TOOLKIT AND GUIDANCE FOR PREVENTING AND MANAGING LAND AND NATURAL RESOURCES CONFLICT

Renewable Resources and Conflict

EXECUTIVE SUMMARY

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The United Nations
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Executive Summary

Managing conflicts that are related to natural resources is now more critical than ever before. As economic and population growth increase levels of global consumption, many countries face growing shortages of vital renewable resources such as freshwater, cropland, rangeland, forests, fisheries and other wildlife. Depletion of renewable natural resources, combined with environmental degradation and climate change, pose fundamental threats to human security. Separately or in combination with other factors, they can destabilize livelihoods, negatively affect ecosystems and undermine peace and development. Governments in developing countries, fragile states and emerging economies, are under increasing pressure to sustainably manage natural resources and resolve conflicts around their ownership, management, allocation and control.

Conflict itself is not a negative phenomenon; indeed, well managed conflict can be an essential component of social change, democracy and development. However, where local and national institutions lack the capacity to resolve disputes over the degradation or depletion of natural resources, violent conflicts can and do emerge. It is therefore crucial that UN and EU development practitioners understand the key drivers of conflict over renewable resources and what specific role UN and EU policies, programmes and projects can play in the identification of conflict risks as well as entry points to prevent and manage conflicts through the use of sustainable Natural Resource Management (NRM) practices.

Using the available knowledge and best practices that have been collected from existing field operations, this Guidance Note aims to catalyze a common, coordinated and strategic response by the UN and EU - as well as other international actors - to prevent and manage conflicts over renewable natural resources.

Drivers of Conflict Over Renewable Natural Resources

Non-violent resolution of conflict is possible when individuals and groups trust their governing structures to manage incompatible interests. When mechanisms for managing and resolving them break down, conflict becomes problematic and may give way to violence. Weak institutions, fragile political systems and divisive social relations can perpetuate cycles of violent conflict. Preventing this spiral and ensuring the peaceful resolution of disputes is a core interest of both individual states and the international community.

Conflicts over renewable resources generally arise over issues such as who should have access to and control over resources, and who can influence decisions regarding their allocation, sharing of benefits, management and rate of use. It is critical to note that disputes and grievances over natural resources are rarely, if ever, the sole cause of violent conflict. The drivers of violence are most often multi-faceted. However, disputes and grievances over natural resources can contribute to violent conflict when they overlap with other factors, such as ethnic polarization, high levels of inequity, poverty, injustice and poor governance.

In other words, it is when grievances over natural resources – perceived or actual – drive, reinforce or further compound economic, political or security tensions and stress factors that violent conflict may ensue. Simple causal relations between disputes over natural resources and violent conflict rarely follow a direct or linear path. What generally determines whether a conflict escalates to the point of violence is related to: political systems – particularly the degree to which these are based on marginalization and exclusion; the presence and extent of state authority and the rule of law; socio-economic factors – particularly when associated with patterns of discrimination and inequity; and, the prevailing security situation. They way in which conflicts over natural resources become politicized within the broader conflict and political context is also a determining factor in whether the conflict becomes violent or not.

RENEWABLE RESOURCES AND CONFLICT

In order to provide a more practical and focused approach for UN and EU practitioners, this Guidance Note identifies three main categories of conflict drivers for renewable natural resources. These drivers are based on existing academic theory, combined with UN and EU field experiences, assessments and case studies. As these three drivers can interact with and reinforce each other, conflict prevention strategies must often take all three into account:

Driver 1. Competition over increasingly scarce renewable resources: The concept of "resource scarcity" describes a situation where the supply of renewable resources – such as water, forests, rangelands and croplands – is not sufficient to meet the demand. Increasing scarcity of renewable natural resources needed to sustain livelihoods can increase competition between user groups. Social responses to rising competition can include migration, technological innovation, cooperation and violent conflict. There are three main causes for increasing resource scarcity working separately or in combination:

- **Demand-induced scarcity:** Demand-induced scarcity arises when the demand for a specific renewable resource cannot be met by the existing supply. While a resource such as water or cropland may initially meet all local needs, population growth, new technologies or increases in consumption rates can reduce the per capita availability of the resource over time.

- **Supply-induced scarcity:** Supply-induced scarcity occurs when environmental degradation, pollution, natural variation or a breakdown in the delivery infrastructure constrains or reduces the total supply or local availability of a specific resource. As the supply of natural resources is reduced, options for pursuing productive livelihood strategies are undermined, potentially creating competition between livelihood groups.

