



ANNUAL REPORT 2018

ALL CONFLICTS CAN BE RESOLVED

THE CRISIS MANAGEMENT INITIATIVE (CMI) is an independent Finnish organisation that works to prevent and resolve violent political conflicts through informal dialogue and mediation.

Nobel Peace Prize laureate and former President of Finland Martti Ahtisaari founded CMI in 2000. Since then, CMI has grown to become one of the leaders of its field.

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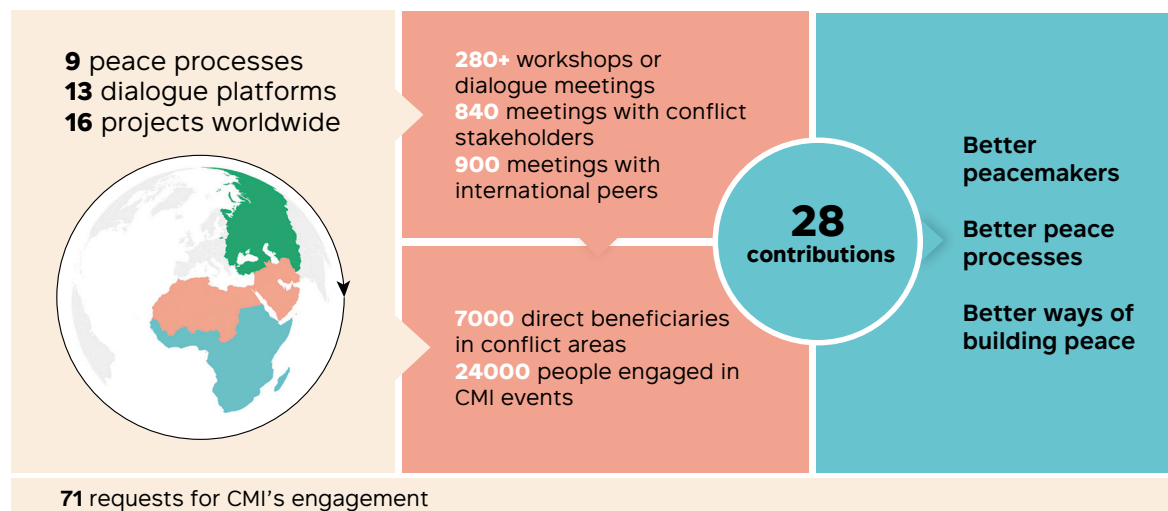
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CMI works to prevent and resolve violent political conflicts. We aim to achieve this through facilitating dialogue, mediating between conflicting sides, providing capacity-building and mediation support at different stages of peace processes — using our expertise to support the broader peacemaking community.

We focus on making meaningful contributions to peace processes in three regions – the **Middle East and North Africa, Eurasia** and **Sub-Saharan Africa**. In 2019, we are opening a programme in **Asia**.

KEY NUMBERS 2018



THE NEW WORLD DISORDER

We live in peculiar times. International politics has gone back to the power politics of the Cold War, but within a more unstable and unpredictable framework. Is it possible for such a fragmented and rivalry-filled international system to respond effectively to the serious challenges facing the world? Or do we have to conclude that liberal democracy and globalisation were just a passing experiment lasting only a few decades?

HERE I WANT TO TAKE a short look at the current state of the world from the vantage point of three well-known years of upheaval: 1945, 1989 and 2016.

The first of these brought the end of the Second World War, the most devastating and murderous event in history. At the time the world was determined to ensure that such a calamity would never happen again. This led to the creation of the current multinational system and its most symbolic organisation, the United Nations. Ironically, it was also at this time that the Cold War was taking shape, dividing the world into two opposing ideological and political systems. The Cold War era was a global struggle for power between the United States-led free market economy and the authoritarian planned economic system led by the Soviet Union. This extended period of polarisation would last over 45 years.

It unravelled in 1989, a year that was indisputably one of the most hopeful of the last century. It saw the demolition of the Berlin Wall and the impending demise of the Cold War and of the Soviet Union itself. At the same time, the Baltic States were heading for independence and the countries of Europe were drawing closer to each other. This new, unipolar political era would be shaped by a single superpower and its allies across the Atlantic. The United States dominated the world in all areas of science, the arts, popular culture and the development of the arms industry and technology in general. As the Cold War ended, the American political scientist Francis Fukuyama wrote of “the end of history”, by which he meant

that Western liberal democracy could be the endpoint of humanity’s political evolution.

“The big question is how can this politically messy and disunified international community deal with the challenges facing humanity.”

Fast forward to 2016, and a major leap backwards. Suddenly the age of multilateralism was over and power politics were back in full force. As a result, the world was once again divided, this time between the United States, Russia and China. The concept of a unified Europe began to erode with Brexit and the rise of populist movements. Leaders in Hungary, Poland, Turkey, Russia and the United States set about rewriting the rules of representative democracy. There was open contempt for the role of the state, political parties, the media and institutions in general. Civil society and the free media were targeted by deliberate disruption – trolling – and the spreading of false and misleading information on scale. Amidst all this, the amount of violent conflicts have risen and credibility and influence of multinational organisations and the international treaty system have started to erode.

