republic of Sudan (Box 7). The MDTFs were established after the Oslo donor conference in April 2005 with an initial pledged amount of US\$508 million. One fund supports the Government of National Unity, primarily in the reconstruction and development of war-affected and marginalized areas in the Northern states; another supports the GOSS in its recovery and development programmes. The objectives of the MDTFs include supporting priority activities identified by the Joint Assessment Mission (JAM) for pro-peace, pro-poor investments while ensuring government ownership, transparency and accountability in the use of MDTF resources. In April 2005, international donors pledged US\$4.5 billion, which exceeded the target of US\$2.6 billion. The MDTFs and other funding from EU and the Government of National Unity became operational in June 2005 with the holding of the first interim oversight committee meetings. By the end of December 2005, US\$102.1 million in MDTF contributions were paid in, of which \$46.5 million went to the National Reconstruction and Development Fund and US\$56.6 million went to Sudan Reconstruction and Development Fund (SRRDF).⁵

⁵ Peace Accords Matrix (Date of retrieval: 4 July 2019, <https://peaceaccords.nd.edu/provision/donor-support-sudan-comprehensive-peace-agreement>, Kroc Institute for International Peace Studies, University of Notre Dame.

In Colombia, the signing of the 2016 peace agreement has led to the creation of four funds: the UN Post-Conflict MPTF for Colombia, funds created by the World Bank and the European Union, and the Sustainable Colombia Fund-IDB. One of the strategic aims of the UN Post-Conflict MPTF for Colombia is to 'increase local community confidence in the State and local authorities as duty-bearers of rule of law, lawfulness and as facilitators of a framework of the rules of the game and institutions for the democratic and participative construction of territorial peace' (UN Post-Conflict MPTF for Colombia).

The fund also:

- ▶ Undertakes 'activities related to peace pedagogy and strengthening of national and local authorities in preparedness for implementation of the peace agreement' (ibid, page 2)
- ▶ Works towards ensuring peace dividends in the areas that have been hardest hit by the conflict, which builds confidence and facilitates the immediate stabilisation at local level (ibid)
- ▶ Endeavours to create 'new justice systems with the capacity to adapt to emerging post-conflict needs at the local level' (ibid)
- ▶ Strengthens the responsiveness of local authorities and civil society initiatives in implementing the peace agreement (ibid).

Box 7: South Sudan/ Sudan

[Comprehensive Peace Agreement between the Government of the Republic of the Sudan and the Sudan People's Liberation Army/Sudan People's Liberation Movement](#), 9 January 2005

"The Parties recognize the need to establish, during the Pre-Interim Period, two Multi-Donor Trust funds (MDTFs), one for the National Government and one for the Government of Southern Sudan to support urgent recurrent and investment budget costs under clearly stated criteria of eligible financing components" (page 75).

...

"The Trust funds shall be operational for the Pre-Interim Period, and shall thereafter be transformed into (i) one MDTF dedicated to the Southern Sudan Reconstruction and Development Fund (the "SRRDF"); and (ii) one MDTF dedicated to the National Reconstruction and Development Fund (the "NRDF")" (page 210).

The Colombia case demonstrates that aid can be earmarked to help ensure that implementation efforts reach those on the ground and at local levels, increasingly recognised as vital for peace to improve the everyday lives of those most affected by conflict (Molloy, 2018; Mac Ginty, 2013).

d. Incentivising peace, ongoing negotiations or implementation

Trust funds can also act as a useful incentive to promote peace, ongoing dialogue, and/or the implementation of a peace agreement.

