

Building the Humanitarian-Development-Peace Nexus: The relevance of cooperation between UN agencies and Islamic actors

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Abstract: This paper aims to highlight the relevance of cooperation between United Nations agencies and Islamic actors in building the humanitarian-development-peace nexus. The current approach is not able to deal with protracted crises. The improvement of this triple nexus requires the inclusion of regional and local organizations in a two-way effort: from one side, the UN agencies should rethink the political Agenda and the field approach in Islamic countries. On the other side, Islamic actors should include in their interventions key elements for implementing and financing it. In this sense, Islamic financial tools and blended finance can contribute to fill the resources allocation gap and improve dialogue among different stakeholders.

The nature of humanitarian crises is changing, with man-made shocks in urban areas against civilian populations, armed conflicts and natural disasters, which particularly affect rural areas and vulnerable communities. Crises are frequently protracted, and humanitarian and development actors are dealing with the current approach's inefficiency. Responding to the humanitarian needs of people affected by conflict and disaster is not a short-term endeavour. In this regard, the World Humanitarian Summit in 2016 tried to rethink the link between humanitarian action, development and peace, with the aim being to bridge what has been described by the UN Office for the Coordination of Humanitarian Affairs (OCHA) as the "humanitarian-development divide."

Building humanitarian-development nexus means responding to humanitarian needs with a long-term perspective, towards the construction of community resilience, in line with the collective outcomes, in a joint effort and dialogue among all the actors on the ground. The involvement of emerging donors and actors, such as Islamic multilateral and bilateral organizations in Muslim contexts, is crucial for building and financing it. Literature and political debate have ignored the potential role that these actors may have in implementing the nexus, especially considering that the greatest number of protracted crises are in the Middle East and North Africa (MENA) region or Muslim African Countries. Moreover, building this connection is not just a matter of policies, but rather it needs available, predictable, and flexible funds that will be available over multiple years. In this direction, Islamic finance could play an important role in supplying tools for the construction of social and economic resilience and enhancing financial stability. The Islamic Development Bank, for instance, works to tackle the social and economic challenges and threats that require innovative and alternative financial methods but also flexible access to funds, especially during a crisis.

This paper will begin by analyzing the evolution of the humanitarian-development-peace nexus and its critical aspect. The second part will highlight the efforts of Islamic actors and donors in implementing and financing it. Consequently, the third section will examine the role of the

¹ Alice Debarre, "Humanitarian Action and Sustaining Peace," *International Peace Institute*, (March 2018): 1.

Islamic Development Bank in filling the monetary gap for the implementation of this approach, which requires the collaboration of all actors involved at the local, regional and international levels.

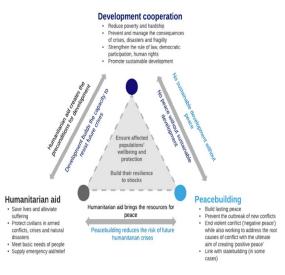
The Humanitarian-Development Nexus: Genesis and Evolution

Regarding the evolution of the political framework, the idea of the humanitarian-development nexus was born in the 1980s with the concept of "linking relief, rehabilitation and development," in order to create a continuum between short-term and long-term interventions during crises. The effort of Multilateral Development Banks, UN agencies, European Civil Protection and Humanitarian Aid Operations (ECHO), the Directorate-General for International Cooperation and Development Organization (DG DEVCO) and bilateral organizations in facing the challenge of preventing conflict and building nexus is highlighted by the need to implement a "new way of working." During the World Humanitarian Summit (WHS) in 2016, UN agencies, together with the World Bank, agreed that a "new way of working" was necessary to meet people's immediate humanitarian needs and, at the same time, reduce risks of vulnerability and bridge the gap between humanitarian and development interventions. For this reason, actors should work towards "strategic, clear, quantifiable and measurable" collective outcomes. A collective outcome is a concrete and measurable result that the actors in the humanitarian and development sector try to achieve jointly. The time frame is usually a period of 3-5 years to help a country to address the needs, risks and vulnerabilities of its population. Focusing on collective outcomes allows individual stakeholders to use their comparative advantage to work more effectively towards a common objective.²

This response is based on the **Agenda for Humanity**: a five-point plan, elaborated by OCHA, to prevent and reduce human suffering during crises. The five points of the Agenda are: prevent and end conflicts, respect rules of war, leave no one behind, work differently to end needs and **invest in humanity**. This last objective regards the capacity of improving the financial system