The world is very different today than it was just a few years ago. The liberal, rules-based international system that Europe and North America once cherished has gone. The big question is how can this politically messy and disunified international community deal with the challenges facing humanity, such as global warming, digitalisation, hybrid threats, refugee crises, and highly complex violent conflicts. Such large problems can only be solved through cooperation aimed at creating an outward-looking global system based on inclusiveness, cooperation and mutual understanding. How about re-energising the multilateral system – the wheel does not need to be re-invented. But is there the skill for this, or more importantly the collective will?

I have been Chair of CMI’s board since autumn 2017. CMI’s vision is based on the wise and optimistic con-

viction of its founder, Nobel Peace Prize laureate and former President of Finland Martti Ahtisaari, that all conflicts can be resolved. His worldview, which continues to guide CMI, is deeply rooted in a belief in equality between all people and equal treatment in all situations, including in situations where official, diplomatic channels are not enough. Face-to-face dialogue and cooperation can work miracles. CMI will continue to uphold the virtues that always characterised Martti Ahtisaari's principled and highly successful approach to peace mediation: absolutely fair, equal and respectful treatment of all, with a sincere effort to listen carefully and to understand all sides. It is these same virtues that are most needed today – by the whole world.



Photo: Annina Peltonen

FINDING NEW OPPORTUNITIES FOR DIALOGUE AND MEDIATION

Peace is too precious to be left to the whims and selfish endeavours of power politics. There is a growing need for organisations that facilitate dialogue without a political agenda, and persistently try out new approaches when old ones fail.

MUCH HAS BEEN SAID about the growing concerns we are facing today. Phenomena such as increasing polarisation, the global trust deficit, the risk of nuclear proliferation, fake news, rapid technological advancement and climate change are real concerns and the frequency with which they are articulated is becoming more intense. They act as threat multipliers to our common humanity, and most certainly to peace and security. Amidst the fears of seeing our multilateral, rules-based system fade away, I'm often reminded of CMI's raison d'être.

“When attitudes and politics harden and the space for diplomacy shrinks, it provides an opportunity for mediation and dialogue.”

The role of informal, private diplomacy actors grows with polarisation. We at CMI have noticed that when attitudes and politics harden and the space for diplomacy shrinks, it provides an opportunity for mediation and dialogue. It is pivotal to keep channels open and build new platforms for conversations that can happen in the quiet, away from the public eye and day-to-day politicking. These exchanges that happen under the radar with both official and unofficial actors, serve the purpose of understanding different viewpoints, building confidence and good will, preparing the ground for better times, and engaging in joint problem-solving.

On the other hand, while the informal behind-the-scenes setting enables trust-building and common understanding, links need to be established with official channels and the public in order for change to take root. A good example of such multi-dimensional work is our project in Ukraine, where informal workshops, public discourse, and official decision-making are utilised together in order to take steps towards peace.

Even when times are tough, we need to ensure that there are mechanisms in place to prevent incidents from escalating to violence. We have seen the danger signs both near and far. If official diplomacy falters, we need other options. Private diplomacy actors such as CMI are used to navigating between different spaces and keeping avenues open when formal links go sour. There is a growing need for organisations that facilitate dialogue without a political agenda and persistently try out new approaches when old ones fail.

Whatever the activities are that go on behind the scenes or on the public stage, they have to be exceedingly robust and responsible. Good intentions can go horribly wrong if they are not properly and carefully validated and carried out by actors who adhere to the highest ethical and professional standards.

In the face of ever-increasing complexity through changes in the world order, the inevitable and devastating impact of climate change, and the rapid advances in technology, the nature of wars and conflicts will change. Therefore, the practice of mediation and dialogue will have to change accordingly. We have to be future-oriented and understand how these fundamental changes will impact our work.

These are momentous challenges that require coordination and cooperation. At CMI one of our central principles is complementarity: understanding our role and

strengths within a community of mediation practitioners, and how that can add value when combined with the efforts of other actors. What is clear is that we build partnerships and alliances with different actors - like-minded but particularly with those who hold very different viewpoints. It's not just about working together but learning together and shaping new approaches and insights. Peace is too precious to be left to the whims and selfish endeavours of power politics, broader society needs to step in and step up.



CONTRIBUTIONS TO PEACE

2018 illustrated the impact of major global trends, including climate change, nationalism, and the demise of multilateralism. We urgently need innovative solutions to respond to common global problems. In order to be effective, peace processes must be crafted with these trends in mind. In this context, we advanced our global programme ‘Changing the Game - Peace by Peace’.

IN 2018, we focused our portfolio and leveraged nationally-owned solutions. This required deliberate results-based management and clear decision-making criteria, focused on achieving significant contributions to peace processes. The results of which are highlighted in the following pages.