► **Trust funds can be used to incentivise peace.** In Northern Ireland, the EU funded PEACE programmes were designed to make a positive response to the opportunities presented by developments in the Northern Ireland peace process during 1994, especially the announcements of cessation of violence by the main republican and loyalist paramilitaries (Special EU Programmes Body). Under PEACE I, the European Commission adopted a proposal for a Community Initiative under the Structural Funds from 1995 to 1999, with €500 million in total provided, 80 per cent of which went to Northern Ireland and 20 per cent to the border counties. Additional government funding of €167 million brought the total to €667 million. The strategic aim of the programme was 'to reinforce progress towards a peaceful and stable society and to promote reconciliation by increasing economic development and employment, promoting urban and rural regeneration, developing cross-border cooperation and extending social inclusion. These aims and objectives were to be achieved through a number of priorities (containing 24 sub-measures), namely: (1) Employment, (2) Urban and Rural Regeneration, (3) Cross-Border Development, (4) Social Inclusion, (5) Productive Investment and Industrial Development, and (6) District Partnerships (Northern Ireland only), all supported by (7) Technical Assistance. The purpose was to 'create incentives for diverse groups to work together in making funding decisions' (Bush and Houston, 2011: 57). Bush and Houston (2011: 58) suggest that the programmes 'partnership principle helped both to build positive working relations, and to build organisational capacities that were applicable beyond the PEACE programme'.

Box 8: The Versatility of the EU PEACE Funds in Northern Ireland

PEACE II was essentially a continuation of PEACE I. The EU provided a further €531 million for five years (2000-2004) with the national governments adding €304 million to bring the total to €835 million (Buchanan, 2014: 393). In February 2005, a two-year extension was announced to the end of 2006, providing a further €160 million (€78 million from the EU and €82 million national funding). PEACE I was a new Community Initiative devised as a stand-alone programme within a new structural funds programming period (1994-1999). Peace II, by contrast, was integrated as an Objective 1 Operational Programme within the Community Support Frameworks of both Northern Ireland and the Republic (one of two Operational Programmes in Northern Ireland and one of seven in the Republic of Ireland).

The PEACE III Programme (2007-13) was introduced as a distinctive programme part-funded by the EU (€225 million from the EU with further national contributions of €108 million), through its Structural Funds programme. The main aims of the PEACE III Programme are to reinforce progress towards a peaceful and stable society and to promote reconciliation by assisting operations and projects, which help to reconcile communities and contribute towards a shared society for everyone. The programme was divided into two main priorities: reconciling communities and contributing to a shared society. These priorities are delivered according to various objectives such as building positive relations at the local level, acknowledging the past, creating shared public spaces, and developing institutional capacity for a shared society (Northern Ireland Council for Voluntary Action).

PEACE IV (2014-2020) was officially launched on 14 January 2016, with a strong emphasis on investment targeted at children and young people (European Parliament). It builds upon two main priorities (reconciling communities and contributing to peace) and four main objectives for the 2014-2020 programming period: shared education; helping children and young people; creating shared spaces and services; and building positive relations at the local level.

In ways similar to the Trust Fund for East Timor, the example of Northern Ireland also demonstrates the versatility and adaptability of trust funds. As Box 8 shows, the EU PEACE programmes in Northern Ireland have been renewed and extended multiple times, each time seeking to progress the peace process in Northern Ireland.

► **Trust funds can be used to incentivise ongoing negotiations.** Peace is an ongoing process, with peace agreements often providing mechanisms that facilitate ongoing negotiations (Bell and Pospisil, 2017). In these cases, trust funds can help to support the process of continuing dialogue, particularly important when certain aspects of an accord are left incomplete. The Provisional Constitution of Somalia provides the legal foundation for the Federal Republic of Somalia. Importantly, the agreement stipulated that a permanent constitution was to be adopted by public referendum before the end of the first term of the Somali Federal Parliament in 2016.

On 16 September 2013, the Federal Government of Somalia (FGS) and the EU hosted a conference in Brussels to endorse the New Deal Compact. The Compact promised "a new political, security and development architecture framing the future relations between Somalia, its people, and the international community." The FGS and donors agreed that the Somalia Development and Reconstruction Facility (SDRF) would be "the preferred vehicle through which greater alignment of international aid, reduction of fragmentation and increased Somali ownership will be achieved" (The Somali Compact, Federal Republic of Somalia, 2013). The SDRF is a centrepiece of the Somali Compact and is intended to serve as the mechanism by which the FGS guides peacebuilding and statebuilding activities in Somalia (Hearn and Zimmerman, 2014). Included as part of its objectives was the commitment to build on the transitional agreement on a final constitution and elections (ibid., 5). In this way, part of the SDRF's work is to further develop and support the drafting of a final constitution, as well as other peacebuilding related activities. The SDRF incentivised the continuation of foreign assistance by providing a vehicle that could target funds in a more coherent and task-specific way.

