POLICY SOLUTION

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THE CIVIC RESILIENCE MUTUAL:

PRE-ARRANGED FINANCE FOR SOCIAL COHESION AND CONFLICT PREVENTION



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Diagnosis of a global policy challenge, threat, and opportunity

Social cohesion is part of a society's operating capacity. It is the ability of people, communities, and public institutions to manage disagreement, maintain trust, and act together when pressure rises. That capacity is increasingly strained by conflict, climate shocks, displacement, food-price volatility, unequal access to services, and rapid technological change. In 2024, one in eight people worldwide was exposed to violent conflict, with direct economic losses estimated at nearly $20 trillion.[1] In Organisation for Economic Co-operation and Development (OECD) countries, only 39 percent of respondents report high or moderately high trust in their national government.[2]

The problem is rarely a lack of warning. Governments and international organizations often recognize mounting tension, climate risk, or a breakdown in services. The gap lies between warning and response. The local institutions able to mediate disputes, keep shared services running, or convene people across divides commonly have the least flexible funding and are asked to apply for support only after a crisis is already visible. This does not mean that social cohesion matters more than food, shelter, safety, or livelihoods during a shock. It means that emergency support works better when people trust the information they receive, see decisions as fair, and have credible local ways to resolve disputes before frustration turns into violence or exclusion.

This matters well beyond fragile settings. A local breakdown can disrupt supply chains, increase displacement, undermine investments, and deepen distrust in public institutions. The reverse is also true: reliable local institutions can help communities absorb shocks without turning every disagreement into a security problem. The World Bank links inclusive services, meaningful citizen voice, and accountable local institutions to stronger social cohesion and conflict prevention.[3] The 2026 Chair's Summary of the Hamburg Sustainability Conference (HSC) reaches a related conclusion: legitimacy depends on inclusion and on partnerships that produce visible benefits.[4]

An assessment of status quo institutional responses

The relevant tools already exist, but they are not connected in a way that makes early action reliably executable. The United Nations Development Programme (UNDP) and other peacebuilding actors

[1] World Bank Group, "Social Cohesion and Resilience," accessed September 18, 2026.
[2] OECD, *Government at a Glance 2025*, (Paris: OECD Publishing, 2025), 44.
[3] World Bank Group, "Social Cohesion and Resilience," accessed September 18, 2026.
[4] Hamburg Sustainability Conference, HSC 2026 Chair's Summary (2026), 2, 8–11.

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support early warning, dialogue, local governance, and recovery.[5] The World Bank and its partners have developed anticipatory financing for food-security crises and shock-responsive social protection, using pre-agreed plans, triggers, and contingency finance.[6] These are valuable precedents, but they generally focus on humanitarian impacts or national delivery systems rather than on the continuity of local civic infrastructure.

Europe has especially strong building blocks. The European Union's (EU) early-warning and conflict-analysis tools identify risk and generate options for preventive action. Its Global Europe instrument can support resilience, early warning, mediation, and rapid response, including actions that strengthen social and political cohesion.[7] Yet the institutional handoff from analysis to small, fast, locally controlled financing remains uneven. EU rapid-response funding is necessarily designed for a wide range of external-action needs; it is not a standing mutual that pre-qualifies local civic partners and releases modest support when agreed conditions are met.

The proposal below is therefore distinct, though not disconnected from existing practice. Its novelty is not the claim that early warning, mediation, or local peacebuilding are new. They are well established. The innovation is to combine pre-arranged finance, local pre-qualification, and accountable rapid activation in one mechanism dedicated to keeping local civic capacity available before tensions escalate.

Recommended governance change

The G20 should establish a *Civic Resilience Mutual*: a voluntary facility that gives trusted local institutions pre-arranged access to small, rapid grants during periods of acute social stress. It would work like mutual insurance for civic capacity. Members would contribute to a pooled reserve; local partners would qualify before a crisis; and funding would be released against clear, publicly understood conditions.

The Mutual should support civic resilience partners such as municipal service units, mediation networks, women-led and youth-led organizations, public libraries, neighborhood associations, and locally rooted media or information initiatives. Eligibility should be determined jointly by national authorities and an independent local review panel. Partners would need to show local legitimacy, inclusive governance, sound financial management, conflict sensitivity, and the ability to work across social or political lines.

The facility should offer two practical windows:

- **Continuity Window:** Small grants to keep essential local functions running during a shock: mediation, public communication, safe community spaces, legal referral, or access to a shared service.
- **Repair Window:** Rapid support for locally agreed actions that reduce friction between groups: restoring a shared facility, creating a transparent grievance process, or enabling dialogue between host and displaced communities.