- **Structural scarcity:** "Structural scarcity" occurs when different groups in a society face unequal resource access. While structural scarcity can result from poor natural resource governance (as described in driver 2, below), it can also occur in a well-functioning governance structure, as the outcome of different land use decisions and tradeoffs. At the same time, cultural practices, gender dynamics as well as social and economic barriers may also lead to structural scarcity.

Driver 2. Poor governance of renewable natural resources and the environment: Policies, institutions and processes governing the access, use, ownership and management of natural resources can be critical drivers of conflict. In many cases, they contribute to both structural scarcity as well as grievances associated with political exclusion, corruption, and an unequal distribution of benefits. At the same time, resource governance plays a critical role in managing conflicts caused by increasing resource scarcity and in resolving grievances before they contribute to violence. Understanding the governance framework for natural resources at the national and local levels, and the mechanisms for resolving disputes, can provide critical insights into why conflicts over renewable resources occur, and how they may be addressed. There are four main causes of poor resource governance, which may work separately or in combination:

- **Unclear, overlapping or poor enforcement of resource rights and laws:** Land and resource tenure systems, rights and related laws determine who can use what resource of the land, for how long, and under what conditions. In many countries, land and renewable natural resources are regulated under a combination of statutory, customary, informal and religious forms of tenure. Disagreements, contradictions or overlapping rights regarding these 'rules' as well as uncertainty over resource rights are often at the heart of conflict. A lack of state

capacity to extend its presence and authority into rural areas in order to enforce laws and resolve disputes is often a key cause of poor governance of natural resources. Likewise, a lack of understanding and insufficient consideration of customary law by the state can exacerbate tensions.

- **Discriminatory policies, rights and laws that marginalize specific groups:** When one user group controls access to renewable resources to the detriment of others, natural resource-dependent communities are often marginalized. Violence can occur as individuals and groups seek greater or fairer and more equitable access to key resources. The struggle for increased equity can become linked to the recognition of identity, status and political rights, making conflict resolution processes more of a challenge. As discussed above, this can be a key factor causing structural scarcity.

- **Unequal distribution of benefits and burdens from development projects:** Extractive industries, industrial sites or major infrastructure projects can provide multiple benefits to local communities as well as seriously degrade, exhaust or pollute renewable natural resources and become a major source of grievance. The environmental impacts of development projects can create tensions if communities are not compensated for the damage and do not receive a share of the development benefits, financial or otherwise.

- **Lack of public participation and transparency in decision-making:** Natural resource policies and interventions are often made by the state, in conjunction with private sector actors, without the active participation of affected communities or sufficient transparency and consultation with stakeholders. Where communities and stakeholders are poorly engaged or excluded from the decision-making process over renewable natural resources, they are likely to oppose any related decisions or outcomes. Lost access to key resources, eviction without compensation or sudden price increases for renewable resources such as water, can lead to significant tensions between the affected communities, the government and the private sector.

Driver 3. Transboundary natural resource dynamics and pressures: The challenges of managing renewable natural resources often extend beyond national borders. This is particularly the case for water, wildlife, fisheries, and air quality. Similarly, risks to renewable resources from waste management, pollution, climate change and disasters are often transboundary in nature. While states have the sovereign right, in accordance with the Charter of the United Nations and the principles of international law, to exploit their own resources pursuant to their own environmental and developmental policies, they also have the responsibility to ensure that activities within their jurisdiction or control do not cause damage to the environment of other states. Yet, transboundary dynamics and pressures are often beyond the capacity of a single sovereign state to manage unilaterally, requiring cooperation and co-management with neighboring countries. There are four main types of transboundary challenges that can contribute to conflicts over renewable resources:

- **Allocation or consumption of transboundary renewable resources is unequal or inflexible:** When transboundary natural resources such as water or fisheries are shared between countries, conflicts can arise when one country consumes the resource at higher rates than another, violates agreed allocations or demonstrates inflexibility when faced with natural variation. Alternatively, a lack of sound data on

resource consumption rates, quantity and quality can cause inaccurate perceptions leading to unfounded accusations.

- **Impacts on renewable resources caused by infrastructure, industrial development and changed land use in neighboring countries:** The quality or quantity of transboundary natural resources, such as water, fisheries, wildlife and air, can be negatively impacted in one country by infrastructure, industrial development or changes in land use in another country. In particular, pollution generated in one country can easily cross national borders, creating health risks in another. Similarly, changes in land use in one country, including high levels of deforestation and soil erosion, can heighten vulnerabilities to natural hazards in another.