The UN Multi-Partner Trust Fund (UN MPTF) is a pooled mechanism designed to channel funds in support of the implementation of the Somali Compact. It constitutes the centrepiece of the United Nations' contribution to the Compact (UN in Somalia). The UN MPTF has two funding streams — the UN funding stream and the national funding stream. Under the UN Funding Stream, UN organisations are eligible to receive funding and subsequent financing may be channelled to national and sub-national institutions and international NGOs through UN agencies, which assume programmatic and financial accountability (UN in Somalia). Understood as such, part of the purpose of the UN MPTF is to facilitate ongoing dialogue and negotiation over a key aspect of the peace agreement provisional constitution of 2012.

► **Trust funds can be used to incentivise peace agreement implementation.** In some cases, this involves making trust funds accessible on the condition that progress is made in the area of implementation. For instance, Box 9 demonstrates that while donors expressed a willingness to increased support for the ARTF, this would be done on the basis that the government continue to address a range of issues including corruption and budget execution. Many of these issues were included in previous agreements, such as the 2001 [Bonn Agreement](#), the 2008 [Declaration of the International Conference in Support of Afghanistan](#), which reaffirmed commitments in the Bonn Agreement, and the 2007 [Rome Conference on Justice and Rule of Law in Afghanistan](#). In a similar fashion, the [Tokyo Declaration Partnership for Self-Reliance in Afghanistan from Transition to Transformation \(Tokyo Conference\)](#), 8 July 2012, stipulates that developing a vibrant private sector is essential for sustainable development and building peace. Prior to the Tokyo Declaration, the international community had made clear its intent to support Afghanistan. However, the international community also stated that sustained financial support is only possible, and only responsible, if Afghanistan successfully implements its programme of necessary governance and economic reforms.

Box 9: Incentivising Implementation

Bosnia and Herzegovina/ Yugoslavia (former), [Conclusions of the Peace Implementation Conference held at Lancaster House \(London Conference\)](#), 9 December 1995

“The Conference underlines the relationship between the fulfilment by the parties of their commitments in the Peace Agreement, including the observance of the highest standards of human rights and the readiness of the international community to commit financial resources for reconstruction and development” (page 8).

Bosnia and Herzegovina/ Yugoslavia (former), [Statement of Principles on Bosnia, International Conference on Former Yugoslavia](#), 27 August 1992

“As and when parties are ready to reach a settlement on the above basis, the International Community will join with them in a major reconstruction programme to cope with humanitarian needs and to restore economic activity” (page 2).

Kosovo/ Serbia/ Yugoslavia (former)
[Interim Agreement for Peace and Self-Government in Kosovo \(Rambouillet Accord\)](#), 23 February 1999

“International assistance, with the exception of humanitarian aid, will be subject to full compliance with this Agreement as well as other conditionalities defined in advance by the donors and the absorptive capacity of Kosovo” (pages 24-25).

Q4. What are the opportunities and challenges presented by trust funds?

The literature identifies a number of advantages and disadvantages associated with trust funds. Oliver Walton (2011) synthesises the literature, as it then existed (see box 10). He notes, amongst other things, that MDTFs can contribute to increasing ownership of peacebuilding and post-conflict reconstruction efforts, improving coordination among donors, and permitting a sequenced and gradual release of funds to prevent front-loading.

Box 10: Advantages of Trust Funds

- ▶ "Coordination: They facilitate donor coordination and harmonisation (Leader & Colenso 2005, Development Initiatives 2006, Barakat 2009, Guder 2009, GSDRC 2010).
- ▶ Ownership: They help to boost recipient government ownership of post-conflict reconstruction and development (Barakat 2009). They can allow recipient governments to fund its priority needs including payment of salaries and provision of basic services, supporting statebuilding objectives (ODI 2005).
- ▶ Mobilising resources: They encourage a range of multilateral donors, bilateral donors and private sector actors to commit resources (Leader & Colenso 2005, GSDRC 2010). They have the potential to cut transaction costs and administrative burdens (Leader & Colenso 2005, NORAD 2007, Scanteam 2007, Guder 2009, GSDRC 2010).
- ▶ Tackling front-loading. They provide a solution to the problem in many post-conflict contexts, where donors are willing to commit large amounts of resources during the immediate post-conflict period, when government capacity is lowest (Barakat 2009).

