



HOUSES OF PARLIAMENT

Joint Committee on the National Security Strategy

Oral evidence: [Conflict, Stability and Security Fund](#) HC 208

Monday 24 October 2016

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Members present: Margaret Beckett (Chair); Lord Boateng; Baroness Buscombe; Baroness Falkner of Margravine; Mr Dominic Grieve; Lord Hamilton of Epsom; Lord Harris of Haringey; Dr Julian Lewis; Lord Mitchell; Dr Andrew Murrison; Lord Powell of Bayswater; Lord Trimble; Stephen Twigg; Mr Iain Wright

Witnesses

I: Dr Stephanie Blair, Director, Opimian Ltd, **Dr Andrew Rathmell**, Aktis Strategy Ltd and University of Exeter, Strategy and Security Institute, and **John Speakman**, Adviser, World Bank.

II: Ruairi Nolan, Head of Research and Engagement, Peace Direct, **Rebecca Crozier**, Head of Middle East and North Africa Programme, International Alert, and **Myles Bush**, Director, Justice, Security and Peacebuilding, Adam Smith International.

Questions 1-23

Examination of witnesses

Witnesses: **Dr Stephanie Blair**, Director, Opimian Ltd, **Dr Andrew Rathmell**, Aktis Strategy Ltd and University of Exeter, Strategy and Security Institute, and **John Speakman**, Adviser, World Bank. gave evidence.

Q1 Chair: Thank you very much for coming to give evidence to us. I apologise that we have kept you waiting for a few minutes. May I begin by putting a question to Dr Blair? How do conflict prevention, stabilisation, security sector reform and crisis response differ from development work?

Dr Stephanie Blair: It is an interesting question. In some senses, conflict prevention, stabilisation, SSR and crisis response differ, but they are also a bit of a continuum, depending on the context. The interesting context is what the political relationship is. In states of fragility, where the social compact between a Government and their people is fraying, and we might be trying to do some conflict prevention or stabilisation, that political relationship is driving those, whether or not it is a violent conflict. In a development context, as a stand-alone, those political relationships will probably be much stronger and will be different. When we are emerging from conflict or trying to stabilise a context, it is about trying to reknit or provide some resilience and understanding of what the political relations are and what the political settlement is. Development's relationship to those concepts is part of a continuum.

Q2 Stephen Twigg: Dr Blair, can you to elaborate on that a little? You have spoken about the context and political relationships. What are some of the practical challenges in the design and implementation of programmes, particularly in fragile and conflict-affected states?

Dr Stephanie Blair: In a nutshell, it is whether the security situation is benign or not benign. In political and violent conflicts, which is what we are talking about—violent conflict situations—it is about that relationship and how people manage those contexts. The practical management of delivering programmes in that context is about risk. It is about who we may or may not engage with. It is about fiduciary risk, where and when we spend money in those very violent and unstable contexts; and it is about risk to personnel—security for individuals we may or may not put in harm's way—and whether or not we are managing programmes remotely. The other practical way of implementing programmes, which I am quite keen on, is the notion of a technical or political fix. For me, the political fix and the political relationship to the technical fix have to be seamless, and that is why we have things like the integrated approach.

Stephen Twigg: Could you respond, Dr Rathmell and Mr Speakman, perhaps with particular examples from your own experience?

Dr Andrew Rathmell: I reinforce what Stephanie said, possibly in two ways. First, the link between political and technical delivery applies to anything we do in international development, but it is particularly important in these environments, because you are trying to bring about some sort of realignment of the political forces, as Stephanie said, bringing together different warring parties and factions. Often, the way you do that with a fund like this is to underpin the diplomacy with some sort of technical assistance: training, capacity building and supply of equipment, or whatever it is. The real trick to make it work is when you can tie those two things together. You use the fund not just to train security forces, for example, where a lot of the money goes, but to do it in a way that makes them integrated. There are plenty of examples in almost any environment you can think of—any of the African conflicts, Iraq or Afghanistan—where what we try to do, sometimes successfully, is to make sure that when we train security forces we bring together different sects, ethnic groups and political groups so that we do not create stovepipe forces that will go to war again. Where it works, you can bring them together and link the political and technical.

The second part I emphasise is security. Particularly in the more violent conflicts, the implementers—it does not matter whether they are NGOs, government officials or private sector—cannot visit the beneficiaries. In a conflict such as Syria now, where a lot of funds are going in, or Afghanistan or Iraq during the height of the conflict, the implementers could not go in and check on what they were doing; they could not meet the beneficiaries because it was too dangerous. You had to do remote management and monitoring. It is very hard to get that right and avoid corruption, malfeasance and so on. To me, that is a key characteristic of these environments.

There are cases where you can get that right. CSSF and its predecessor, the Conflict Pool, have done that well in some violent conflicts—Syria now but also Iraq and Afghanistan—where international advisers had to stay remote, outside the country on a military base somewhere, but were able to work through local NGOs and implementers to deliver some form of assistance. There are plenty of cases where it works, but there is plenty of risk in that as well.

John Speakman: Let me talk a little about Angola, where there was a major crisis about 10 or 15 years ago. The development side was interesting. There were a lot of blood diamonds. We created an exchange, and the rule was that all the diamonds had to go through it. That was a major cause of creating peace. Smart development, along with smart security, is key. It is part of the solution for the Central

African Republic, where the same kind of artisanal mining problems are feeding the warlords. If you come up with some economic solutions in parallel with security, you can get a nice package.

Q3 Baroness Buscombe: This question is for all three witnesses. Dr Blair, in your written evidence you say that the CSSF niche is in delivering what departments cannot do individually in high-risk environments. All of you have already touched on the risks, but perhaps we could expand a bit further on how they can be mitigated. Specifically, how might you address each type of risk in practical terms?

Dr Stephanie Blair: I will touch first on the CSSF. In comparative terms, it is quite a small fund, because a large chunk of the overall envelope goes to the peacekeeping budget of the United Nations. That said, the remainder, depending on the allocation—this year it is up to about £1.3 billion—is able to bring together not just the three departments the Conflict Pool used to have but what we might call the domestic departments. In bringing together those departments, we now have a tool at the disposal of government that can do things an individual department cannot. However, bearing in mind that the fund is small in comparison particularly with DfID's quite large overall budget, as well as the 50% that goes to FCAS countries, it has to operate in very difficult contexts, as we have already described, so the risks are large, as I elaborated in my paper, and often lead us not necessarily to success but to failure.

