JANUARY 2019

OPPORTUNITIES FOR MORE EFFECTIVE DANISH ENGAGEMENT

Foretræde for FOU, Oxfam IBIS

Oxfam IBIS seeks to provide a foretræde briefing on the topic of "Opportunities for more effective Danish engagement in conflict and fragile stings". The briefing will have two focus areas.

1) Examining comparative approaches to military export control and opportunities for strengthening Parliamentary and Ministerial oversight in this regard. Such options include strengthening end-user documentation and approval, establishing a list of countries eligible to receive Danish military exports, transferring decision-making power and licensing authority to Ministerial level, and strengthening Parliamentary oversight and review of transfers and policy. The document in Annex 1 provides further details. This will also examine areas where existing Danish law can be further strengthened in line with the EU Common Positions on Military Exports.

2) Ways in which Denmark can more effectively and coherently engage in conflict and fragile settings, including through greater emphasis and support to civilian-led peacebuilding. This portion of the briefing will present empirical argument highlighting the cost-effectiveness and sustainability of such approaches, as opposed to sole focus on military-led responses to stabilization. This portion of the briefing will draw attention to the changing nature of conflict, while also highlighting practical steps that be taken by Denmark to adapt its existing foreign policy instruments to be able to effectively address the underlying causes of conflict. The document in Annex 2 provides further details.

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ANNEX 1: ARMS CONTROL IN EUROPEAN COUNTRIES

Based on a comparison of European countries policies and practices on military exports, the following options could be appropriate to pursue in the Danish context:

1. Strengthening end-user documentation and approval:
As a general rule, license applications to export Danish products to EU and NATO countries do not require information on re-export. With regard to licenses to export to other countries (not EU nor NATO member states), the permission is assessed on a case-by-case basis. In Sweden, an end-user certificate or an own production declaration should normally be presented in connection with exports of military equipment, regardless of destination. In situations where end-user re-exports are unauthorized, ongoing trade with such partners is considered ineligible.

Denmark follows a different licensing procedure depending on whether exports are intended for other EU member states, for seven countries closely related to Denmark, or for other countries. At present, the Ministerial decision regarding sales to KSA and UAE appears to only relate to direct sales, and not those whereby technology provided by Danish companies is integrated into other military products or technologies and then sold on to KSA and UAE by a third country/ company. This loophole would need to be addressed if the decision is to have any meaningful impact. The Weapons and Explosives Act does not list the conditions for an export license to be granted or any particular set of countries to which Danish products may or may not be exported. There had been a practice not to grant to countries involved in armed conflicts or to areas with such a level of unrest and instability, but this is not written into law.

The fact that end user documentation is not required is a gap which allows Danish companies to have export deals with EU and NATO-based manufacturers regardless of whether those same companies will integrate Danish company components into products subsequently exported to countries in violation of Danish law (and the EU Common Position). At present, there is no requirement for companies to document their value-chain (either in terms of procurement nor in terms of onward sales), despite the fact that this information is maintained by companies themselves. Comprehensive assessment of the situation in the recipient country or region but also in terms of previous license applications for the same end-user or destination in different product categories should be conducted. In addition, there should be greater transparency and documentation around end-user and re-export. In Sweden, licenses have been revoked on the basis of details emerging regarding diversion to end-users that have violated human rights. Under Danish law it is possible to revoke already granted licenses but this is rarely done. This should also consider the business conducted by subsidiary companies to Danish firms which may be registered outside of Denmark.

3. Transferring decision-making power to the Ministerial level:

In Norway, particularly sensitive cases are presented to the Secretary of State or the Minister of Foreign Affairs for the final decision about an export. In Denmark, several Government units and agencies are involved in military exports. The Ministry of Justice administers the export control legislation in relation to arms and war material, and is also the main licensing authority.

Permission for export of weapons and related equipment falling under the Arms Act is to be requested from the Ministry of Justice. The final decision to approve or deny a license is taken by the Ministry of Foreign Affairs after considering relevant foreign and security factors and taking into account Denmark's international commitments. In general, few denials are issued, largely due to pre-authorization consultations. Erhvervsstyrelsens is the authority in charge of the administration of the international export control on dual-use products and works in close coordination with MoJ and MFA on matters related to exports of military equipment. The current system is quite informal and, given the nature of the relationships between the MoJ, MoD, and Danish military export companies, results in a lack of transparency and allows the Ministries involved to defer or deflect in situations where questions are raised.