We experienced progress and growth in our Eurasia portfolio, deepened our network and understanding of intertwined dynamics in the Gulf and Red Sea, and experienced renewed interest and increased demand for CMI as an independent peace mediation actor. Building on the legacy of President Ahtisaari in Southeast Asia, we established an Asia regional team anchored in our support

to the nationally-owned peace process in Myanmar. This project and some other work in the region have resulted in the launch of CMI’s Asia programme in 2019.

“Greater emphasis was placed on innovation, especially concerning peacotech and hybrid threats.”

2018 also proved fertile for testing new methodologies in advancing nationally-owned peace processes. Equally, greater emphasis was placed on innovation, especially concerning peacotech and hybrid threats. While still a growth area for CMI, our policy contributions have sharpened. We published articles on armed groups and peace-making; facilitated global conversations on the role of women in peacemaking; and deepened our understanding on the connection between climate change and conflicts.

Lastly, 2018 demonstrated the importance of cross-regional work. An increasingly complex world means that the places where we work are “shared spaces”. Places like the South Caucasus, the Sahel, and the Red Sea all

necessitate deeper cooperation between and among regional teams. This speaks to the potential added value of CMI as an expert organisation, able to straddle political divides, enhance mutual understanding and smart decision-making.



CMI’s Programme Directors
Ville Brummer (left) and Itonde
Kakoma.

PROGRAMME 2018

EURASIA

UKRAINE CMI works to improve the Donbas peace process by working within Ukraine to strengthen capacities of key actors, and by building channels among international stakeholders involved in the peace process.

- During 2018, CMI focused on capacity-building with influential individuals, as well as advancing public engagement in policy-making.
- Together with Ukrainian partners, CMI has helped develop and launch the 'National Platform – Dialogue for Peace and Secure Reintegration' to improve the quality of public discourse on the Donbas conflict.
- In addition to this, CMI continued to make efforts to foster multilateral 'Ukraine-Russia+' dialogue, also involving stakeholders from Europe, the OSCE and the United States.
- Throughout 2018, CMI engaged with Slovakia as part of planning for their 2019 OSCE Chairmanship. This has included briefings on CMI's work to date, providing channels to CMI dialogue participants, as well as to support the adoption of recommendations by the Ukraine-Russia+ dialogue to the Chairmanship's agenda.



The National Platform sessions co-organized by CMI and its partners in Ukraine are a place for Ukrainian experts, officials and MPs to encounter each other and international experts, and to come up with ideas and initiatives for Ukraine's secure and peaceful future.

TRANSDNIESTRIAN SETTLEMENT PROCESS CMI has long-term engagement in supporting the Transdniestrian settlement process, by building links between key actors as well as supporting the OSCE-led "5+2" international peace process.

- The CMI supported High-Level Advisory group – an informal dialogue platform involving key actors from both sides of the conflict divide – continued to meet on a regular basis. The issues discussed by the group and relevant recommendations have been transferred to the OSCE-led peace process.
- Over the year, this engagement shifted to more clearly support the OSCE, due to the interest and request of the participants, but also the strong interest of the incoming 2019 OSCE Chairmanship.

GAGAUZIA CMI continued its work supporting and facilitating constructive dialogue between central Moldovan authorities in Chisinau, and the authorities of the autonomous region of Gagauzia in Comrat.

- Through the Official Working Group of the Moldovan Parliament and the Gagauz People's Assembly, and a complementary informal platform involving Working Group members and parliamentary support staff, CMI has helped create a viable and legitimate dialogue platform for tackling difficult issues.
- With CMI support, the Working Group commissioned a comprehensive mapping of current center-autonomy institutional arrangements and practices, and how these could be improved. Combined, these will form the basis for a dialogue between stakeholders to develop a shared vision for a mechanism between center and autonomy, a process to be supported by CMI in the next phase.
- In 2018, the project also expanded to include participation of officials from executive branches in Chisinau and Comrat, implementing capacity-building and awareness-raising activities, consultations and a study tour to South Tyrol.



CMI's Moldova Manager Jale Sultanli discussing the results of parliamentary dialogue on Gagauzia with civil society and expert community representatives in Chisinau. Also in the photo Sergei Neicovcen from Moldovan NGO CONTACT, and Natalia Djandjgava, CMI's Moldova Project Officer.

SOUTH CAUCASUS The peace processes that seek to address the unresolved conflicts involving Abkhazia, South Ossetia and Nagorno-Karabakh, remain in deep deadlock in the South Caucasus. Thus, CMI focuses on potential change-makers, both individuals and officials, who can build a conducive environment for peace processes within their societies and enhance links with international actors.

- CMI has conducted a series of Peace Process Competencies trainings in Armenia and in Azerbaijan and in Georgia. These trainings engaged government officials both from a theoretical and practical perspective, with lessons learned from international contexts.
- CMI has continued supporting the capacity of CMI's youth dialogue group involving individuals from all the sides of the Nagorno-Karabakh conflict divides.
- CMI provided access and safe spaces for key international stakeholders, specifically the EU and OSCE, to engage in a constructive and sustained dialogue exchange with local actors from the South Caucasus.