Other members around the Committee table will probably know the requirement for strategic patience in delivering peace. It is not in the one- to-three-year envelope, or even the three-to-five-year envelope; we are talking of 10 to 20 years. The risks involved are great. We have security risks, as have already been alluded to by my colleagues. We do not own the peace we are trying to work towards. We may do so in some contexts in the United Kingdom, but we certainly do not in other countries. These are places where locals own the political process. Sometimes meddling, to use that term, risks doing more harm. The risks are quite enormous in the ways I have elaborated. However, that does not mean we ought not to do anything, hence the fund and what it brings together is of great value, particularly to the UK.

Dr Andrew Rathmell: Before I deal with the risks, my take on the value of the fund is partly what Stephanie said, but to my mind the key value of any fund such as this is that it forces the different government stovepipes to join up in their thinking, strategising and evaluation. Any individual department can do bits and pieces of that, as they do, but we know that delivering effect in this environment requires the departments to work together. If you continue to have separate departments—that is another debate—you must have some mechanism

to force them jointly to plan, evaluate and deliver. The Conflict Pool did that to a degree. The Danes and the Dutch, and to some extent the Americans, have similar funds that have had the same effect. The CSSF has the potential to do that more effectively across a wider range. Whether or not it succeeds we will see, but it has the potential to do the joined-up strategising, delivery and evaluation that will help to manage the risks.

There are three key risks. Obviously, there are physical risks both to the beneficiaries—those you are trying to help—which is key, and to the people implementing on the ground. There should be an advantage with a fund like this, in that the UK Government, while they cannot completely absolve themselves of the duty of care in terms of physical risk, can to some extent outsource it, so whoever is implementing it on their behalf, whether it is an international organisation, an NGO or a company, can take a little more risk. As you know, the risk appetite, at least in civilian government in the UK, is very limited and, frankly, it limits what the UK can do in conflict environments if diplomats or aid workers cannot get out and about. Outsourcing some of that duty of care is crucial.

The others are reputational risk, human rights, corruption and the potential of doing harm. There are established ways of managing those risks, but a fund like this needs to be willing to have some appetite, unfortunately, to put up with a *Daily Mail* test, in that some of the funds will go missing or be linked to groups that may carry out human rights abuses, and it is for the Government to decide how far they are willing to accept the risk. If you completely remove the chance of that happening, you have much less effect.

As to the results, there is a real dilemma for the Government. On the one hand, the Government will want to see immediate and measurable results, something tangible. If you are training police, you want to see increasing conviction rates and improvement in human rights and the number of police trained. In many cases the results you want, which are political, with conflict reduction and institutional strengthening, are very hard to measure; they cannot be measured in one or three years, so it is a question of how you balance the desire for immediate results that will satisfy the National Audit Office, or possibly yourselves, and the longer-term results that the Government need to commit to.

John Speakman: I have just been leading the first ever World Bank loan to refugees in Jordan, in very close partnership with your Government, and I want to thank you for it. Your fund played a critical role in leadership. Indeed, I was not really aware of the fund until you asked me to speak and I talked to my Jordanian counterparts, who told me what they had been doing. I knew about all these things, but I was

not aware of where the funding was. In the critical political economy work, you were engaging with stakeholders and building the necessary consensus to do this operation. You have no idea how hard it is to get a Government to borrow from you to benefit refugees who are not their own citizens. It is an incredible political economy challenge. Your fund has done very important groundwork in building the stakeholders with us. DfID comes in with the big power money, but I did not see a difference. I saw the FCO folks and DfID folks as one team I was working with all the time. It was a matter of, "We will fix that, John". It was a very constructive conversation and operation, and I thank you for your leadership. It was really appreciated from the World Bank side.

The Chair: That is very illuminating.

Q4 Dr Julian Lewis: In a recent report on Syria and Iraq, the Defence Committee came to the conclusion that sometimes the political process did not keep pace with the military one. Dr Blair, in your written submission to the Committee you described both violent conflict and its resolution as "intensely political". What are the implications of this for how you design and implement programmes and projects? Could I ask all three witnesses—I am thinking, too, of Dr Rathmell's direct experience of working in Baghdad and Helmand—to what extent the phrase "intensely political" takes into account the 1,000 year-old religious hatreds that have flared up with the removal of some types of government that were themselves a long way from being democratic or peaceable?

Dr Stephanie Blair: What do intensely political processes and violent, messy, complex and complicated situations require in light of political processes not keeping pace with military ones? If we revert to the CSSF and tie that to the national security strategy, or the National Security Council, it requires a sense of strategy and an understanding of what collectively we want to achieve. It is for the National Security Council to articulate a strategy for countries in which we are going to operate—to use the experts sitting round the table to determine the ends, ways and means—but that requires that all the tools and assets of government are lined up behind it to deliver against the strategy. It requires us to work politically with the parties on the ground, if there are any, and that may put us at reputational risk as regards who we may or may not work with. It also demands that we understand where the real locus of power lies. For example, in Libya that may not be with the GNA; it may be with the militias and so on. Trying to keep track of political processes at the same time as military processes is inherently difficult because of the tempo.

That brings us back to trying to work together in an integrated or whole-of-government fashion. It highlights the challenges of culture, timelines, scale and scope among the three primary departments as

well as the two domestic departments: the Home Office and National Crime Agency. I will leave the ancient political hatreds aside for the time being; maybe my esteemed colleagues will take that point. I have never been in the military, but I am sure your military colleagues will tell you that there is no military fix; these are political fixes. Getting the balance right between the military pace and the political pace requires individuals who know how to plan together and mobilise resources and sustain them over time collectively.

Dr Julian Lewis: Before Dr Rathmell answers, the point I am particularly driving at is to what extent the poisoning of the political well by age-old religious hatreds makes your job much more difficult, if not impossible.

Dr Stephanie Blair: You probably know the answer already. Of course it does. If these were easy problems to solve, they would probably be solved themselves by the political actors involved in the particular conflict and crisis. They are often intractable, or they flare up; they come and go. In my previous career, academics would talk about a conflict cycle or bump. Some conflicts are able to emerge from that and others continue to spiral. In countries such as Burundi, the conflict bubbles along and never quite hits a peak. As to ancient hatreds, it is a narrative I do not particularly enjoy, because there is a lot more in power relations that is about the distribution of wealth and resources. I will dodge the question again, because I do not particularly like the notion of ancient hatreds.