4. Strengthening Parliamentary oversight:

There are different options for strengthening parliamentary involved in reviewing and influencing arms trade policy and practice. This includes establishing dedicated parliamentary bodies either to approve (or contribute to the approval process) such deals, or to review already approved deals. Sweden's system revolves around the pre-approval stage, with the Parliament holding regular briefings on export controls, and there is a practice of consulting it in cases that have specific foreign policy or principal importance. The Swedish Government also provides support to the independent oversight agency in the form of a parliamentary oversight body called the Export Control Council, set up in the 1980s to increase transparency and consultation on matters relating to exports of military equipment. All political parties are represented and it is chaired by the ISP Director-General. However, it has never recommended to refuse a license, the independent agency is in fact partly funded by the arms industry, and the highly confidential nature of the Committee's pre-approval process ultimately silences any public debate.

Conversely, the UK's joint committee (the Committees on Arms Export Controls, or CAEC) undertakes review of transfers and policy. It is comprised of members form the Defence, Foreign Affairs, International Development and International Trade Select Committees. It launches enquiries, takes written and oral evidence (from us, and also from government ministers) and produces reports, the conclusions and recommendation of which the government is obliged to give substantive written answers. It has no executive power; it cannot compel the government to act, and is very much dependent on the individuals involved in driving the agenda forward.

ANNEX 2: PEACEBUILDING POLICY PRIORITIES FOR OXFAM IBIS

This note presents the rationale and policy priorities for Denmark's engagement on peacebuilding from the perspective of Oxfam IBIS. Through the Strategic Partnership with the Danish Ministry of Foreign Affairs, Oxfam IBIS is currently engaged in peacebuilding efforts in a number of fragile and conflict-affected contexts, ranging from South Sudan to the Sahel, as well as the Middle East and North Africa. Oxfam IBIS peacebuilding work spans both policy and advocacy initiatives, as well as more programmatic activities centered on increasing the meaningful engagement of women and young people in peacemaking and peacebuilding processes at regional, national, and local levels. As stated in Oxfam IBIS strategy for 2019 to 2021, we will address causes of conflict in fragile and conflict affected contexts and promote right and inclusion of particularly women and youth. We focus primarily on inequality - and here it applies to all inequality dimensions - political, economic and social inequality (gender, youth, ethnic, social, religious groups, etc.). In this way, we draw on the work of Oxfam IBIS and the broader confederation on issues related to inequality, while seeking to ensure that all we do is geared towards addressing various inequalities as structural causes of violence.

Policy Priorities

1. **Critically Reassessing Denmark's stabilization approach:** Reducing violence does not lead to long-term peace, nor do security and military-led responses create the conditions for sustainable development and the fulfilment of human rights. For example, research from UNDP and International Alert suggests that abuse by state security forces is one of the primary drivers for individuals joining non-state armed groups in the Sahel. On the contrary, there is little evidence to suggest that military and security led approaches are successful in ensuring longer-term stability and peace. This is also the case regarding Denmark's engagement in Afghanistan, Iraq, and, more recently, in the Sahel. With the resources allocated for global peacebuilding dwarfed in comparison and with current security-focused stabilization responses seemingly found wanting as the number and extent of conflicts spirals, one could reasonably ask whether it is time to shift the balance, and to bolster peacebuilding efforts both in their own right and as a complement to stabilization instruments. Danish military expenditure has increased both in real and proportional terms and Denmark is upping its engagement in the G5 in the Sahel despite limited material and sustained impact. As such, there is an important and timely opportunity to critically reflect on Denmark's stabilization approach as it has been adopted over the past two decades.

2. **Aligning Humanitarian and Development Policy with the 'Sustaining Peace' agenda:** The UN's engagement in fragile and conflict-affected countries is increasingly geared towards 'sustaining peace' - leveraging its various humanitarian and development efforts in a way

that tries to address the structural causes of conflict/ fragility. This approach notes that while humanitarian assistance remains critical in many contexts, we must go beyond 'band aid' solutions. Sweden has

complement to stabilization instruments. Danish military expenditure has increased both in real and proportional terms and Denmark is upping its engagement in the G5 in the Sahel despite limited material and sustained impact. As such, there is an important and timely opportunity to critically reflect on Denmark's stabilization approach as it has been adopted over the past two decades.

3. Gearing Danish Embassies to engage and support local peacebuilding efforts: Many Danish Embassies possess funding envelopes which can be directed to various humanitarian and development activities, upon the Embassy's discretion. In fragile and conflict-affected contexts, this support is rarely directed towards supporting local peacebuilding efforts. Instead, local actors with peacebuilding expertise are too often asked to adapt their work to fit into a "preventing/countering violent extremism" framing, which has proven to present more risks than opportunities. In an effort to address this gap, Danish Embassies in fragile and conflict-affected contexts could be mandated to ensure a "peacebuilding funding window" in any country-level administered funding mechanism.