- **Traditional livelihood practices or wildlife populations that migrate across national borders:** While national borders define the sovereign boundary of states, these are often not respected by pastoral livelihood groups that migrate seasonally along traditional routes, based on the availability of natural resources such as water and grazing land. Similarly, wildlife populations commonly migrate across national boundaries, shifting economic opportunities from one country to another. Both situations can be important sources of conflict as user groups are faced with increasing competition or lost livelihoods. In addition, these dynamics can contribute to the loss of indigenous communities together with their cultural and spiritual heritage.

- **Activities involving the illegal exploitation, consumption and trade of natural resources across borders:** One of the emerging threats to the natural resource base of many countries comes from illegal exploitation of natural resources by global and transboundary criminal networks. Illicit extraction and trade of natural resources deprives local communities of resource benefits and can lead to conflict. At the same time, pressures such as violent conflict, state failure, disasters or environmental degradation can be powerful incentives for people to migrate across borders, establishing new resource-dependent livelihoods in neighboring countries that fall outside of government regulation and control.

Climate change is not a direct source of conflict, but rather compounds each of the drivers listed above. In this regard, climate change can be understood as a threat multiplier, leading to further resource scarcity, overstretching societies' adaptive capacities and weakening the institutional capacity of states to resolve conflict through peaceful and democratic means. Future risks from climate change, as well as from natural hazards, must therefore be taken into account in any strategy to prevent conflicts over renewable natural resource.

Conflict Prevention Strategies for Renewable Natural Resources

While competing interests over natural resources can be a source of conflict, they can equally be a shared opportunity for cooperation, confidence-building and sustainable development. Understanding how to transform conflicts over natural resources into mutually beneficial outcomes that deepen trust and inter-dependence between parties is a key aim of effective conflict prevention and conflict management strategies. Such efforts should focus on building consensus and mutual trust around the co-management of natural resources and the environment, determining equitable sharing of benefits and resolving disputes in non-violent ways.

In most cases, conflicts over renewable natural resources interact with pre-existing political, socioeconomic or security tensions and stresses, requiring a response on multiple levels and across multiple sectors. In other words, there is often no "quick fix" to the problem. Appropriate

interventions depend on the mix of drivers, livelihood responses, existing governance structures and the level of conflict intensity. In many cases, solutions will require targeted interventions at the local, national and trans-boundary levels. For renewable natural resources, conflict prevention and conflict management strategies often encompass a blend of four main types of linked objectives and associated interventions:

Objective 1. Reduce competition over scarce resources between livelihood groups:

- **Supporting sustainable livelihoods and reducing vulnerability to resource scarcity:** The *sustainable livelihoods framework* is one method to analyze options and help determine suitable interventions that reduce vulnerability and help prevent conflict. Understanding livelihood strategies in a specific area, particularly where livelihoods compete for the same limited natural resources, is key to designing conflict prevention or management strategies. In particular, the risks to minority groups and indigenous people must be assessed.
- **Increasing the availability of renewable resources through protection, restoration, infrastructure and efficient use:** These measures focus on addressing the quality, quantity and availability of renewable natural resources in order to reduce scarcity and competition. Supply-side interventions focus on increasing the overall supply of, or access to, renewable resources, as well as stopping sources of environmental degradation and pollution. Demand-side strategies focus on improving the efficiency of resource use and reducing the per capita rate of consumption. Substitution measures attempt to replace scarce renewable resources with alternatives.

Objective 2. Improve resource governance, accountability and dispute resolution capacity:

- **Establishing the governance framework for natural resources, strengthening implementation capacity and recognizing resource rights:** Improving resource governance includes a range of measures such as: addressing inequitable access; reducing corruption and improving transparency; preventing environmental

degradation; establishing and enforcing rights and rules over natural resource use; fostering parliamentary oversight; enhancing public participation in the design and acceptance of such rules; ensuring the transparent identification of any potential social and environmental impacts from development projects; and, establishing mechanisms for the resolution of diverging disputes.

- **Building capacity of stakeholders and civil society to participate in decision-making, to monitor compliance with the governance frameworks, and to access justice mechanisms:** Even when governance frameworks for natural resources exist, stakeholders and civil society groups often lack the capacity to participate in decision-making, to monitor compliance with the governance frameworks, to promote accountability and transparency, and to access justice mechanisms and dispute resolution processes. As these are essential components of good governance and can contribute to conflict prevention, targeted capacity-building is often required.