[cont'd]

- ▶ Simplifying procedures: They provide straightforward disbursement and recording procedures (GSDRC 2010).
- ▶ Accountability and information: They may create separate institutions for supervising and auditing assistance, boosting accountability (Barakat 2009) and improving access to information (Guder 2009).
- ▶ Spill-over effects: They may drive up overall standards in public financial management (Foster 2007, Guder 2009)
- ▶ Tackling cherry-picking: They may help to ensure that donors do not cherry-pick their favourite projects and ensure that unfashionable yet critical projects are funded (ODI 2005).
- ▶ Absorbing political risks: They help to absorb political risks for bilateral donors of working with a recipient government directly (Scanteam 2007). They allow donors to provide flexible support to a nationally owned development plan, progressing to budget support if possible, but with the flexibility to retreat if necessary (Foster 2007).
- ▶ Policy dialogue: They may provide a platform for policy dialogue amongst donors and between donors and the recipient government (Guder 2009)."

(Source: Walton, 2011)

By contrast, others highlight a number of limitations associated with trust funds. For instance, some point to limited time-scales provided for trust funds to function, which can impede longer-term strategic planning: In Iraq and Afghanistan, MDTFs were given short time-frames (they were due to expire within four years of being set up (Barakat, 2009). Others note that there is often a lack of ownership over trust funds. In Iraq, for example, the government has no formal role in the MDTF (Bakarak, 2009; Scanteam 2007; Barakat 2009; ODI 2009; OECD 2010), while in Aceh, the government has less than a third of the seats on the MDTF steering committee (Walton, 2011: 6).

The uncertainty regarding the influence of donors is also an issue. In particular, when donor conferences occur after the signing of an agreement, it can be unclear as to how and in what ways donors seek to advance the agenda as negotiated by parties or to impose their own demands and visions of peace. For instance, in the context of Bosnia, the [Conclusions of the Peace Implementation Conference held at Lancaster House](#) (9 December 1995) states, amongst other things, that when the Steering Board considers reconstruction, 'the views of major donors will be of particular importance' (page 6). It continues that '[f]requent aid donors meetings will be needed to achieve wide and equitable participation in the international aid effort and to enhance coordination between programmes and projects and that 'such meetings will inform the work of the Steering Board' (page 6).

But different international actors will have different concepts of 'stabilisation', and different ideas of the key priorities. For instance, Tobias Hagmann (2016) demonstrates how different actors in Somalia use the different versions of the concept of stabilisation to their advantage in ways that differ from the statebuilding vision of international donors. Others also point to the lack of capacity of such funds to provide flexible and quick funding. By their nature MDTFs take time to set up and administer, and so may need creative thinking as to how to make them more responsive to situations on the ground.

The issue of persistent front-loading is also advanced as a limitation of trust funds. As Walton (2011: 2) notes, in some circumstances (particularly in countries of high geo-strategic importance such as Iraq and Afghanistan) pressure to distribute funds quickly can lead to poor standards of implementation, weakening aid effectiveness and contravening statebuilding objectives (citing Barakat 2009, UNDP 2010). A follow effect is that often states do not have the capacity to absorb aid received (Suhrke and Buckmaster, 2006) or in other cases, opt to use aid for detrimental activities, leading to corruption, extraversion and harmful forms of rent-seeking (de Waal, 2009; Haggmann, 2016; Cheng and Zaum, 2012). As von Billerbeck (2012: 82) highlights, the rapid inflow of large amounts of aid, with the economic distortions that it involves, and the rent-seeking opportunities it offers, 'makes post-conflict settings rife with opportunities for corruption'.