EURASIA REGIONAL In addition to its work in specific contexts, CMI has sought to systematically engage key stakeholders in the Eurasia region, including the OSCE, the European Union, and Russia, who have a determining role towards achieving a more peaceful environment for societies. Notably, CMI has more consistently engaged with the incoming OSCE 2019 Slovak Chairmanship in support to conflict resolution processes in the region.

Through a series of briefings and consultations with key regional actors, CMI has worked towards enhancing mutual understanding and complementarity between the European Union, OSCE and state and non-state actors. This constant engagement with both Vienna and Brussels has a strong synergistic effect on CMI's wider work in the Eurasia region as a whole. This is reflected in a steady stream of requests towards CMI for focused, informal discussions and/or greater cooperation.

MIDDLE EAST AND NORTH AFRICA

PALESTINE Building on progress achieved in previous years, CMI has continued to support intra-Palestinian reconciliation. In 2018, our work centered on supporting a coordination mechanism for the National Unity Document (NUD) – which is a locally-generated and owned roadmap on how to achieve Palestinian national unity.



CMI's Communications Manager Antti Ämmälä interviews Palestinian politician Ayman Daraghme. CMI's Advisor Sultan Yasin on the right.

- In 2018, the mechanism – the NUD Owners' Committee – played an increasingly prominent role in encouraging coordination and exchange among different Palestinian communities. As a result, the capacity of Palestinian civil society organizations to jointly promote concrete solutions has increased. Through this initiative, youth, women and other civil society representatives are better placed to participate in dialogue and in national political debate on Palestinian unity.
- As part of these wider efforts, CMI has also engaged European and other regional and international officials working on Palestinian reconciliation. This has helped ensure an alignment between the interests of Palestinian and international stakeholders.

PEACE INNOVATION CHALLENGE PALESTINE

A challenge contest co-organised with our local partner Masarat inspired Palestinian youth to come up with innovative ideas to strengthen women's participation in peacemaking.

Our aim with the Peace Innovation Challenge Palestine was to encourage and inspire people to develop new approaches for strengthening women's participation in peacemaking. We were looking for locally-driven, concrete ideas that create new ways to break the barriers of participation and inspire others along the way.

The challenge contest was regarded as the first of its kind that translates the agenda of women, peace and security into concrete initiatives in Palestine. The contest culminated in the awarding event, where the challenge prize was shared between two talented teams, one in the West Bank and one in the Gaza Strip.



Shadi Hadneh (left), Bisan Jaffari and Riham Jaffari represent the "Public Spaces" team in the West Bank.

In the West Bank, the awarded team's goal is to enhance women's participation through a "Public Space Initiative". The team aims to challenge the gender stereotypes that alienate women from public spaces and derive them of opportunities for social and political participation in the conservative Al Aroob refugee camp.

In the Gaza Strip, the "New Women" initiative aims to tackle the low representation of women in the university student councils, which are an important stepping stone for future decision makers.

YEMEN In 2018, CMI initiated a new phase in its Yemen work through an EU-funded project — together with a partner organization DeepRoot. The focus is on de-escalation of violence, advancing dialogue within Yemen and greater link-up with regional and international peace processes.

- Through extensive consultations with all conflicting parties and factions, CMI has established trust and a solid network among Yemenis. This enables the parties to come together and create an inclusive and representative platform for tackling critical issues.
- Steps have also been made towards de-escalation in Sirwah. The Sirwah process brought together tribal leaders to help establish a de-escalation mechanism, and map of humanitarian needs.
- After the official talks in Stockholm, CMI received an official request from the UN to support in the implementation of the Taiz agreement and to establish a monitoring mechanism for an eventual ceasefire agreement.

- Both Sirwah and Taiz were identified as areas where de-escalation could generate positive momentum national-wide, as validated by consultations with Yemenis from different sides.

LIBYA Against the backdrop of a protracted political conflict and worsening security situation, CMI managed to strengthen several forums for dialogue to help develop a national, post-conflict vision for Libya.

- Through the Political Parties Dialogue (PPD), we supported enhancing the role of political parties in Libya.
- Through the Women's Working Group (WWG), we widened political space for Libyan women to engage in decision-making on the country's transition.
- In Southern Libya, the CMI-supported Fezzan Working Group (FWG) emerged as an influential network of local actors, willing to coordinate and jointly advocate in building contacts to relevant national actors and with the UN.



Head of Middle East and North Africa Maruan El-Krekshi and Advisor Abdussalam El Belazi in the city of Benghazi in Libya.

REGIONAL DIALOGUE IN THE MIDDLE EAST In addition to its work on conflicts at the national level, CMI continues to advance the possibility of effective regional dialogue in the Middle East. We believe it is necessary both for engaging regional powers to address proxy conflicts, as well as to build a common vision for closer regional integration of efforts to address conflicts. Our work in this area has focused on supporting the mediation capacities of key actors as well as advancing policy discussions.