² OCHA. "Sustaining the ambition. Delivering Change," Agenda for Humanity Annual Synthesis Report, (December, 2019): 72.

towards five main strategies: invest in local capabilities; invest more in crisis prevention and community resilience; invest in strengthening national and local institutions; **shift from funding to financing avoiding fragmentation and short-term individual projects.** Financing should be flexible and predictable over a span of several years, with actors collaborating to achieve a collective outcome. The WHS called for the establishment of resource mobilization frameworks that would support multi-year planning and collective outcomes, which would be predictable and directed to the actors who have a comparative advantage in a given situation. This shift was necessary to make aid more efficient and effective, and it offers different opportunities. Responding to immediate needs, and ensuring long-term investment, addressing the root causes of conflict and fragility, create the condition to reduce cyclical or recurrent shocks. Moreover, this nexus approach provides the opportunity to strengthen local leadership and to enhance collaboration between all stakeholders towards a common goal.³



This collaboration between humanitarian and development actors made a further step, introducing conflict prevention and peacebuilding in the "third leg of the triangle," in order to realize a sustainable peace. This takes the form of a "triple nexus" in which all relevant actors, such as humanitarian, development and diplomatic stakeholders, should work together to address the root causes of vulnerability, fragility and conflict, and to build

Figure SEQ Figure * ARABIC 1. Source ECDPM, 2018

velopment-Peace Nexus. What does it mean for multi-mandate

community resilience. The Triple Nexus—or

https://ecdpm.org/publications/think-local-bridging-between-humanitarian-aid-development-peacebuilding-somalia/.

³ Oxfam, "The Humanitarian-Development-Peace Nexus. What does it mean for multi-mandated organizations?," *Oxfam discussion paper*, (June, 2019): 40.

⁴ Alfonso Medinilla, "Think Local. Governance, Humanitarian Aid, Development and Peacebuilding in Somalia," ECDPM, 2019: 1-7,

⁵ Alexei Jones, and Vera Mazzara, "All together now? EU institutions and member states' cooperation in fragile situations and protracted crises". Discussion Paper 226, (Maastricht, ECDPM, 2018): 2-4, https://ecdpm.org/publications/all-together-now-eu-institutions-member-states-international-cooperation-in-fragile-situations-protracted-crises/.

humanitarian development-peace nexus—was proposed by Secretary General Antonio Guterres in 2017 as part of a renewed emphasis on prevention in the UN system in the face of increasing conflict globally.⁶

International and multilateral donors, including the United Nations agencies, try to solve problems and build resilience, especially in fragile and conflict-affected contexts. Fragility is defined by the Organisation for Economic Co-operation and Development (OECD), as "the combination of exposure to risk and insufficient coping capacity of the state, system, and/or communities to manage, absorb, or mitigate risks (that can) lead to negative outcomes including violence, the breakdown of institutions, displacement, humanitarian crises or other emergencies." Moreover, the multidimensional aspect of the fragility framework needs a comprehensive and flexible approach. Fragility is composed of **political, social, economic, environmental and security** aspects, and all of these dimensions should be rebuilt after a crisis. A way to include nexus in the aid perspective among different actors and donors could be to build resilience in these five dimensions, reducing vulnerabilities in communities targeted and giving them tools for coping with future natural and man-made shocks.

According to the 2019 Fragile States Index, the worst humanitarian crises in the world today are in Yemen, Somalia, South Sudan and Syria. All these countries are Muslim-majority countries where Islamic based organizations and Arab donors operate to respond to the population's needs. It means that Muslim countries or countries where there is an important presence of the Gulf States and other Islamic donors are affected by complex crises and require a long-term perspective and synergy on building resilience and the Triple nexus among all the actors involved.⁸

https://fundforpeace.org/2019/04/10/fragile-states-index-2019/.

⁶ ICVA, "The 'New Way of Working' Examined: An ICVA briefing paper," (2017).

⁷ OECD, "State of Fragility 2018," (Paris, OECD Publishing, 2018): 81-90.