As a final example, whether or not trust funds materialise is often subject to the broader peace process. In Sierra Leone, for instance, the [Peace Agreement between the Government of the Republic of Sierra Leone and the Revolutionary United Front](#) ('Abidjan Accord'), signed at Abidjan in 1996, covers a wide range of issues and includes two references to trust funds. Under article 3, the agreement provides for 'A Trust Fund for the Consolidation of Peace shall be established to provide funding for the implementation of the present Peace Agreement' (page 3). Pursuant to Article 11, 'The Parties shall approach the international community with a view to mobilizing resources, which will be used to establish a trust fund to enable the RUF/SL to transform itself into a political party' (page 6). In this case, donor support could not be pursued for the trust funds as the peace process quickly broke down into renewed violence and the demobilisation programme was disregarded. No donor conferences were held. In January 1997, two months after the peace accord was signed, the Sierra Leone People's Party government and Kamajors launched attacks against RUF units in northern Kailahun (Keen, 2005: 193-197). In May of 1997, Major Johnny Paul Koroma and his soldiers formed an alliance with RUF troops and toppled Sierra Leone's government. President Ahmad Tejan Kabbah fled into Guinea.⁶

⁶ Peace Accords Matrix (Date of retrieval: 5 April 2019), <https://peaceaccords.nd.edu/provision/donor-support-abidjan-peace-agreement>, Kroc Institute for International Peace Studies, University of Notre Dame..

There is, therefore, little consensus on the utility or effectiveness of trust funds. Some view them as beneficial possessing various opportunities and advantages. For others, they have proven relatively ineffective. For yet others, effectiveness is linked to whether they can be made available to be used quickly and flexibly. While it is beyond the confines of this paper to engage in discussions around the merits or demerits of trust funds, peace agreement provisions on aid arguably provide useful examples of how to set in place agreements not just to peace but to the financial commitments necessary for implementation.

Q5. How do peace agreements respond to the potential limitations of trust funds?

In response to the potential dangers of the influence of donors, some agreements stress the importance of domestic ownership. For instance, in Cambodia, the [Declaration on the Rehabilitation and Reconstruction of Cambodia \(Framework for a Comprehensive Political Settlement of the Cambodia Conflict or Paris Accords\)](#), signed in 1991, stresses that '[t]he main responsibility for deciding Cambodia's reconstruction needs and plans should rest with the Cambodian people and the government formed after free and fair elections' (page 1). It goes on to stress that '[n]o attempt should be made to impose a development strategy on Cambodia from any outside source or deter potential donors from contributing to the reconstruction of Cambodia' (page 1).

Peace agreements can also task national actors with responsibility for funding. In Burundi, the 2000 Arusha Peace and Reconciliation Agreement for Burundi provides that '[a] National Fund for Sinistrés shall be established, and shall derive its funding from the national budget and from grants by bilateral and multilateral aid agencies or assistance from non-governmental organizations' (page 81). Control over the fund is, however, vested with national actors. Similarly, in the DRC, the [Intercongolese Negotiations: The Final Act \('The Sun City Agreement'\)](#) (2 April 2003) provide for a National Humanitarian Authority, which '[t]o avoid having too many participants and wasting allocated funds, ... will be the only body authorised by the Congolese State to dispense the funds' (pages 59-61). In these cases, peace agreements seek to ensure greater ownership over funds by providing national actors with greater responsibility for the administration of funding.

Similarly, in conflicts between state and sub-state entities, peace agreements can afford sub-states the competences to engage directly with international donors. This is both a reflection of increased autonomy granted pursuant to an agreement while also enabling sub-state entities to raise funds for development and reconstruction. Pursuant to the 1999 [Joint Bougainville Negotiating Position](#), Bougainville, an island within Papua New Guinea (PNG), is permitted to deal directly with donors (page 3), something which was part of the developing concept of autonomy and further developed in the 2001 Bougainville Peace Agreement. Similarly, the 1994 Agreement on the Gaza Strip and the Jericho Area ('Cairo Agreement') permitted reaching agreements with donor countries for the purpose of implementing arrangements for the provision of assistance to the Palestinian Authority (pages 4-5). Pursuant to the 2012 [Framework Agreement on the Bangsamoro](#), a region in Mindanao, the Philippines, grants Bangsamoro authority to receive grants and donations from domestic and foreign sources (page 5). It should be noted, however, that the ability and willingness of sub-state entities to engage international donors is often bound up in more complex relationships with the central state. For instance, in the context of Bougainville, Satish Chand (2018) draws attention to the gap-filling role of finances provided by the government of PNG. He argues that 'gap-filling' grants from the central government can undermine the incentives for sub-national entities to grow their own tax base (*ibid.*, vii). It might also be argued that the ability to obtain 'gap-filling' grants from the central state limit the incentives to seek financing from the international community and/or that similar revenue streams from international actors further curb the subsequent growth of internal revenue streams by broadening the sub-state tax base.