Dr Julian Lewis: I do not like it either, but unfortunately it is a reality, particularly in the Middle East.

Dr Andrew Rathmell: I would love to have a long discussion about that, and maybe the Committee would allow us to. Personally, I do not believe in those deep-rooted fissures. I believe it is about politicians mobilising identity for certain reasons, as we saw in Northern Ireland for a long time and as we saw in the Balkans. There are identity cleavages in Iraq, Syria and elsewhere, but to my mind it is about when they are mobilised, by whom and for what purpose. We have seen the instrumentalisation of that by a whole range of groups in Iraq. We all know that Daesh/Isis is not really about ancient Sunni-Shia hatreds; it is about an organised Baath Party underground leadership that managed to mobilise that agenda in many ways. They are important, but how they are mobilised in today's world is key.

To come to your question, a fund like this, which, as Stephanie said, is a very small drop in the ocean, works only when it brings together different instruments of national power in a political way. I will give you good and bad examples, not from CSSF because it has been around for

only a year and we do not have a great deal of history and track record. To go back a few years, there are many stories about Iraq. Many of you were involved in one way or another. The story I tell of the famous Petraeus surge in Iraq in 2006-07, having spent a lot of time working on it, is that it was not about putting troops on the ground; it was about the fusion of political engagement, political analysis, intelligence, kinetic military activity and development work. It was essentially CSSF on steroids, because special forces were involved as well. At any one moment, the leadership in the US embassy in Baghdad could cut a political deal, do some development and kill someone. That was a great fusion, which led to marvellous effect against the targets we were trying to deal with, and brought a degree of stability to Iraq for a few years. Where you can get that real fusion, it can be effective.

Those of you who have read the ICAI reports on DfID's security and justice programmes over the years know that there are plenty of other examples where we have used these sorts of funds for very technical capacity building in a justice system or police force without paying much attention to politics. South Sudan might be one example; Pakistan might be another, as might Nigeria. The politics is really tricky. It is really hard to align the technical work with the political work. In the case of Pakistan, where many of us have been burnt a few times, there is a very tight political system that takes international assistance and transforms it into what it wants to do rather than what the donors want to do. If you do not get the politics right and tie that to the technical assistance and funds, you will not get very far. If you can tie them together tightly, which the CSSF is trying to do in a small way, you can have the effect you want to achieve.

John Speakman: Let me talk about the Taliban zone of Pakistan. A few years ago, we looked at how we could straighten out the situation there; the Pakistani forces had, essentially, created security when the thing had been a total tribal mess. What did we do? We talked to the individual tribal leaders and found some interesting stuff. We found that al-Qaeda and the Taliban were paying kids \$200 a month to fight, but if we could find \$50 a month they would come to our side because they did not like fighting and killing other people. Only a very small minority were psychopaths, if you like, but the vast majority, with a small stipend, would come to our side. We designed a project based on all that deep consultation and it is working today. It is a project I designed and I am incredibly proud of it; it brought so many smiles and so much happiness to people because we were able to reconstruct businesses destroyed by the Taliban. There are smart ways of doing it. When you listen to the stakeholders in the places we are talking about, sometimes you find it is not as bad as it looks here in Westminster.

Q5 Lord Boateng: I was interested in the way that, when Dr Lewis

talked about deep-rooted ancient religious hatreds, they then became deep-rooted ancient political hatreds, which is how you responded to the question, Dr Blair. You made specific reference to political rather than religious hatreds. Dr Rathmell, you said you did not like the term deep-rooted religious hatreds. I spend a third of my time in Africa where there are certainly deep-rooted religious hatreds and deep-rooted ethnic and tribal hatreds. We in the UK live in a very secular world; we do not like to talk too much about religion; we do not like to go on about ethnic and tribal differences, but there are many parts of the world, which present a real threat to this country and our way of life, where those are common. To what extent do we have the tools available to us to understand the origins of some of these conflicts, and to what extent have you found the conflict prevention pool a useful source by which we can, as it were, buy into those who understand, whether it is in universities or organisations like the World Council of Churches and the Vatican, which spend a lot of time thinking about and addressing these issues, and do not have the same squeamishness as clearly both of you do?

Dr Stephanie Blair: There are deep-rooted hatreds. However, I agree with Andrew on this. It is their manipulation, particularly by those who have something to gain, that turns them into violent conflict. In this room in particular we are talking about the violent nature of conflict, and how people manage, through resilience or survival mechanisms, to adapt and respond to those hatreds, and either the political manipulation to turn that into a violent response or the use of politics to ensure that those hatreds may or may not be managed. I think particularly of Rwanda in Africa where the political manipulation of hatreds led to genocide. That was a political manipulation.

Lord Boateng: The UN did absolutely nothing, partly because it did not understand what was going on. That brings me to my question: do we sufficiently understand? Are we using the conflict prevention pool to help us understand?

Dr Stephanie Blair: On the second point of your question, let me be blunt in possible criticism of the Government. The Foreign and Commonwealth Office used to have research analysts; indeed, it still has some very good ones. That particular rich resource of people who spend their entire careers understanding the nature of these problems has atrophied desperately, so I make a plea for support for the research analysts in the Foreign and Commonwealth Office, which would help the understanding you are particularly talking about.

There are bits of government—the FCO, CSSF and SU—which understand where outside HMG that expertise lies within religious communities, universities and academia and civil society. Using it more would never be a bad thing. We keep talking about conflict prevention.

Here, the CSSF has moved slightly towards conflict, security and stability, and I am not quite sure where conflict prevention is. I think we have lost it. I am deeply afraid that HMG have lost conflict prevention, so that particular angle of your questioning is interesting.

Dr Andrew Rathmell: Without repeating any of that, I certainly reinforce the point about conflict prevention and CSSF. Most of it is now about stabilisation and post-conflict/crisis response, so some rebalancing within Whitehall structures and CSSF is really important. As regards research and knowledge, the FCO has atrophied in its ability to understand, and to some extent the intelligence services as well have been very operationally focused rather than focusing on the politics. Anything that can be done to rebuild those two structures would reduce the need for outsourcing some of this knowledge generation.

Other parts of HMG, certainly various parts of MoD, through their research arms, for example DSTL, and DfID, have massive research funds and programmes. I am often very disappointed that they are not combined and joined up. DfID spends a lot of money on research and evidence, a lot of it very useful. If some of that could be more precisely targeted for these sorts of political economy purposes, we would all be far better off and more efficient across government.