^{8 &}quot;Fragile States Index 2019," The Fund for Peace, April 2019,

The Essential Effort of Islamic Actors

Nowadays, traditional and emerging donors and actors of relief coexist and work in the same context simultaneously, but often they do not search for dialogue or synergy. The risk this causes is an overlap of interventions and a reduction of the effects of funds and projects on the context. Western and Arab donors and organizations should share a joint vision when they work in the same area, building a dialogue and partnership, as well as work with local organizations. Regarding this aspect, there is an evident fragmentation in the field among different donors that implement aid according to their strategic and political needs. This approach is expressed in the partnership with local organizations and actors which represent different community divisions. To rethink aid and build resilience in fragile and conflict-affected contexts, both Western and Arab donors should have a clear picture of the context and give funds in a need-based perspective, instead of supporting their interests. An example of this collaboration can be identified in the Humanitarian Action for the Arab Region, a summit between international and Arab humanitarian Non-Governmental Organisations (NGOs) and multilateral organizations in Jordan in January 2014. The aim of the summit was to improve the humanitarian action in the Arab region, particularly by enhancing the dialogue between UN agencies, the Organisation of Islamic Cooperation, ECHO and Islamic NGOs such as the Jordan Hashemite Charity organization. The three priorities identified during the summit were: joint planning in implementing aid, putting aside personal agendas and operating together in a common direction. The other two elements were: successful partnerships among different actors and the field monitoring to ensure that programmes were effective. This conference was an opportunity to build partnerships and foster a joint vision among various stakeholders on the humanitarian action in the region. Successful partnerships and greater coordination are key elements for ensuring access in a specific context and avoiding gaps in aid implementation.9

⁹ The Humanitarian Forum. "Humanitarian action in the Arab Region. Summary report". (January 2014) https://www.alnap.org/system/files/content/resource/files/main/5066-3.pdf

It makes clear that the dialogue and coordination between all the stakeholders involved is necessary for the implementation of the Triple nexus. Emerging donors in the relief landscape, such as the Gulf States, have been investing in promoting themselves as influential regional and global actors in the development and humanitarian sectors. They contribute to supporting aid and are engaged in peacekeeping missions in the Middle East, North Africa and beyond. They also participate in international debates on international politics, as well as peacebuilding and conflict resolution.

These humanitarian efforts have allowed them to compete and operate at the same levels as traditional donors. ¹⁰ Together with international aid, the Arab Gulf States' assistance has the key objective of stabilizing conflict-affected states and limiting the spread of conflict. Qatar, for instance, sees such assistance as part of its growing regional political ambitions, public diplomacy and soft power outreach. ¹¹

To shed new light on the relevance of cooperation in the Triple Nexus field between UN agencies and Islamic donors, it is necessary to underline a crucial aspect. In fragile and conflict-affected contexts, Islamic based organizations manage to have greater access to the community network and better implement aid regarding the Islamic communities that are today most affected by the crises. This is what Bruno De Cordier, one of the main humanitarian aid experts in the Arab and African region, has defined as the **communitarian aid or cultural proximity**: how communities and beneficiaries identify themselves with Islam and the role that formal and informal Islamic institutions can play in specific contexts. ¹²

¹⁰ Ghassan Elkahlout, "'Hearts and Minds': Examining the Kuwaiti Humanitarian Model as an Emerging Arab Donor," *Asian Journal of Middle Eastern and Islamic Studies* 14, no. 1 (February 2020): 141-146, https://doi.org/10.1080/25765949.2020.1728975.

¹¹ Agnieszka Paczynska, "Emerging and Traditional Donors and Conflict-Affected States: The New Politics of Reconstruction," *Stimson Center*, (November 2016): 2-5.

¹² Bruno De Cordier, "Faith-Based Aid, Globalisation and the Humanitarian Frontline: an Analysis of Western-Based Muslim Aid Organisations," Disasters (U.S. National Library of Medicine, October 2009): 608-612, https://www.ncbi.nlm.nih.gov/pubmed/19207537.