Conflict trends

☐ There is growing correlation between poverty and conflict. By 2030, 90 percent of global poverty will be concentrated in fragile and conflict-affected contexts;

☐ 60 percent of violent conflicts take place in countries who have previously experienced civil conflict, with a growing proportion of conflict taking place in Middle Income Countries;

☐ The average length of a civil conflict is now 15 years. This has resulted in over 65 million displaced persons, the vast majority of whom can be linked to the same 10 conflicts since 1991. The majority of displaced persons are consistently hosted by the same 15 countries, those neighboring conflict-affected countries;

☐ At present there is the highest number of "spillover" and proxy conflicts since World War 2;

☐ 80 percent of humanitarian crises relate to conflict, with 60 percent of acute hunger primarily driven by conflict;

☐ Inequality spikes during and in the immediate aftermath of conflict, deeply tied to issues such as state/elite capture, corruption, and the war economy. With 60 percent of conflicts taking place in countries that have already experienced violent conflict, this suggests that multiple episodes of conflict may also lead to compounding and increasing inequalities over time. Inequality is not just an economic term, but can relate to broader manifestations of marginalization. Here again, there is a direct link to conflict and instability;

- While a very small percentage of young people are directly engaged or mobilized in violence, youth in fragile and conflict-affected contexts experience many types of marginalization and inequality. More than 600 million youth live in fragile and conflict-affected countries and territories[1]. More than half of the world's 25.4 million refugees are under the age of 18. Only a third of secondary school ages refugees are enrolled in school, and less than 1 percent of refugee youth have access to post-secondary education. In conflict-affected contexts a young person's opportunities to access education and prospect for livelihoods and engagement across social, political, cultural, and economic life are drastically reduced. Young girls and women are more likely to face situations of early and forced marriage.

Peacebuilding is cost-effective:

- A growing body of research points to the cost-effectiveness of peacebuilding when compared to the economic costs of conflict. The Institute for Economics and Peace finds that the cost-effectiveness ratio of peacebuilding is 1:16, meaning that for every $1 spent on peacebuilding, $16 is saved in the costs of post-conflict recovery or GDP lost during a conflict. The UN and World bank have estimated that investing in prevention and peacebuilding can save at least USD 5 billion in a pessimistic scenario (where the costs of peacebuilding are high, and the costs of damage low) which goes up to USD 70 billion in a more optimistic scenario;

- At the same time, the costs of conflict globally are extremely high. The International Peace Institute estimates global economic losses in 2016 to amount to USD 1.4 trillion. In the same year, world military spending reached USD 1.69 trillion, accounting for 2.2 percent of global GDP and marking an increase by 0.4 percent from 2015[2]. In comparison, only USD 21.6 billion was allocated to peacekeeping and peacebuilding activities during that year (with USD 8.3 billion going to peacekeeping alone)[3]. In this context, it is clear that the dominant response to violent conflict is to further bolster military expenditures.

Peacebuilding works when there is a long-term commitment to addressing root causes:

- Security-focused approaches are not only ineffective, they are counterproductive especially in contexts where security actors have limited credibility amongst local populations and have themselves been responsible for committing human rights violations. A recent study from UNDP shows that exposure to police abuse or injustice is among the key factors in spurring individuals to join extremist groups.

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[1] SIPRI, https://www.sipri.org/research/armament-and-disarmament/arms-transfers-and-military-spending/military-expenditure

[3] Institute for International Peace, https://theglobalobservatory.org/2017/07/peacebuilding-expenditure-united-nations-sustaining-peace/

- Research by the UN and the World Bank identifies three key characteristics of successful prevention and peacebuilding efforts, including: i) nationally led and addressing underlying causes of violent conflict (which in many cases relates to various horizontal inequalities); ii) there were targeted efforts to address issues related to power, services, security, and resources; and iii) sustained peace does not necessarily follow from economic and income growth alone.

- Of the many existing inequalities exacerbated by conflict, access to education is particularly affected. In conflict-affected contexts, young people's literacy rates are significantly lower, government spending on education is reduced, and school completion is more than 20 percent less than in stable contexts. With education serving as a key 'equalizer' within a society, research has shown that greater inequality in educational attainment increases the likelihood of violent conflict. The prospects for women and girls in accessing and completing education are often particularly affected in such contexts.

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