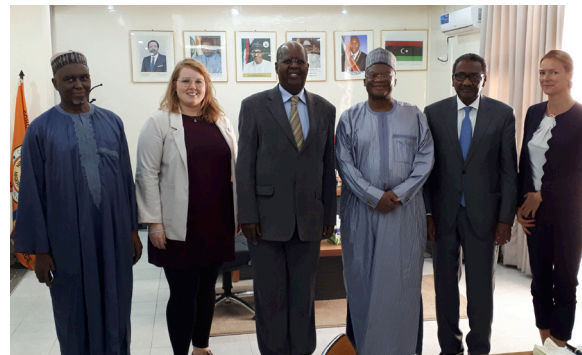
SUB-SAHARAN AFRICA

MEDIATION IN THE APSA CONTEXT CMI has built active operational relationships with different mediation actors of the African Peace and Security Architecture (APSA). CMI is engaged in developing mediation capacities of regional key stakeholders as well as regional and sub-regional institutions.

- Our cooperation with the Economic Community of West African States (ECOWAS) contributed to the launch of the ECOWAS Mediation Guidelines
- Via mapping activities and by sharing information from the ground, CMI contributed to the analysis of conflict contexts and the respective key stakeholders and thereby to the agenda-setting and policy-making of the African Union on transnational dynamics.
- CMI has supported the creation and work of the Network of African Women in Conflict Prevention and Mediation (FemWise-Africa) and the FemWise-Africa Secretariat.

LAKE CHAD BASIN (LCB) Upon request from the Swedish Ministry for Foreign Affairs, CMI advised and supported UNDP Nigeria in the creation of the Lake Chad Basin Governors' Forum, a platform for regional dialogue in areas affected by the violence of Boko Haram. The Forum brings together governors from Cameroon, Chad, Niger and Nigeria, and it aims to enhance cooperation on efforts towards regional stabilisation, building peace, and fostering sustainable development.

- Prior to the inaugural meeting of the Forum, various stakeholders from the four countries were consulted on issues such as the security situation, local governance, economic matters and the reintegration of former Boko Haram fighters. We supported the design and facilitation of these consultations.
- Following the first meeting of the Forum, CMI also carried out consultations across the Lake Chad Basin, talking to government officials, civil society and other key stakeholders about their views on the way forward, and how to best institutionalise the Forum as a platform for inclusive regional dialogue.



CMI delegation met with Ambassador Nuhu, Executive Secretary of the Lake Chad Basin Commission, to discuss the way forward for the recently established Lake Chad Basin Governors' Forum.

CONFLICT PREVENTION IN THE GREAT LAKES REGION

In 2018, CMI continued working towards advancing constructive dialogue in the Great Lakes Region. CMI supported the regional mediation process led by President Mkapa, Facilitator of the East African Community in the Inter-Burundi Dialogue. Moreover, CMI advanced efforts with national and international stakeholders towards advancing sustainable peace in the region.



Steering Committee meeting with the AU Commissioner and partners of the African Union Mediation Support Capacities project in Addis Ababa.

WOMEN IN PEACEMAKING

WOMEN IN PEACEMAKING Our focus on Women in Peacemaking answers the call for the operational translation of UN Security Council Resolution 1325 on Women, Peace, and Security with evidence-based practice, and builds on CMI's wider work.

- We enabled women's groups and representatives to contribute substantively to peace efforts particularly in Libya and South Sudan; and fostered new initiatives for the implementation of UNSCR 1325 in Palestine and Ukraine.
- We contributed to increasing the visibility and recognition of women in mediation, and to support their agency, networking and collaboration in the field.
- We participated in and organised targeted events for tackling policy questions on women's participation and gendered approaches in peacemaking both internationally and in Finland.



Libyan women's working group met in Tunis to validate the recommendations for women's electoral participation. Photo: Hammouda Salhi

POLICY, PARTNERSHIPS AND COORDINATION

Within the framework of CMI's programme, we seek to contribute to global discussions on conflict resolution and prevention to ensure coordination and cooperation and strengthen partnerships and joint learning in this field.

- We continued enhancing our partnerships and coordination particularly with the United Nations.
- Our staff participated in workshops, roundtable discussions, and seminars to share their experiences and insights on various issues and to coordinate with other actors working in the field.
- We sought to expand our partnership with EU through both context-specific and thematic briefings to different European institutions.
- In Finland, coordination and partnerships were built on frequent exchanges and meetings with the Finnish MFA, other ministries, the Parliament, political parties, universities, and research institutions.
- In a similar fashion, we deepened our strategic cooperation especially with the Swedish Ministry for Foreign Affairs and the Stockholm International Peace Research Institute (SIPRI).

PLANNING, MONITORING & EVALUATION

Major progress was made in improving CMI's ability to assess and manage its programme.

- 2018 marked the first year of implementation of CMI's new programme period 2018-2021. To enhance programmatic monitoring and evaluation, several adjustments were made to central planning, monitoring and evaluation processes (PME).
- Internal staff PME capacities continued to develop.
- Internal reviews play a key role in supporting internal reflection and learning among project teams and more widely within CMI. In 2018, five internal reviews were completed.