To build resilience and implement the Triple Nexus, it is necessary to work at the global and local level, enhancing collaboration between regional actors, UN agencies and other international organizations. In recent years, localization and global-local dynamics have emerged as major themes in conflict response and humanitarian policy debate. Those aspects have particular relevance in the Arab region where protracted conflicts, in Syria, Yemen, and Iraq, for instance, need an effective response. In these contexts, actors involved face the challenge of translating global responses into local solutions and identifying existing grassroots, community-level capacities for responding to conflict.¹³ According to a study carried out by Barakat and Milton in 2020, there are four challenges that the three levels of the nexus, humanitarian aid, post-conflict reconstruction and peacebuilding, have to face in order to realize a localization approach in conflict response: defining the local, valuing local capacities, maintaining political will, and multi-scalar conflict response. This last point regards the idea that the micro-level of localization is usually analyzed in comparison to the macro-level of internationalization, but an analytical blind spot exists, and it concerns the **meso-level of regionalization**. In the Arab region, it is possible to observe how regional organizations are still unable to play an effective role in conflict prevention and response. This phenomenon has brought individual regional powers such as the Gulf states or Turkey to invest in aid seeking to protect their interest and provoking a polarisation of policies and interventions. A greater role for regional institutions in building and implementing the Triple nexus "is in the spirit of localisation" because they are located between the affected communities and the international system, connecting these two realities. ¹⁴ A scaling-up of the Triple Nexus approach requires an improvement of the role of regional organizations, such as the Organization for Islamic Cooperation (OIC), with an alignment of their policies with the World Humanitarian Summit Agenda. The OIC, in the Resolution for Humanitarian Affairs, adopted in

¹³ Sultan Barakat and Sansom Milton, "Localisation Across the Humanitarian-Development-Peace Nexus," *Journal of Peacebuilding & Development* 15, no. 2 (May 19, 2020): 147-160, https://doi.org/10.1177/1542316620922805.

¹⁴ Barakat, and Milton. "Localisation," 1-13.

March 2019, recognizes the importance of the WHS and its role "in shaping the principle and policies of the contemporary humanitarian diplomacy, therefore expresses determination to make a meaningful follow-up to the outcomes of the WHS, in particular formulating policies and developing tools in further strengthening the nexus between humanitarian and development assistance." Starting in 2016, the OIC has organized workshops with the Islamic Development Bank, the Islamic Research and Training Institute and OCHA to identify deficiencies in the current humanitarian system and ensure sufficient funds for ongoing crises. ¹⁵ This willingness, however, is not reflected in the Ten-Year Programme of Action 2016-2025, which does not mention the effort to build the Triple nexus. Moreover, it refers to resilience just in response to a natural disaster and not to other forms of humanitarian aid. According to the Programme, the OIC's Member States should strengthen the Joint Islamic Humanitarian Action, developing adequate disaster response mechanisms with integrated and inclusive measures to reduce vulnerability to disaster and increase preparedness for response and recovery. ¹⁶ There is an evident gap in the policy Agenda regarding the implementation of the humanitarian-development-peace nexus in programming interventions. The OIC should improve partnership with UN agencies, such as UNDP and OCHA, in order to align its policies in conflict response and peacebuilding and develop a coherent perspective towards humanitarian challenges facing the Islamic world, in line with the principles of its Charter.

An essential effort that could be done by this regional organization and its main donors is to include the **reinforcement of the beneficiary countries' institutions**. A lot of Muslim countries in the MENA region and in Africa (OIC members) have an unstable political situation and weak institutions unable to respond to natural and man-made shocks. To build resilience and improve the impact that aid can have on the context, it is necessary to reinforce the local governance system and national institutions with a bottom-up and top-down approach. At the top-down level, the OIC

¹⁵ Organisation of Islamic Cooperation. "Resolutions on Humanitarian Affairs adopted by the 46th Session of the Council of Foreign Ministers," (2019): 4.

¹⁶ Organisation of Islamic Cooperation. "Programme for Action 2016-2025." (2016): 13.

should work on national institutions, making them able to reduce fragility in its multidimensional components. Policies in this sense have to include capacity building in disaster risk reduction for adaptive governance of crises.¹⁷ The aim is to support them in responding to the immediate needs of targeted communities, implementing development programmes and also sustaining a long-term process for supporting peace in a **self-reliance** and Triple nexus perspective.

Fill the Gap of Financing Nexus: the Role of the Islamic Development Bank

Nevertheless, the implementation of nexus is not just a matter of policies, and the resource challenge has to be faced with innovative and flexible financing mechanisms. One of the main problems of the Triple nexus regards how to turn theory into practice when donors implement their programme in the field. The activities, defined in a specific timeframe, have to be integrated with **an overview of how they are funded**. Current funding methods are shaped on development and humanitarian silos, and they fail in supporting "**predictable**, **flexible and multi-year financing**." In May 2016, representatives of 18 donor countries and 16 international aid organizations from the UN and non-governmental organizations agreed to a "Grand Bargain." This outlined 51 commitments to improve the efficiency and effectiveness of international humanitarian aid. It was clear that the **resourcing plan** should have shifted from funding fragmented interventions or organizations to **financing collective outcomes**, which have to result from a dialogue among different actors. Resources allocation, in this sense, transcends humanitarian-development divides and shifts to finance multi-year flexible funding.