Q6 Dr Andrew Murrison: You have each so far cited wealth inequality in one way or the other. I am particularly interested in the \$50 stipend and the effect it had. To what extent do you think addressing deep-rooted poverty is fundamental to alleviating some of the difficulties we have been discussing, in particular in Europe's penumbra, and given the customs union in which we currently exist? To what extent do you think lifting some elements of that might be helpful, particularly in stabilising fragile states?

John Speakman: Part of a project I have just dealt with had a trade preference to the European Union, which is very helpful. Part of the problem many of these countries have is that the relationship is asymmetric, in the sense that you may offer free trade but in return you want free trade, and a lot of these countries are simply not ready for it. I do not want to name a country, but if a country has a strong local banking system, those banks are very fearful of a trade for services deal that would open things up, because they would suddenly see themselves wiped out. That kind of thing has happened. Take the example of the imbalance between Jordan and the European Union. The European Union exports per annum between \$3.5 billion and \$4 billion to Jordan and Jordan exports about \$300 million to \$400 million back. There is some space in there, but I do not think it is fair to try to get a symmetric relationship. We are wealthy countries. I come from New

Zealand, which is a wealthy country. We need to be a little easier on these guys, but this stuff can help very much.

The Chair: Before we move on, may I say how much I agree with the remarks you made about analysis, lack of capacity and so on? By the way, I do not lay the blame at the door of any one Government.

Q7 Lord Powell of Bayswater: This is a question that really asks you to stand back a bit and give a more general assessment. We are spending a fair sum of money on these programmes—over £1 billion a year. Is it proving sound investment? There are two aspects. First, is it beginning to produce the sort of results—I know these are early days—we would hope for from the programme? Secondly, is it being delivered in the most effective way possible, or is there an excess of bureaucratic supervision and so on that makes it not as effective and rapid as one would hope?

Dr Stephanie Blair: The general assessment is that it is still maturing. One can look at it from the opposite perspective and say it is still immature, so its results would be premature, particularly in the context we have described collectively for you this afternoon. In the contexts we are talking about, one year is entirely insufficient to say that we have created conditions of stability or implemented security. That said, the CSSF is not a brand new fund; it is a transition from the Conflict Pool we discussed earlier. A general assessment is that it is still early days.

On the management structures, a lot of time and effort in the Stabilisation Unit has supported the CSSF by getting outside expertise to provide papers and training so that the individuals trying to design these programmes and manage the fund at either regional or local level have skills and knowledge at their disposal. That said, it is still early days, because many of those individuals are new to those particular roles. It is a mixed picture, but I think they are on the right track.

Dr Andrew Rathmell: On the management side, I would say the jury is out; it is work in progress. Initially, there were teething troubles, and certainly posts—embassies—often see the process as far too bureaucratic and onerous. On the other hand, that is the other side of making posts think harder about what they do, and measure and evaluate it. I would probably ask the system in a year's time whether delivery efficiency is there. The CSSF secretariat will look at financial results, value for money and all that sort of thing. It certainly can be improved, and I have a degree of faith that over the next year it will be, after the initial teething troubles.

I am not going to give you a satisfactory answer on high-level results. Malcolm will remember that when I was in the Foreign Office I tried to

commission a study that assessed for a previous Government what the return on investment was for our investment in conflict prevention and peacebuilding. MoD economists were very helpful, but we got no useful answers whatsoever. The state of the art has not moved much further since then. It is hard to quantify this in the way you might quantify the utility of HS2 or something else.

That said, it does not mean we should not do it. We are getting better across the system in all donors, certainly HMG, at micro-level assessment: is £1 million spent on this a bit better than £1 million spent on that? Is it better to train the police on this or train some civil society groups on that? At that micro level we are getting better, and we need to keep driving that through the system and helping HMG officials get better at it. At the macro level—whether it is better to put funds into this or that country on this or that issue—frankly, I do not think our foreign policy system is set up to make those balanced investment calculations at the moment, but you might prove us wrong.

Q8 Mr Iain Wright: Dr Rathmell, we spend more than £1 billion on the CSSF. Are we spending it in the right place? I was interested in Dr Blair's comment that we perhaps do not spend quite so much on conflict prevention and have moved more towards stabilisation. For the purposes of UK national security, is where we spend our money the right mix?

Dr Andrew Rathmell: It needs to be looked at in the round. This is one pot of money to do certain things. You cannot look at it without looking at the totality of investment in the Foreign Office, DfID, MoD, the agencies and so on. It should be just a tool to do certain things that those agencies and organisations are doing anyway, so it is quite hard to assess it in and of itself. All the theory and case studies tell us that, if you can find a way of investing more upstream in conflict prevention, you will get more bang for your buck. Fairly obviously, if you prevent a conflict it is much cheaper than having to do something afterwards. At the same time, the political cycle encourages us to invest in active conflicts, because that is what is in the headlines at the moment, and it is far easier to spend money on training the Iraqi army than preventing Iraq falling to pieces in the first place. In principle, spending on conflict prevention will be more effective, but encouraging the system to do that is really hard, for obvious political reasons.

Q9 Baroness Falkner of Margravine: One of the driving forces behind the change from the Conflict Pool to the current CSSF was the feeling that you needed a whole-of-government approach and a longer strategic vision down the road. Beginning with you, Dr Blair, because you have spoken about this, how difficult do you think it is to make a whole-of-government approach work effectively in very specific, complex issues in distant places? Some of the NGOs that have given us evidence are very

concerned about giving control over stuff to domestic departments rather than to the locally driven projects that Mr Speakman described as being so effective.

Dr Stephanie Blair: The notion of size and the whole of government as a driver in bringing in these new departments is no bad thing, particularly when we are talking about trying to deliver UK national security, and, therefore, broadening the remit to look at transnational security challenges, such as migration and serious organised crime. Bringing those into the CSSF is a good development in and of itself. That brings the challenges to which we have also alluded, because those two departments in particular are very new to the milieu of having to work collectively. They are almost delivering different objectives: one is delivering a British national objective and others are doing it for different cultural reasons. Poverty alleviation by DfID springs to mind. The timescales and horizons are very different. Also, the notion of bringing it back to the CSSF and programming is a very technical thing that DfID itself knows how to do, but the two other departments do not necessarily have the same skills from which they could benefit.