TEN YEARS OF COOPERATION WITH THE AFRICAN UNION



The AU headquarters in Addis Ababa.

“In order to address the challenges that impede sustainable development, continued collaboration and consultative decision-making between the African Union and all its partners is critical: Finland and CMI remain steadfast friends and partners to the AU.”

Ambassador Frederic Gateretse-Ngoga

The African Union (AU) has a key role in consolidating peace and security on the African continent. This year marks the 10th anniversary of a strong CMI – AU partnership in which CMI provides continuous tailored, flexible and demands-based support to the continental organization.

Our partnership with the African Union is one of the undertakings that best captures the legacy of **Martti Ahtisaari** and his work in the African continent. Deep contextual knowledge, personal and institutional contacts, and placing emphasis on regional dynamics have permitted us to consolidate a relationship with the key peace and security institutions of the African Union.

We strongly believe that conflicts, fragility, and violent disputes in Africa require solutions and responses by African actors. Therefore, as the African Union has taken the primary responsibility to enhance peace, security and stability on the continent, we at CMI have aimed at sup-

porting the AU in resolving and preventing violent conflict. Through the AU Mediation Support Capacities project we have partnered with the AU in mediating between conflict parties, provided advice for peace processes, and joined operational planning at different levels. Funded by the Finnish MFA since 2009, the project brought together the AU, CMI and the African Centre for the Constructive Resolution of Disputes (ACCORD) as partners, with the AU Peace and Security Council as main beneficiary.

According to **Ambassador Eirola**, Senior Adviser for the Finnish MFA on Africa policy, “The Ministry for Foreign Affairs has had a privilege to use CMI’s expertise for supporting African Union’s capacity building in conflict prevention and mediation that are so crucial for peace and stability in Africa.”

Concretely, during the past 10 years CMI has engaged national, regional and international key stakeholders in the analysis of conflicts and peace capacities on the continent. We have organized discussion rounds, seminars and retreats with AU representatives to discuss conflict dynamics and measures to address them. We have provided technical and thematic advice on specific issues such as preventing pre-electoral violence or how to organize local consultations or national dialogues.

Increasing the meaningful participation of women in peacemaking is one of AU global goals and one of the priorities within CMI. Through the office of the AU Special Envoy on Women Peace and Security and with the Gender Units of the Regional Economic Communities (REC’s) we have worked on policy, trainings, and solidarity missions in conflict affected countries among other things. We supported the creation and work of the Network of African Women in Conflict Prevention and Mediation, FemWise-Africa.

We look forward to deepening our partnerships with the Finnish MFA in support of the AU’s peace and mediation efforts.



Top: Leaders and strategic partners of the AU gathered for a seminar on strengthening mediation in Africa held at the AU HQ in May 2015.

Middle left: CMI works with the AU and African Regional Economic Communities to foster regional collaboration in the field of peace and security. Photo taken at the National Dialogues Conference in Helsinki, April 2017.

Middle right: Ambassador Frederic Gateretse-Ngoga is the Ag. Head of the conflict prevention and early warning division at the AU Commission.

Right: President Ahtisaari joined the Joint Steering Committee of the AU Mediation Support Capacity project in Helsinki in July 2017. Programme Director Itonde Kakoma to his left and Advisor Anna-Elfving Gomes on the right.



UKRAINE

THE COST OF WAR IS TOO MUCH

The National Platform provides Ukrainians with a regular forum to discuss ideas and initiatives for the country's peaceful future. "CMI does not offer you standard solutions, but they think creatively. I must say that CMI has been relevant to Ukraine", says Ukraine's former prime minister Yevhen Marchuk.

Each month for two years, Ukrainians from different backgrounds and different regions gather to discuss the future of their country. The setting varies. Sometimes there is an open public invitation, at others to the media, specialists or politicians. Most often it is a mixture. What are these gatherings that CMI facilitates and organizes together with its partners? The forums serve a higher

purpose; they are a place to express opinions, a diversity of viewpoints. These Public Marathons and National Platforms are a neutral, safe place for people to encounter each other, to try to understand different perspectives, and most of all try to come up with ideas and initiatives for Ukraine's peaceful future.

CMI has several projects in Ukraine. Their common element is dialogue. Whether you discuss among Ukrainians themselves or involve neighboring countries in the debate, the range of ideas is abundant.

"It is already something to have a neutral, safe place to be heard and to express one's opinion. The second stage is to try to find a consensus among all the different opinions. That will always take time", says **Denis Matveev**, who leads CMI's Ukraine work.





One of CMI's methods is to bring outside viewpoints and best practices in conflict resolution to often heated internal discussions. "Everyone thinks that their conflict is unique. No one else can understand it. But surprisingly, fairly often, conflicts have commonalities. We try to help people to see their conflict as a patchwork quilt – a system made of many components. Some of the patches in the quilt will be similar to other conflicts, so useful thematic lessons can be drawn from other experiences", Matveev explains. CMI has brought outside speakers to the National Platform with experiences from, among many others, Northern Ireland, Indonesia, the Western Balkans, Columbia, Lebanon, Finland and the United States.