Objective 3. Improve transboundary management institutions and cooperation:

- **Establish or strengthen transboundary information, resource-sharing agreements, joint institutions, and dispute resolution processes:** The effective management of transboundary resources often relies on a combination of tools and approaches. These can include joint management institutions, flexible resource-sharing agreements, harmonized laws and access to dispute resolution processes. These measures often need to be strengthened as part of conflict prevention efforts.

Objective 4. Implement cross-cutting measures across all programmes:

- **Designing conflict-sensitive resource management, adaptation and development programmes:** One of the critical aspects of preventing conflicts over natural resources is to ensure a conflict-sensitive approach is integrated within all natural resource management, development and climate change adaptation policies and programmes. Stakeholders and donors need to anticipate the potential sources of conflict that could be generated by their interventions and adopt a conflict-sensitive approach at all phases.

- **Conducting early warning, risk assessments and scenario analysis to identify potential conflict hotspots:** The use of early warning, risk assessments and scenario analysis to identify potential conflict hotspots involving renewable resources is an important input to any targeted conflict prevention programme. These tools should be used on a systematic basis to identify existing and potential conflict hotspots.

While all conflict prevention and conflict management programmes involving natural resources must be owned by national actors, there are five distinct roles that the UN and EU can be requested to play to support national governments and stakeholders:

- Provide capacity-building support to governments and civil society on environmental governance, sustainable resource management and conflict resolution;
- Act as an impartial actor and trusted third-party in dispute resolution processes;
- Provide early warning alerts when vulnerabilities and risks are detected from global or regional environmental monitoring programmes and assessments;
- Catalyze an international response to emerging resource conflicts and leverage financing; and,
- Broker transboundary cooperation and related agreements.

In addition to the four thematic conflict prevention objectives discussed above, sector-specific strategies are also needed. In this regard, this Guidance Note includes 50 specific conflict prevention activities that can be undertaken for conflicts related to water, forests, pastures and fisheries.

EU-UN Partnership

Strengthening Capacity for the Consensual and Sustainable Management of Land and Natural Resources

The management of land and natural resources is one of the most critical challenges facing developing countries today. The exploitation of high-value natural resources, including oil, gas, minerals and timber has often been cited as a key factor in triggering, escalating or sustaining violent conflicts around the globe. Furthermore, increasing competition and conflict for diminishing renewable resources, such as land and water, is on the rise. This is being further aggravated by environmental degradation, population growth and climate change. The mismanagement of land and natural resources is contributing to new conflicts and obstructing the peaceful resolution of existing ones.

To improve capacity for land and natural resource management and conflict prevention, the European Union partnered with the Expert Reference Group of the UN Framework Team (FT) in late 2008. The aim of this partnership was to develop and implement a strategic multi-agency project focused on building the capacity of national stakeholders, the United Nations system, and the European Union to prevent land and natural resources from contributing to violent conflict. Six UN agencies, programme or departments have been involved, including UNDP, DPA, UNEP, PBSO, UN-HABITAT and DESA. The partnership is also designed to enhance policy development and programme coordination between key actors at the field level.

The first outcome of this project is an inventory of existing tools and capacity within the UN system and a set of four Guidance Notes on addressing natural resource management and conflict prevention. These Guidance Notes cover: (i) Land and Conflict, (ii) Extractive Industries and Conflict, (iii) Renewable Resources and Conflict, (iv) Strengthening Capacity for Conflict-Sensitive Natural Resource Management.

Based on the Guidance Notes, the second outcome of the project is to deliver a series of training modules for UN and EU field staff, as well as local partners, to enhance the knowledge and skills needed to understand, anticipate, prevent, and mitigate potential conflicts over land and natural resources. Participants will acquire the skills to formulate and operationalize preventive measures in relation to natural resource management (NRM) and conflict.

In countries where specific NRM and conflict challenges are identified, the project will aim to provide focused technical assistance in the development of conflict prevention strategies. This could include the deployment of staff and other experts to assist the UN Country Team (UNCT), including the Resident Coordinator (RC) or Peace and Development Advisor, in analysing options and designing programmes. Where needed, dedicated follow-up measures will also be undertaken on an inter-agency basis, in partnership with the EU.

This guidance note was developed under the lead of the United Nations Program for Environment. For more information, please contact: **framework.team@undp.org**

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