

## Civil Society Dialogue Network Policy Meeting

### Transitioning from war to peace: What role for the EU in addressing illicit economies?

Thursday 24 October 2019  
Brussels, Belgium

The overall objective of the meeting was to gather analysis and recommendations from civil society experts on how the EU can better engage with the issue of illicit economies in its development and conflict prevention work, in particular in contexts transitioning from war to peace. The meeting was focused in particular on insights from Colombia and Myanmar.

The meeting participants included 24 civil society experts working on issues relating to illicit economies in fragile and conflict-affected contexts and policy-makers from the European Commission (EC) and the European External Action Service (EEAS). Discussions were held under the Chatham House Rule. There was no attempt to generate a consensus and this document is a brief summary of the key points and recommendations which were made by the civil society participants.

### Key points and recommendations

- The EU must ensure that actions seeking to address illicit economies are context-specific and based on robust, gender-sensitive conflict analysis (integrating political economy dynamics). The analysis must take into account the different needs of the people affected by and engaged in illicit activities.
  - Illicit economies have complex and diverse impacts, especially in contexts transitioning from war to peace and in borderland areas. They may intensify conflict dynamics and be exploited by violent groups and/or predatory state actors, but they may also enable some people to survive and constitute a source of empowerment for certain marginalised groups. Likewise, transitioning away from violent conflict and from illicit economies is likely to have complex and diverse impacts on power structures, communities and people. The EU must therefore set aside possible prior assumptions about the potential positive and negative impacts of licit and illicit economies (and about what is perceived by populations as a licit or an illicit activity) when designing its engagements, and base its interventions on a robust understanding of local realities and perceptions.
- The EU should take into account and fully integrate gender into any analysis and intervention relating to illicit economies.
  - Illicit economies may contribute to the transformation or the perpetuation of gendered power structures and relations, and of gender norms, roles and practices. They may involve various roles for diverse women and men and have gendered and intersectional impacts on communities and individuals.

- The EU should take into account and analyse illicit economies wherever it is considering engaging, even if the intervention does not seek to target issues relating to illicit economies directly.
  - Different types of interventions may be helpful in indirectly addressing issues relating to illicit economies, and illicit economies involve power structures and dynamics that may influence the impact of interventions regardless of their focus.
- The EU should prioritise conflict-sensitive, integrated development and peacebuilding interventions which address the root causes of illicit economies and conflict, and the diverse needs of local populations, over law enforcement and repressive responses to illicit activities.
  - The populations affected by and engaged in illicit economies often find the root causes of conflict and illicit economies more problematic than the illicit activities themselves. The EU should therefore prioritise addressing issues such as exclusion and the social, economic and political marginalisation of populations, a lack of access to resources (including food, land and natural resources) and to proper public services (including health, education and administrative services), inadequate and unaccountable governance structures (and oppressive government policies and actions), and other fundamental and structural issues. This is often more helpful to local populations and allows for more effective and sustainable transitions away from illicit economies than focusing on repressing the illicit activities themselves (depending on whether or not they involve actively harming other people).
  - As part of these peacebuilding and development efforts, the EU should promote and support the structural changes required to build inclusive peace economies in which all groups and individuals are able to thrive collectively and individually, as well as accompanying measures to allow the people engaged in illicit economies to make a successful transition away from them.<sup>1</sup> It is only by positively transforming the systems and structures which contributed to conflict and to the development of illicit economies that transitions can be sustainable.
  - The EU should ensure that it engages and funds actions in the long term as part of its support to transitions away from conflict and illicit economies, as long timeframes are needed for positive changes to be sustainable.
  - Law enforcement and securitised / militarised approaches to illicit economies are often inadequate, insufficiently informed by analysis and potential sources of harm. They frequently fail to address root causes, divert attention away from the peacebuilding and development actions which do lead to sustainable change, and contribute to escalations in violence.
- The EU should actively involve and support civil society organisations (in particular local civil society and informal organisations) and diverse women and men in designing, implementing, monitoring and evaluating actions seeking to address issues relating to illicit economies.
  - The EU must consult local civil society and diverse women, men and communities extensively as part of any conflict analysis process.
  - The EU should take the time to build trust and relationships with the people affected by and engaged in illicit economies, including by actively involving diverse local actors at all stages of interventions and by ensuring that engagements do not only help people transition out of illicit economies but also support those not engaging in illicit activities (otherwise this will lead the latter to engage in illicit activities in order to receive support).
  - The EU should create spaces where the people affected by and engaged in illicit economies are able to freely express themselves and share their perspectives on what should be done and

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<sup>1</sup> Helpful accompanying measures may involve the provision of comprehensive support to pursue alternative activities, the legalisation of certain types of activities, etc.

what empowerment and progress should look like. The EU should also contribute to the protection of civilians, including human rights defenders, civil society activists and journalists.

- The EU should contribute to enhancing the governance and accountability of state and non-state institutions as part of efforts to address illicit economies, especially in borderland areas.
  - The EU should pay particular attention to governance issues in borderland areas; issues relating to state reform, federalisation and decentralisation are often complex and the penetration of state institutions in these areas may have mixed impacts, especially if it disrupts positive existing non-state governance structures.
  - The EU should support the creation and strengthening of accountable local governance structures, including informal, non-state structures, which are supported by local populations and which address illicit economies according to the needs of communities. It should also support building trust and relations between these structures and national authorities. As there is no single governance model that would be optimal in all contexts, efforts to improve governance must be context-specific.
- The EU should approach conflict and illicit economies in a holistic manner, looking at central and peripheral areas, as well as at different levels.
  - Borderlands should be seen as central to the challenges of transitions from war to peace, especially in relation to illicit economies which often develop away from capitals.
  - Interventions are often structured based on the nation state, which makes it harder to respond to the specific dynamics found in borderlands (which may be significantly different from those found in more central areas), as these may be better understood outside of national framings and addressed through localised and cross-border actions.
  - Actions involving border management measures may, in certain cases, be counter-productive, especially as local communities often rely on cross-border movement and exchanges for their livelihoods.
- The EU should address the external drivers of illicit economies.
  - External drivers may relate to the role of neighbouring governments and international actors (states, international corporations, etc.), to the promotion by international actors of harmful economic systems and macro-economic policies, to illicit international financial flows, to trade agreements, to the demand for illicit goods (including drugs) coming from other countries (e.g. European countries), etc. In addition, international sanctions on commodities and criminal actors often have mixed or negative impacts; the EU should ensure that sanctions have very specific targets (individuals) and that they do not harm populations.

#### **The Civil Society Dialogue Network**

The Civil Society Dialogue Network (CSDN) is a mechanism for dialogue between civil society and EU policy-makers on issues related to peace and conflict. It is co-financed by the European Union (Instrument contributing to Stability and Peace). It is managed by the European Peacebuilding Liaison Office (EPLO), a civil society network, in co-operation with the European Commission (EC) and the European External Action Service (EEAS). The third phase of the CSDN will last from 2017 to 2020. For more information, please visit the [EPLO website](#).