Transparency in funding is reiterated in a number of agreements (see, for example, Afghanistan, [Declaration of the International Conference in Support of Afghanistan \(Paris Conference\)](#), 12 June 2008, page 2; Angola, [Angolan Government's Peace Plan](#), 13 March 2002, page 3). In some cases, this involves creating mechanisms to ensure that aid is accumulated and dispersed transparently (South Sudan/ Sudan, [The Interim National Constitution of the Republic of Sudan 2005](#), 6 July 2005, page 86).

Peace agreements can also stress the importance of phasing in aid to avoid front-loading and to reflect the realistic absorption capacity of the state in question. The 1991 [Declaration on the Rehabilitation and Reconstruction of Cambodia \(Framework for a Comprehensive Political Settlement of the Cambodia Conflict or Paris Accords\)](#), addressed earlier, stipulates, for example, that 'the implementation of an international aid effort would have to be phased in over a period that realistically acknowledges both political and technical imperatives' (page 1). It notes further that 'The launching of an international reconstruction plan and an appeal for contributions should take place at an appropriate time, so as to ensure its success' (page 1). Box 8 on the versatility of the EU PEACE Funds in Northern Ireland provides a further example of a sequenced and phased in approach to international funding, one that permits the funding project to adapt to changes and new requirements in the context in question.

Concluding Key Findings

Peace agreements can affect trust funds in a range of ways. Peace agreements can:

- ▶ Provide for, or encourage the establishment, of trust funds
- ▶ Serve as the catalyst for the creation of trust funds by creating optimism of peace
- ▶ Strengthen or encourage support for existing trust funds
- ▶ Have little impact on the creation or operation of trust funds

Trust funds assist the goal of working towards peace in different ways. Trust funds can:

- ▶ Support implementation of whole agreements
- ▶ Assist in the implementation of specific aspects of a peace agreement
- ▶ Strengthen implementation at state, sub-state and local level
- ▶ Incentivise parties to reach agreement, engage in ongoing negotiations, and/or promote the implementation of peace accords

The literature identifies that trust funds have both advantages and disadvantages. Peace agreements offer a range of ways to navigate the space between these twin issues. These include:

- ▶ Highlighting the importance of national ownership
- ▶ Enabling sub-state units, or particular peace implementation bodies to receive donor assistance directly
- ▶ Elevating domestic interests over international influence
- ▶ Stressing the need for sequencing and absorption capacity of the recipient state

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The Political Settlements Research Programme (PSRP) is centrally concerned with how political settlements can be made both more stable, and more inclusive of those affected by them beyond political elites. In particular, the programme examines the relationship between stability and inclusion, sometimes understood as a relationship between peace-making and justice.

The programme is addressing three broad research questions relating to political settlements:

1. How do different types of political settlements emerge, and what are the actors, institutions, resources, and practices that shape them?
2. How can political settlements be improved by internally-driven initiatives, including the impact of gender-inclusive processes and the rule of law institutions?
3. How, and with what interventions, can external actors change political settlements?

The Global Justice Academy at The University of Edinburgh is the lead organisation. PSRP partners include: Austrian Study Centre for Peace and Conflict Resolution (ASPR), Conciliation Resources (CR), International IDEA, The Institute for Security Studies (ISS), The Rift Valley Institute (RVI), and the Transitional Justice Institute (TJI, Ulster University).

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