You mentioned our civil society or NGO colleagues. This is another area of concern. CSSF itself says that it wants to be a larger pot of money and have larger strategic programming. I am not sure the evidence points us in the direction that large is necessarily good when delivering in conflict-affected countries. We talked about risk at the beginning of the session. We may need small flexible funds. It is very difficult to spend £20,000 in UK departmental terms—millions are easy—but that may be where pilot projects could get a better return.

If I may allude to our American cousins, they are grappling with these issues, too. A recent report says that, after decades of dealing with fragile and conflict-affected states, they too do not necessarily know where the magic bullet is. We are looking at the same problem over and over again. We need more tools and evidence, and more research—to bring us back to an earlier conversation—that says “smaller”, possibly drawing in a more flexible portfolio, with large companies and HMG delivery as well as NGOs and civil society.

Q10 Baroness Falkner of Margravine: In light of what you are saying, can I touch on the lack of nimbleness? One of the things I associate with the ability to spend locally is that you can do it fairly quickly, to nip the problem in the bud, in terms of conflict prevention. Does referring back to London reduce effectiveness in that regard?

Dr Stephanie Blair: I am not sure I understood the question.

Baroness Falkner of Margravine: When you have to refer back to London to look for departmental guidance, and indeed departmental accountability, does that not reduce your ability to be flexible quickly?

Dr Stephanie Blair: In my understanding of the CSSF, the programmes are authorised at local and regional board level, as well as the allocations done on an annual basis, so there is a more devolved understanding. These may be questions you would like to pose to the secretariat. I agree on the issue of nimbleness.

Q11 Lord Hamilton of Epsom: Can I comment on the bigger issue of migrant flows? Much of the talk now is that if we are to stop these massive migrant flows—a lot of them economic refugees—we have to stabilise the countries they come from and make life more prosperous for them there. Do you think this is doable at all? It would need contributions from all western countries. Could that be co-ordinated? Are we talking about something that will never happen, or do you think it is something to which we can aspire?

Dr Stephanie Blair: Smarter people than me are trying to grapple with migration, but you touched on something quite interesting that we could consider in light of the CSSF, which is the fact that the UK and the CSSF never operate in a country on their own. We have our international partners: the World Bank, other donors and other countries and institutions. Grappling with those thorny issues requires that we work collaboratively, and understand who else is there and doing what. In dealing with migration, there is, as you will know better than me, a lot of discussion about trying to stabilise and improve conditions in the sending countries, so I agree with you.

Dr Andrew Rathmell: The World Bank, other international financial institutions and the UN, into which we all pay, are doing a massive amount of work to develop the economies of those countries so that people feel less need to move. They are also addressing the politics in places such as Ethiopia, Eritrea and so on. CSSF and DfID are doing a lot of that as well. CSSF has two roles there. We have to be a bit careful. In countries where there is conflict, which is one of the drivers—for example, Syria or Iraq—clearly CSSF has a role. The other area where possibly we have to be a bit careful is that there is already a temptation for departments that are focused, quite rightly, by their mandate on preventing migrant flows to the UK to use CSSF to treat the symptoms rather than the causes. This is a conscious decision rather than something we should slip into by accident. If it makes sense to build up the coastguard of a north African state, for example, or to communicate with migrant communities that they should not come to the UK—in other words, to deal with the symptoms—that may be a good decision, but it would be worth making sure that we do not

slip into spending CSSF money on that rather than on the underlying causes. We should consciously make the choice, rather than slipping into it, which we tend to do sometimes.

John Speakman: Is it doable? We take on these targets. We believe we have to try. In some cases, we can be successful. We have a shot in Jordan. I do not know about Lebanon. In Africa, there are some interesting challenges. I am aware that one of your partner countries is looking at the idea of exploring the whole value chain for refugees—the originating countries, the transition countries and the jump-off countries—to see whether we can identify solutions in each place. That country told me that, if we can find solutions, there is no limit to the amount of resources that can be deployed. We are trying our hardest. This is one of the world's greatest challenges right now. To put the numbers in perspective, in the case of Lebanon that would mean 15 million refugees in the United Kingdom; in America, it would be 100 million people. These countries are really suffering, so it is something we have to try to do. I feel that we have half a chance in Jordan. There are all sorts of interesting things going on in Syria right now, which I do not want to speak publicly about. It gives us a little breath of optimism that we might be able to do some things quickly. There is no easy answer, but we have to try.

The Chair: I draw the attention of colleagues to the fact we have about five more minutes with this panel. Without disrespect to Lord Trimble, perhaps we can be brief. We have some outstanding questions—I apologise to colleagues—so if you do not mind, we will put them to you in writing rather than leaving them on the table.

Q12 Lord Trimble: My question is for Dr Rathmell and Dr Blair. Some of the most significant security challenges we face today are terrorism, violent extremism, migration and organised crime. All reach across borders, so generally is CSSF well suited to meet those challenges? In particular, what has been the impact of involving departments with a more domestic focus?

Dr Andrew Rathmell: I have a couple of observations. First, how good is it at dealing with regional threats or issues, as opposed to country ones? It is work in progress from what I have seen. We have regional boards, so they should take a regional focus, but naturally the way we are structured, whether it is in DfID or the Foreign Office, is by country. From what I have seen, there is still quite a tension between countries wanting to do their thing in their country and regional boards looking at regional problems. In Sahel, north Africa and so on, let alone the Levant, it is work in progress. It is something the secretariat is aware of. It is trying to improve it, but it is probably worth pushing it a bit.

Secondly, your point about domestic departments, particularly the Home Office but other bodies as well, is a really interesting one. The Home Office and the various policing and judicial structures we have had have always done overseas assistance in various forms, sometimes funded by the Conflict Pool and sometimes by other bodies. They are now getting into the CSSF game and working out how best to use it. A very interesting dynamic is emerging. In so far as building internal security capacity in some of these foreign countries is a UK national interest, whether it is dealing with migration, counterterrorism or organised crime, the CSSF might provide us with an opportunity to take a more structured approach to assisting other countries on internal security. Traditionally, we have done a bit of police and prosecutor training; we have built some forensics labs and maybe DfID has reformed the justice system in some way. The really interesting opportunity in the next few years is to take a more holistic look at how that internal security system functions and how we, using the Home Office and other agencies, can provide assistance through the CSSF. That is an opportunity possibly worth exploring.