For supporting the Triple nexus, an innovative financing mechanism is required, and the Islamic financing tools can contribute to the mobilization of resources. During the discussion for the implementation of the Agenda for Humanity and the collective outcomes, it was clear the central role of the **Islamic finance and the IsDB**, in the achievement of SDGs, but also in building resilience towards innovative investments in humanitarian actions, such as *sukuk*, which can lead to

¹⁷ Riyanti Djalante et al., "Pathways for Adaptive and Integrated Disaster Resilience," *Natural Hazards* 69, no. 3 (2013): 2110, https://doi.org/10.1007/s11069-013-0797-5.

long-term social improvements, but also to long-term resilience and to adaptive capacity-building for communities at risk.

One of the Islamic Development Bank's political and financing approaches to enhancing resilience in fragile and conflict-affected contexts is represented by the Fragility and Conflict Affected Region Financing to respond to humanitarian, reconstruction, and resilience development, which refers to the framework of Fragility and Resilience Policy. In line with the SDG 16 – Peace, Justice and Strong Institutions – this policy has three objectives: strengthening institutions, building resilience and contributing to social cohesion in Member Countries. To reach these three objectives, the programme provides four pillars: investing in prevention, improving the transition from relief to development, building recovery and resilience during a post-conflict phase, which also includes the reconstruction of all economic aspects impacted by conflict, and mobilizing resources for resilience. The Programme requires a joint effort from different actors (including local stakeholders) and donors, and common resource mobilization. The IsDB uses existing financial instruments such as the Islamic Solidarity Fund for Development, Cash Waqf Sukuk, the Lives and Livelihoods Fund and the Transform Fund. Another potential financing instrument is the Fragility Financing Facility (Triple-F) created to support IsDB's member countries in coping with natural and man-made shocks.

The aim of the Triple-F is to:

- provide humanitarian and emergency response to the conflict-affected countries
- support the economic, social transition, recovery and resilience
- provide institutional support to strengthen the capacity of the institutions affected by violent conflict and fragility
- encourage private sector-led development through enhancing Public-Private Partnerships (PPP) to increase investment in the infrastructure reconstructions.

Among the existing financial instruments used by the IsDB for enhancing resilience and mobilizing resources, there is the **Lives and Livelihoods Fund (LLF)**, which could represent an

¹⁸ Islamic Development Bank, "Development effectiveness Report 2018," (2018): 43.

alternative way to collect and make available "predictable, flexible and multi-year financing" as required by the Agenda for Humanity. The Fund was launched in 2016, and it is a multi-donor fund in partnership with the IsDB's Islamic Solidarity Fund for Development (ISFD), the Bill and Melinda Gates Foundation, the Qatar Fund for Development, the King Salman Humanitarian Aid and Relief Centre, and the Abu Dhabi Fund for Development. It is made up of donors' grant funds and the Islamic Development Bank financing funds (in the form of loans), blended into a single LLF package that finances all the project components. In this case, blended finance can be defined according to the definition given by Mustapha, Prizzon and Gaves, who conducted a study for the Overseas Development Institute and the Department for International Development (DFID). It refers to "the complementary use of grants (or grant-equivalent instruments) and non-grant financing from private and/or public sources to provide financing on terms that would make projects financially viable and/or financially sustainable."

The Lives and Livelihoods Fund represents an innovative mechanism to finance projects in the sectors of health, agriculture, and infrastructure in the Islamic Development Bank member countries through a combination of grants and concessional loans. This new model reflects the international effort to combine financial mechanisms and build a coalition of fundraising partners. It combines grants from donors with traditional market-based lending supplied by IsDB. The recipient countries only pay back the IsDB financing while the Fund's donors indirectly cover the financing mark-up rate. This mechanism reduces the costs of borrowing and ensures considerable resources for beneficiaries. Regarding the future challenges, the LLF will try to accelerate project deployment and **enhance resources transfer to member countries**, increasing decentralization and partnership with all the stakeholders involved. This process is in line with one of the main objectives of the

¹⁹ Shakira Mustapha, Annalisa Prizzon, and Mikaela Gavas, "Topic Guide: Blended Finance for Infrastructure and Low-Carbon Development," Evidence on Demand, 2014: 15, https://doi.org/10.12774/eod_tg9_jan2014.odi.