Left: Family enters a church close to Donetsk airport. Even though the church and the cemetery have been bombed, service is held and attended regularly.
Photo: Niklas Meltio

Above: The National Platform has received wide media coverage in the national media, a single event reaching up to 5 million people.

Right: General Yevhen Marchuk is Ukraine's former prime minister. He has been involved with CMI for four years.





There are 1,6 million internally displaced persons (IDPs) in the country and more than 100 000 young men have been directly involved in the armed conflict.
Photo: Niklas Meltio

This learning-from-others -method gets appraisals from General Yevhen Marchuk, Ukraine's envoy to the Trilateral Contact Group, also known as the Minsk talks on Donbas, who has been involved with CMI for four years. During this time he has met over 15 top peace mediators and politicians from all over the world who have been directly involved in negotiating their own conflicts. The general laughs when he recalls meeting former Irish prime minister Bertie Ahern. "We had very good discussions. I learned a lot and have been able to use that experience in my own situations."

He continues: "These meetings that CMI has organized have been extremely helpful. Not only the information that we get from other people who have conflict experiences, but very concrete suggestions such as paying attention to language we use when talking about the other conflict party. Changing the tone of language can be transformational. It is a small but very useful detail. CMI does not offer you standard solutions, but they think creatively. I must say that CMI has been relevant to Ukraine." The Platform has already molded the public discussion in Ukraine. It has received wide media coverage in the national media, a single event reaching up to 5 million people.

Almost a hundred people and a lot of media representatives participated in the National Platform held in February 2019. The discussion topic was international involvement in the peace process, but most participants talked about the issue of national unity. The discussion was

intense and many views were expressed. "We are still seeking consensus, but I know that at a critical moment Ukrainians will unite and have a shared view of their future", General Marchuk emphasises.

He stresses that the financial cost of war is too much, between several hundred thousand and several millions of euros a day depending on how heavy the fighting that day has been. The conflict has gone on for four years. There are 1,6 million internally displaced persons (IDPs) in the country and more than 100 000 young men have been directly involved in the armed conflict.

"The costs – and I mean also the human cost to the country – is too much. It will impact a whole generation of young people. You feel bad that you are not in the front line or then you get traumatized being there. Only bad solutions. Many young people have also left the country. And the young should be our future", says General Marchuk, who over the years served as Ukraine's prime minister and defense minister. He now negotiates on behalf of Ukraine at the Minsk talks. "Our main weapon is our people – the Ukrainians who want to build their country. I am an extensive optimist. Somehow we will work this out."

UKRAINE

Population: 43.9 million

Area: 603,628 km²

Largest cities: Kyiv, Kharkiv, Dnipro

Human development index: 0.751 (ranked 88th in the world)

Our work: CMI works to improve the Donbas peace process by working within Ukraine to strengthen capacities of key actors, and by building channels among international stakeholders involved in the peace process.

- We build the capacity of influential individuals, as well as advance their public engagement in policy-making.
- We have helped develop and launch the 'National Platform – Dialogue for Peace and Secure Reintegration' to improve the quality of public discourse on the Donbas conflict.
- We foster Ukraine-Russia and multilateral 'Ukraine-Russia+' dialogue.

DIALOGUE HELPS HEAL THE DIVISIONS CAUSED BY THE WAR

Public Marathon discussion forums have been breaking down taboos in Ukrainian cities, building dialogue between groups of people that hold another in mutual mistrust.

Since spring 2018, CMI has helped organise Public Marathon discussion forums throughout Ukraine. So far, such events have been held in 11 different cities.

The Public Marathon brings together people who might otherwise not encounter one another. It helps them to build up a mutual understanding on how the war-torn country can reunite to bring about peace. Internally displaced people (IDPs), Ukrainian soldiers, war veterans, civil activists, clergy and journalists have been among those taking part in the Public Marathon.

The Public Marathon is based on the idea that dialogue between different groups of people is sorely needed in order to heal the divisions caused by the war. The Public Marathon breaks down taboos, because amidst the antagonistic social climate a dialogue, for instance with displaced people from the Donbas areas not under Ukrainian government control, may be viewed negatively.

Tatiana Mosentseva, one of the organisers, says that the message that came from those taking part in all 11 towns was “very positive” in terms of Ukraine’s future.

“None of the participants, regardless of how much the war had traumatised them or their communities, thought that Donbas should be separated from Ukraine. Everyone said that the people living in those areas are their fellow countrymen and women.

“People realise that they have a purpose to be together in this country. They had a common vision and they could understand one another, regardless of their political opinions, where they lived, or what their personal histories were.”

In Ukraine there is little dialogue between different groups at grassroots level, and ordinary people scarcely venture beyond their everyday spheres of activity. For many, the only windows to the outside world are the national TV channels, which provide their own slant on reality.