Dr Stephanie Blair: We collectively are still grappling with the policies that inform the CSSF and its responses; for example, my concern about the loss of conflict prevention as a policy. In security and justice, there seems to be a bit of an absence—I hate to use the word “vacuum”; it seems to have lost its way. On any of the three issues you highlighted, trying to get a policy agreed collectively by the Security Council would be very useful at this stage.

The Chair: Thank you very much indeed. I apologise for not having quite covered all our questions, but if you will forgive us, we will write to you. Thank you very much for coming. It has been very stimulating.

Examination of witnesses

Witnesses: **Ruairi Nolan**, Head of Research and Engagement, Peace Direct, **Rebecca Crozier**, Head of Middle East and North Africa Programme, International Alert, and **Myles Bush**, Director, Justice, Security and Peacebuilding, Adam Smith International.

Q13 The Chair: Thank you very much for coming. Could I ask you to outline the projects that your organisation is working on at the moment? I have in mind the countries involved, the sort of work that you are doing and the scale and duration of the projects you are involved with.

Rebecca Crozier: At International Alert, we implement a range of CSSF projects. They include projects on increasing community engagement in border security in places such as Mali and Tunisia. We

work on women's empowerment in Somalia. We are working on peace education inside Syria and are doing civil society dialogue work between different civil society groups across conflict divides in south Caucasus. Usually, the duration is a maximum of one year. Most of the projects are negotiated directly with embassies, rather than through the CSSF framework. I say a maximum of one year, because there is usually a delay in contract signings, so it often ends up being more like six to nine months. The value can range from about £1.5 million a year, for our larger projects, to around £100,000 to £200,000 a year, for the smaller projects.

Myles Bush: I work for Adam Smith International. I will give you a couple of sentences on what we do, but I would be very happy to go into more detail in the closed session. Perhaps the note that you have just received raises the option of when you want to go to that, so that I can provide more evidence for the general statements in response to your questions.

Adam Smith International supports reform of security and justice sectors in a range of countries on behalf of DfID, the Foreign Office and the Home Office. Those countries include Syria, Afghanistan, Somalia and Somaliland, as regards regional names. In the past, they included Malawi, South Sudan and Nigeria.

Ruairi Nolan: Peace Direct is a peacebuilding organisation. Our approach is to support local civil society organisations. We support groups in 10 countries at present. In two countries, we are currently receiving support from the CSSF. Those countries are Sudan and Burundi. In the case of Sudan, the work is supporting local peace committees, which mediate local-level conflicts to try to resolve them; it is a conflict prevention project. In the case of Burundi, there is a network of civil society groups, which do human rights monitoring, monitoring of the political situation and peacebuilding interventions to prevent conflict at community level.

Q14 The Chair: Can I get it clear? At the moment, we are on the record. We will go off the record a little later. Will you go as far as you can on the record? That is the output from this Committee, as far as others are concerned.

Have the things you mentioned been carried over from the Conflict Pool, or are they mostly a new response?

Myles Bush: They are almost entirely Conflict, Stability and Security Fund projects.

Rebecca Crozier: It is the same for International Alert.

The Chair: That is interesting. Do you have any general observations, or is it too early to say what your experience of this fund is?

Rebecca Crozier: More generally, yes. I will talk about our experience of it so far. As we are a peacebuilding organisation, a lot of the work that we do is necessarily fairly long term. In building stability, our approach is quite similar to that outlined in the UK Government's *Building Stability Overseas Strategy*. We talk about structural stability—creating the economic, political and social structures that underpin long-term peace and stability.

Although there are many positives to the CSSF, in that it allows us to engage with a broader spectrum of the UK Government, one problem we have is the very short-term nature of the funding. As I said, sometimes there are cycles of just six or nine months, and then we have to negotiate a new contract. On the strategy side, we know that the strategy for each country is classified, so we do not have access to it. I can understand why that would be, but one of the difficulties for us is that we have very little visibility on what the priorities are. We have no external version of that strategy. There is an opaqueness around the CSSF at the moment that makes it a bit difficult for us to engage effectively—to put forward the right ideas and to engage in the right way with HMG on their priorities.

Lord Hamilton of Epsom: Who starts these projects off? Do you dream them up and then go around Whitehall looking for money, or does Whitehall come to you?

Rebecca Crozier: It is both. Increasingly, Whitehall comes to us with an idea of something that it wants to implement, if it knows that International Alert has experience on that issue. Sometimes we have an idea and go to various Governments to see whose priorities it fits and who has the right type of funding for that piece of work.

The Chair: Do you want to come in on this issue, David?

Q15 Lord Ramsbotham: Yes. It is on the strategic approach that Rebecca Crozier mentioned. The emphasis was that the fund was enabling a more strategic approach. I have two questions. First, was that strategic approach evident to you when you were asked to bid? Secondly, you have described some of the difficulties with security and so on. What would enable you to do it better, if the Government did it differently? What would help you most in the Government's approach to strategic direction?

Rebecca Crozier: In general, the strategic approach is not clear to us. It may be that the CSSF allows for a more strategic approach between government departments, but that is not visible to an external

implementer, because there is no written strategy. The strategy that you hear about is a conversation with somebody in an embassy who says, "I want to do peace education work in Syria. I want to see whether we can use that to increase young people's resilience to recruitment by violent extremist groups". You understand that that is the priority and what they want to do, but you do not understand how it fits into a wider strategic approach—how it connects to priorities on defence, on the diplomatic side and on the humanitarian aid side. What was the second part of your question?

Lord Ramsbotham: It was about how you could benefit from better direction of the strategic approach by government, and what that might be.

Rebecca Crozier: It would be an externally available strategy. I understand that parts of the strategy need to be classified, but it would help enormously if there were an external version of the strategy. There should also be more transparency around the bidding processes. It is very personal, not in the sense of personal connections, but in the sense that a one-on-one conversation with a person in an embassy may lead to getting a particular type of work funded. If that person changes and leaves the embassy, there might not be support for that work from the next person who comes in. That indicates to me that there may not be a clearer strategy. If there was a strategy, why would one person changing change the work that the embassy was funding? There should be more transparency on the strategy and on the process for what gets funding and why, as well as feedback when we get things rejected, to say why something has not been funded.