²⁰ Mark Dybul, "Saving Lives, Changing Livelihoods through Innovative Financing," - The Global Fund to Fight AIDS, Tuberculosis and Malaria, February 15, 2017,

 $[\]underline{https://www.theglobalfund.org/en/blog/2017-02-15-saving-lives-changing-livelihoods-through-innovative-financing/liv$

²¹ Islamic Development Bank. "Lives and Livelihoods Fund." (2019).

Grand Bargain: the allocation of funds to national/local responders as directly as possible and also represents a sustainable way to fund interventions from humanitarian needs to development and resilience. The availability of grants given by stable donors and loans allowed by IsDB, which makes loans considerably cheaper for the recipient countries, represents a resource that could be used to cope with an emergency and that, at the same time, aims to finance the development of resilience in vulnerable communities and beneficiary countries.

Moreover, the IsDB is exploring the establishment of a philanthropic fund with UNICEF to address poverty reduction, **humanitarian and resilience development nexus** activities, as well as to direct philanthropic capital towards much needed infrastructure projects, especially in less developed member states. The resource mobilization efforts for the \$20 million open-ended catalytic fund, namely the **Global Muslim Philanthropic Fund,** enables multiple forms of Muslim philanthropy, including obligatory giving such as zakat and voluntary giving such as sadaqa donations and waqf endowments, to contribute to emergency response and development programmes.²²

Islamic traditions of charitable giving have existed since the birth of the religion, and the idea of charity is rooted in how the Quran describes prosperity and poverty. They are part of the same order, where the rich have the duty to help people in need through the redistribution of wealth mainly in an obligatory way (zakat) and voluntary way (sadaqa and waqf). The idea of zakat as a tool of redistribution is as old as Islam itself. It has, however, been revitalized in the last few decades within the discourse of those 'ulama,' like Qaradawi, who tackled the issue of cooperation and social responsibility in the contemporary Muslim world. The concept of mutual social responsibility and the use of zakat as a financial source for the Umma are main principles that inspire the financial assistance and aid flow in the Muslim world. Moreover, there is an open debate

²² UNICEF. "Islamic Development Bank and UNICEF to establish a Global Muslim Philanthropy Fund for Children." (2019) accessed 15 June 2020.

²³ Ersilia Francesca, *Economia, Religione e Morale Nell'islam* (Roma: Carocci, 2013): 22.

on the impact of zakat in reducing poverty. A study carried out by Shirazi and Amin in 2010 highlighted the importance of zakat in OIC countries in order to reduce poverty, estimating that towards its institutionalization the maximum that can be collected ranges between an average of 1.8 percent to 4.3 percent of GDP annually. Every Muslim country, particularly the IsDB member countries, have a different way of managing zakat, and to adopt a method of zakat management system is not simple. There is the need to find ways of instituting a uniform, efficient and effective zakat system. To achieve this goal, IsDB, together with the Islamic Research and Training Institute (IRTI), have established a unified framework for zakat management, starting from the Bank Indonesia in 2014. This is evidence of how Islamic banking institutions can play an important role in collecting and managing zakat to improve its impact on poverty alleviation and support foreign aid.

Conclusion: Relevance of Collaboration

Regarding the "myth" of the Triple nexus, there is political support and goodwill among Western international actors of humanitarian, development and peacebuilding sectors. They have the awareness that it is necessary to reduce needs and vulnerability during and after a crisis and build resilience with a multisectoral approach. However, this awareness does not include two main issues: how the nexus works in practice, in terms of financing and programming, and the relevance that regional actors, such as the Islamic ones, could have on the realization of this process. In this regard, the Triple Nexus is not only a policy concept that envisions stronger collaboration and coordination among actors from the fields of development cooperation, humanitarian action and peacebuilding. ²⁶ It requires a dialogue among actors from different "cultural lines-up," that often

²⁴ Nasim Shah Shirazi and Muhammad Fouad Bin Amin, "Poverty Elimination through Potential Zakat Collection in OIC-Member Countries: Revisited.," *The Pakistan Development Review* 48, no. 4II (January 2009): 750, https://doi.org/10.30541/v48i4iipp.739-754.

²⁵ Islamic Research and Training Institute. "Unlocking the transformative power of zakat for financial inclusion," *IRTI Knowledge Review* 8, no. 1, (2019): 12-15.

²⁶ Sonja, Hovelmann. "Triple Nexus to go. Humanitarian topics explained." *Center for Humanitarian Action*, (March 2020): 1-6.