[5] UNDP, "Peacebuilding: Building Trust, Preventing Conflict, and Sustaining Peace," accessed September 18, 2026.
[6] World Bank Group, "Famine Action Mechanism," accessed September 18, 2026; World Bank Group, "Fragility and Forced Displacement," accessed September 18, 2026.
[7] European Commission, "Peace and Security," accessed September 18, 2026; Regulation (EU) 2021/947.

Activation should be based on a documented local request, publicly available indicators such as extreme weather, sudden displacement, a major service disruption, or sharp food-price stress, and a short verification by the local governance panel. No political profiling, opaque surveillance, or automated decisions should determine funding. Data can inform action; accountable people must authorize it.

The Mutual should be judged by practical measures: how quickly funds reach qualified partners, whether essential civic functions remain available, whether affected groups consider the response fair, and whether all activations and expenditures are publicly reported. It should not promise that it can prevent every conflict. Its purpose is narrower and more credible: to ensure that communities are not left without the institutions they need to manage pressure peacefully.

A European role that adds real value

Europe should be a founding partner and standard setter, not the owner of the mechanism. The EU can contribute three assets that few actors can combine: its conflict early-warning capacity, its rapid-response and development-finance instruments, and its practical experience supporting mediation and locally led peacebuilding. The European Commission and the European External Action Service (EEAS) should invite a group of willing EU Member States, partner countries, multilateral development banks, and local organizations to design a pilot under the Global Europe framework.

The European contribution should have two parts. First, the EU should create a *European Civic Resilience Window* within the Mutual, using appropriate Global Europe thematic and rapid-response instruments to finance a small number of pilots. Second, the EEAS should make relevant conflict analysis available to participating countries and EU Delegations, while leaving activation decisions with nationally agreed and locally representative governance panels. This division of labor matters: Europe can help identify risk and finance preparedness without displacing local judgment.

As one example from civil society, the German NGO “Pro Peace” (formerly Forum ZfD) offers a practical source of learning for the pilot. Its local conflict counseling work in Germany shows the importance of a clear public mandate, impartial support, and processes that involve municipal and civil-society actors. Its work with community partners in Ukraine shows how shared spaces, mediation skills, and local networks can sustain social connection in periods of displacement and war.[8] These approaches should inform the Mutual’s eligibility standards and local-review model; they should not be presented as a ready-made financing mechanism.

Next steps

The G20 should ask a small design group to develop an operating standard within twelve months. It should set criteria for local eligibility, triggers, safeguards, oversight, and evaluation. The group should include local peacebuilding practitioners and representatives of participating countries from

[8] Pro Peace, “Local Conflicts in Germany,” accessed September 18, 2026; Pro Peace, “Local and Virtual Communities,” accessed September 18, 2026.

the outset. Europe should offer to convene the first design meeting with the EEAS, the Commission, a development-finance partner, and civil-society organizations with operational peacebuilding experience.

A first pilot should test the model in a limited number of places facing different forms of pressure, such as climate stress, displacement, or rapid economic transition. The pilot should publish its activation decisions and lessons. If it proves that qualified local institutions can receive timely, accountable support, the Mutual could become a practical bridge between the warnings the international system already produces and the local action it too often fails to finance.

Further reading:

Alaa Tartir and Bilal Salaymeh, *Building an Effective Infrastructure for Peace in Syria and Lebanon* (Stockholm: SIPRI, June 2026), accessed September 20, 2026, https://doi.org/10.55163/FVQP8825

Magda Nassef, Raphael Lotira Arasio, Bakary Kone, Olive Lomokol, and Simon Levine, "Local Government Led Anticipatory Action: Lessons from Mali and Uganda," ODI, December 15, 2025, accessed September 20, 2026, https://odi.org/en/publications/local-government-led-anticipatory-action-lessons-from-mali-and-uganda/](https://odi.org/en/publications/local-government-led-anticipatory-action-lessons-from-mali-and-uganda/

Julia Cournoyer, Leena Badri, and Marion Messmer, *Conflict Prevention under Pressure: How Effective Are the Most Common Interventions, and Are They Fit for Future Conflicts?* Research Paper (London: Chatham House, April 2025), accessed September 20, 2026, https://doi.org/10.55317/9781784136451

Simon Levine and Emma Gogerty, "Twelve Ways to Take Anticipatory Action to Scale in Conflicts and Recurring Crises," ODI, October 15, 2025, accessed September 20, 2026, https://odi.org/en/publications/twelve-ways-to-take-anticipatory-action-to-scale-in-conflicts-and-recurring-crises/

United Nations and World Bank Group, *Pathways for Peace: Inclusive Approaches to Preventing Violent Conflict* (Washington, DC: World Bank, 2018), accessed September 20, 2026, https://openknowledge.worldbank.org/handle/10986/28337