Myles Bush: In answer to your question about whether the strategy is clear, we would try to distinguish in our minds between the interesting to know parts of the strategy and the parts that we have to know to deliver our programmes effectively. Generally, the terms of reference as written include the strategic objective as relates to that programme. That is not to say that there is not variance in clarity in some of the terms of reference when they are designed, but in general the strategic goal is set out. It is our responsibility as suppliers to understand how it is applied in that particular context and how it could be applied if the context changed.

Our experience is that in some countries we have had regular meetings with the Foreign Office—monthly, for example, in Syria—where we are briefed on evolutions or adjustments to policy, in light of the rapidly changing situation on the ground. In East Africa, we have had similar quite regular briefings. It is up to our project leads to establish that relationship with the Foreign Office and to make clear what we think we need to know. We should not necessarily stand back or be backward in coming forward with questions. I am sure they are very happy to be

forward in telling us which parts of the strategy they can share and which parts they have not shared. From our perspective, we have had that dialogue. I agree with Rebecca that it has not been clarified publicly—perhaps for good reason—but we have had dialogue at local level.

I will break the question about what could be improved into two parts: the procurement process and delivery. The procurement process—as has been mentioned—is a big step forward, compared with the Conflict Pool. There is greater transparency. The phrase “work in progress” has been used a few times, but it is a big step forward, in that there is a pipeline of projects coming up. The process has been streamlined. You can generally tell who has been awarded a project. The evaluation criteria are structured and set out. Compared with the Conflict Pool, it is a great step forward in transparency.

The areas for development are perhaps twofold. First, greater scrutiny could be applied to bidders on whether they can provide the people they have promised in their proposal, and whether they have the platform in the country to start work quickly. Secondly, although the pipeline is a big step forward, there is still some area for improvement. Of the 35 projects tendered this year, eight were not on the pipeline. That is more a reflection of developing a centralised function in a typically decentralised organisation. After all, we are only one year in. There are some general points I want to make about delivering the programmes and the support that we have received from the Foreign Office, but perhaps I should stop there, as Ruairi wants to speak about procurement as well.

Ruairi Nolan: I want to come in on the earlier question of whether the plans are developed by us or by government. For Peace Direct as an organisation, the answer is neither. We look to local civil society to find out what its priorities and strategies are. We think that the strategies most likely to be durable and successful in the long term are locally owned and locally led. That is relevant to the procurement process. In order to prepare well, it is relevant to have an idea of the overall strategy of the CSSF. Without that, it is very difficult to work with local civil society groups to know what potential options there might be for support from the Government.

Related to that, we have found that the timeframe for procurement is very short. Oftentimes, when the tender comes out, there will be 10 or perhaps 14 days to respond. That is very difficult for small and medium-sized organisations to do. It is particularly difficult if you really want to listen to local voices and ensure that whatever strategies you build are locally owned. As others have said, there are very good reasons why full strategies are not shared, but giving organisations

some sense of the strategic priorities would be helpful for our ability to prepare. It would also be helpful to have timeframes that allowed us to engage with civil society to develop good strategies.

Q16 Dr Andrew Murrison: I sensed some surprise in the Committee when you said that there were very few legacy projects from the Conflict Pool days. The issue is the short-term nature of the things you do, which causes me some concern. I am surprised by it. It suggests to me that perhaps there is a somewhat scattergun approach on the part of commissioners. I wonder what your thoughts on that are. I do not know in detail what you do, but I suspect that a lot of what you should be doing has to do with long-term relationships. Six to nine months does not seem very long to me.

Rebecca Crozier: I agree. To clarify, there are two ways we get funds from CSSF. One is through the framework agreements, which are the tenders Myles was talking about, where you have a very short turnaround time, but terms of reference are sent out and it is clear what is being asked. They have a bigger budget and they can be longer-term. We apply for those tenders, but not very successfully, because we are quite small. The second way that International Alert gets funds is through engagement with embassies. That is where you get very short-term funding—for one year, which is shortened because the contract takes a long time to come through.

On the question of whether or not that is effective for the type of work that we want to do, recently we had a case in the Middle East and north Africa where we decided to stop taking CSSF funding for a particular piece of work. It was damaging our relationships too much, because of the gap between contracts and the uncertainty around it, so we got another donor to fund a longer-term approach to that work. In some of our work, there is an ethical question over whether we take CSSF funds to do it. If the wind is going to change and a project gets pulled, it does real damage to what we are trying to do on the ground, as regards our reputation and the relationships and trust that we are trying to build over the longer term. Sometimes the way it works is not conducive to long-term peacebuilding. It should be, because there is a high-ish appetite for risk, compared with other funds, and a high appetite for innovative new ideas, which is why the CSSF is great; but that blockage to long-term funding, whether it is administrative or strategic, hampers the effectiveness of the CSSF in doing good conflict prevention and long-term conflict recovery work.

Lord Powell of Bayswater: Who was the other donor?

Rebecca Crozier: The EU.

Myles Bush: Can I offer a slightly divergent perspective? This may just reflect the different nature of our two organisations. We have received a few short-term contracts from the CSSF so far, but there have also been a number for between two and three years. That is comparable with DfID contracting periods.

I completely agree with the premise that achieving sustainable positive change in those environments requires a long-term approach. Dr Blair talked about five to 10 years, perhaps longer, at strategic level. We have experienced that you can achieve positive institutional change within between one and three years. You can make a real difference within that period. It is vital. Some projects have been much shorter, but two to three-year projects have been funded by the CSSF as well.

On the ground, in dialogue with embassies, we have seen an intelligent balance between achieving a short-term effect, maybe within one or two years, and an understanding that the pathway towards sustainable change is not linear; zig-zag is a term we would be happy with, but it is more complicated than that. There is an acceptance, at least among the counterparts we have dealt with in the Foreign Office and DfID, that we are not going to get to practices and policies that exactly mirror those of the UK within a short period. There are some thoughtful assessments of what is good enough. We have benefited from that type of pragmatic support.

Lord Harris of Haringey: Before we move on to the area I really want to ask about, could I clarify a couple of points about the procurement process and how clear it is about bidding? Ms Crozier talked about projects often being very short term—from nine to 12 months. Myles Bush also talked about that. Mr Nolan told us about very short timescales for procurement. How much of that is driven by the traditional Whitehall focus on financial years, where money has to be spent within a particular financial year? Are you separate from that, in that particular projects are initiated and go through? I would like to have that clarified. Has the end of the Whitehall financial year impacted at all on these things?