World Humanitarian Summit in 2016, the concept of localization has dominated the narrative of international donor engagement. Research has shown the value of local actors in terms of more effective humanitarian operations due to culturally appropriate local knowledge and effective identification of and communication with vulnerable groups within conflict-affected communities. For this reason, the involvement of local actors can help the process to be more effective and facilitate the action of targeting beneficiaries in interventions. Global-local dimension and localization make clear that Islamic donors and regional organizations, such as the Organisation of Islamic Cooperation, should be considered in the political agenda for implementing the Triple nexus. Considering that the greatest number of protracted crises are located in the MENA region and African Muslim Countries, post-conflict response and reconstruction need the involvement of local and regional Islamic actors that also have privileged access and deep knowledge of the context.

In this sense, the scaling-up of the Triple nexus requires the inclusion of regional and local organizations in a two-way effort: from one side, UN agencies should rethink the political Agenda and the field approach in Islamic countries and vulnerable communities, taking into account all the actors on the ground and collaborating with them. On the other side, the Organization of Islamic Cooperation should integrate into its aid vision and programming the Triple nexus approach, with particular attention on building resilience and strengthening institutions in its most vulnerable member countries. Thus, building true resilience requires an understanding that moves beyond the narrow views of the risks that are faced. Any intervention needs to be a better understanding of

²⁷ Amjad Mohamed-Saleem, "Localising Humanitarianism, Peace Making, and Diplomacy: The Challenges Facing Muslim INGOs," *Journal of Peacebuilding & Development* 15, no. 2 (May 2020): 178-191, https://doi.org/10.1177/1542316620925802.

²⁸ Lydia Tanner and Leben Moro, "Missed Out: The Role of Local Actors in the Humanitarian Response in the South Sudan Conflict," *CAFOD*, April 28, 2016: 12-15, https://doi.org/10.21201/2016.606290. – Patricia Ward, "Capitalising on 'Local Knowledge': The Labour Practices behind Successful Aid Projects – the Case of Jordan," *Current Sociology*, February 19, 2020, https://doi.org/10.1177/0011392120905342.

what the response should be. There should be a better, more interdisciplinary, understanding of the globalized vulnerability landscape among both policymakers and operational decision-makers.²⁹

Moreover, the implementation of the Triple Nexus is not just a matter of policies. **Resource allocation** is a key element that contributes to removing barriers among different interventions. There is a significant difference in how the humanitarian and development actors are funded. Humanitarian funding is usually annual, grant-based, and targeted at individual short-term projects. It might promote funding projects that are aligned with the **priorities of the donor**, rather than **identified needs**. Triple nexus requires going beyond the silos and allocating funds in order to finance collective outcomes with a flexible and multiple-year mechanism. Tools of Islamic finance and blended mechanisms can contribute to supporting the financing gap and allocation of funds on a long-term perspective. This research highlights the effort of the Islamic Development Bank in aligning its policies and financing method to the resilience approach, also through **strengthening institutions**, which is a crucial component in conflict-affected and fragile contexts. Good governance and strong institutions amplify the impact of aid and the political and social resilience and self-reliance, creating a virtuous circle of resources management.

Regarding the existing financial instruments, the Lives and Livelihoods Fund represents, at the same time, an innovative financing model for fragile and underdevelopment contexts and a way to build resilience. Together, these two elements give sustainability to projects financed in terms of financial resources and the impact on the beneficiaries. On the one hand, this multi-donor fund is created by blending loans and grants, and it ensures the financial feasibility of the projects. On the other hand, the specific objective of building resilience and strengthening institutions makes projects and their impact positive for recipient communities and countries, which will continue to benefit even after their conclusion. A critical aspect could be identified in the nature of donors, mainly Arab and Muslim countries. In a future perspective of the Fund, it should engage Western

²⁹ Jemilah, Mahmood. "Keynote address at Commonwealth People's Forum," Commonwealth Foundation, November 11, 2013.

donors, an effort that has already started in 2018, with the inclusion of the UK Department of International Cooperation (DFID) among its members. In this way, the LLF would benefit from a greater amount of grants, but also increase the involvement of different donors and visions that can contribute to the Fund's mission. The LLF could be a positive model for financing and implementing aid in a joint effort of Muslim and non-Muslim donors and, at the same time, a space where improving dialogue on a common strategy for implementing the humanitarian-development-peacebuilding nexus.

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