Ruairi Nolan: It has for our organisation. Our experience is similar to what Rebecca described for International Alert, in that the length of the contracts we have had has ranged from three months to one year, which was the longest one. We have heard that, increasingly, there are longer-term contracts. We welcome and encourage that, for all the reasons that have already been discussed. The financial year is a significant thing. In our experience, we have not been able to get grant extensions across financial years.

Q17 Lord Harris of Haringey: That is crazy.

We have been told that there is significant inconsistency between departments and embassies in their knowledge. We have had quite a lot of evidence about that. I am talking about their knowledge of how the CSSF is run and the feedback it provides for suppliers. What impact has any of that had on your organisation? Has there been any improvement in the consistency of the cross-government approach, as CSSF processes have become more established?

Rebecca Crozier: I will give a fairly short answer; others may then want to respond. As regards knowledge of the way the fund is run, we have seen greater engagement of the Foreign Office, as opposed to DfID, in the disbursement of grants under this fund—at least, for the ones we are engaging with. Traditionally, in comparison with the Foreign Office, DfID had a lot of technical expertise in project management, procurement, disbursing of funds and engaging with NGOs such as ourselves. It seems as though we are now asking Foreign Office diplomats to do project management, with the support of DfID. We have had difficulties, because people within HMG and, in particular, in embassies are themselves very new to the fund and do not fully understand the big picture of the way it runs. We deal with somebody who is very much on the ground inside an embassy, but the decision about what is funded is made at a much higher level by much more senior civil servants in all the departments. There is a disconnect and, perhaps, a lack of understanding by some of the people we are dealing with about how the whole thing works. That means that we, too, lack a bit of clarity, because they are not able to guide us effectively through the process.

The Chair: Does that mean that it is also less locally based? I am talking about the ideas.

Rebecca Crozier: No, it is not less locally based. It is more locally based, because the person we deal with is in an embassy; for example, in Beirut or Tunis. The decision is made by a board of people who sit in London or all over the region.

The Chair: That is exactly what I meant.

Lord Harris of Haringey: Effectively, it will depend on how good the individual in the local embassy is at pressing the right buttons in London.

Rebecca Crozier: Yes, and at understanding the changing winds in London and being able to pitch the project in a way that responds to those changing winds, when things are changing.

Q18 Lord Mitchell: You have projects that last for less than a year, in general. Presumably, you are working on quite a lot of them. Then you

have to go to embassies to persuade people to do other projects. That is one of the things that you do. How do you measure success in all of that? When you have eight or nine projects, are you in a position to say, "Out of that eight or nine, five or six went well and some did not go well, for the following reasons"? Based on that information, are you then able to go to the embassies and say, "This is our success record. This is what we have done"? Do you codify it?

Rebecca Crozier: There are two things there. As an organisation—sorry, I am not answering this question well. Please jump in as well, colleagues. As organisations, we all invest quite a lot in measuring impact. We work to a strategy. We have two clear priorities on Tunisia, for example. All the work that we do fits into those priorities. We could be working to the same objectives on projects that are funded by different donors, so we are able to get economy of scale in that way.

You asked about reporting back to the embassies. It is incredibly frustrating sometimes. Although we do our best to measure impact, it is hard, with such short timeframes, to say what impact you have had on reducing young people's vulnerability to joining extremist groups in Syria, when you have had only six to nine months to do that. Even so, we have been able to demonstrate impact. The short answer is that there is a huge limitation.

Myles Bush: I agree with Rebecca. As we design each project, in the first few months we are required to come up with, and are committed to, what we call a monitoring and evaluation framework. Essentially, it is a set of indicators at differing levels of ambition, from putting in a new procedure or delivering some training through to having an effect at ground level. As we progress through the implementation, we gather data, apply it against our indicator framework and present it regularly to the donor, who then assesses the performance of the project. The top levels of each programme's or project's indicator framework should lock into the donor's—DfID or the FCO—countrywide framework for what it wants to achieve, so it will be in a position to assess which programmes are contributing the most to its overall objectives.

At the highest level, where we make a distinction between contributing to peace and stability in a particular country and what we can claim as the project's impact, careful assessment is required. Broadly speaking, it is much easier to generate data for things that are nearer to you than for things that are about safety within a particular city or country, although there are techniques that can be used intermittently to provide that data.

Ruairi Nolan: Similarly, we use monitoring and evaluation frameworks. For Peace Direct and, I am sure, most organisations

supported by CSSF, although the funding for a particular project might be short term—three months, six months or nine months—the engagement on that programme that we as an organisation have, perhaps with other donors, is probably much longer, and might be over quite a few years. We might look at the impact of the project—its outputs—over six months, nine months or one year, but we can also take a view over three, four, five or six years. Peace Direct has been working with groups in Sudan for around a decade. We can try to look at the short-term impact, as regards resolution of conflicts that took place during that period, but we can also look back to see what has been sustained from earlier periods—whether, for example, peace committees are sustained in the absence of funding, which indicates that they have taken root in the community and will carry on even after the end of a project.

The Chair: I will take one last question, from Mr Wright. Then we will go into private session.

Q19 Mr Iain Wright: You have talked a lot about the procurement mechanism. The Government claim that the new procurement framework has improved commercial practice. Has it, and has it ultimately improved the quality of projects?

The Chair: You do not have to answer, if you do not want to. You can wait until the private session. We can go into private session now.

Rebecca Crozier: I do not quite know.

Myles Bush: May I ask for clarification? You asked whether it has improved commercial practice. Can you elaborate on that?

Mr Iain Wright: That is what the Government claim, in that there is a greater degree of competition in the bidding.

Myles Bush: Compared with the Conflict Pool, yes, in the sense that greater transparency of projects inevitably generates more competition. The competition between different implementing organisations can be quite fierce. There is greater clarity on the technical criteria and the commercial criteria that proposals are evaluated against.

We have seen some improvements over the past year, since the framework was introduced. As you know, the CSSF was started over two years ago as a fund, but the framework contract has been in place since the end of 2015. There have been evolutions, adjustments and improvements in the tendering process, making it even more streamlined and removing any vulnerabilities over that period. They have shown both willingness to take unsolicited feedback, when they

have been given it, and to seek feedback proactively. For example, a few weeks back, the FCO procurement group sent out a survey of suppliers. We have been heartened by the desire to take on feedback and to adjust. Overall, we have perceived greater competition between CSSF and the Conflict Pool.

The Chair: Thank you very much. Apologies to those in the circle, but we are going into private session.