This all creates fertile ground for misconceptions concerning different groups of people. The war has stoked

antagonisms. A major problem is the attitude towards the roughly 1,5-million internally displaced people from Eastern Ukrainian regions of Donetsk and Luhansk. Some Ukrainians are generally suspicious of the IDPs, while others even accuse them of being Russian collaborators.



According to Tatiana Mosentseva, there is a great need for public forums like Public Marathon. “People want to participate in finding solutions to problems that touch all Ukrainians.”

OUR PEOPLE

Organisational and Human Resources

At the end of 2018 CMI had 46 employees in Helsinki and two in Brussels. In addition, CMI had a variable number of staff consultants depending on project needs (on average 25). Compared to the previous year the overall number of staff has remained at a similar level. In March 2019 CMI had around 80 staff members.

In 2018, there have been some recruitments due to new uprising needs and longer leaves. For the first time CMI had a year-long secondment from Finnish MFA and in return in 2019 a person from CMI will be sent to MFA. This exchange further improves and enhances the good co-operation with the MFA. In 2019 the number of personnel is expected to increase slightly. This depends on the success of fundraising and partnerships. In accordance with CMI's strategy, we have opened most vacancies first internally to offer our staff new possibilities within the organization. This increases flexibility inside CMI and affords new possibilities for existing staff. However, it also brings challenges for a small organization due to multiple changes at the same time and the resulting chain reactions.

Wellbeing

In 2018, we continued to enhance our wellbeing practices. We also continued to develop remote leadership practices and cooperation between headquarters and the field. The biannual staff wellbeing survey was conducted in 2018. The overall result matched the internally set target of 3,8/5 on average. However, the results also indicated a need for development in the areas of recovery, work-life balance, as well as internal communications. Furthermore, CMI acknowledges that sometimes the nature of our work can be hectic, stressful and emotionally challenging. Therefore, we will continue addressing these issues in 2019 with the support of an external partner.

In 2018 we conducted an equal treatment and sexual harassment survey to get feedback on these areas and to develop our guidelines and practices further. In response, we are processing a more detailed equality plan and HR guidelines.

Decision making

CMI's highest decision-making organ, the General Meeting, convened two times in 2018. CMI has 108 members.

The Board consists of the Chair Alexander Stubb and seven other board members, selected for a two-year period. CMI's Board of Directors is ultimately responsible for CMI's long-term strategy, significant financial decisions, the approval of new members and the appointment of the Executive Director. President Martti Ahtisaari continues as Senior Advisor to CMI.



CMI's board 2018. Kirsti Lintonen, Gunvor Kronman, Kari Lautjärvi, Jutta Urpilainen, Aleksi Neuvonen, and Chairman Alexander Stubb. Absent: Kristina Pentti-von Walzel and Christoph Vitzthum.

CMI's Executive Director, Tuija Talvitie, leads CMI's operational work and the implementation of CMI's strategy. The leadership team supports the Executive Director in planning and decision-making. Members of the leadership team are the Executive Director, Director of Finance and Administration, two Programme Directors and Director of Communications and Fundraising.

Security

There were no security incidents during 2018. However, CMI continues to operate in high risk environments. Furthermore, the expansion of regional scope to include Asia has resulted in expanded security risk management requirements.



2018 saw the launch of expansion of information security and privacy related enhancements in CMI's risk management practices. CMI's Security Policy was holistically updated to reflect changes in the security environment and new internal thinking on comprehensive management of security, safety and information security. With new threats and legal requirements in the form of European General Data Protection Regulation (GDPR), CMI has established a structured process for information security and privacy. This included the updating of privacy related practices and policies, and staff-wide trainings for best practices in daily operations. Managed by the Security Advisor, Information Security Team was set up in 2018 to oversee information security related risk identification, assessment and mitigation.

In terms of field security, the new Asia programme was launched with a thorough risk management component, that will be used as a model in enhancing risk management for future emerging initiatives as well. Lessons have also been incorporated in a process of drafting a CMI-wide risk management policy. This process will continue in 2019. In addition to the new initiatives, security has been active in fostering and deepening established partnerships. CMI has been engaged with InternationalSOS for tailored field security planning in Asia and elsewhere. CMI continues to be a member of European Inter-Agency Security Forum and is involved heavily in peer-organization support and industry wide learning.



Photos taken at CMI's staff retreat which was organised in June 2018 in Hanko, Finland. As previously, it was seen successful forum for knowledge sharing and internal learning as well as more informal exchange between staff members.

From the top: CMI staff.

Advisor João Gomes Porto discussing with Project Manager Laura Hendry.

Head of Eurasia Roxana Cristescu discussing with Senior Advisor Yasar Qatarneh.

FINANCE AND ADMINISTRATION

CMI's financial situation continues on a steady and moderate growth track. While the Finnish Ministry for Foreign Affairs (MFA) is CMI's core funder, successful steps have been taken in broadening the funding base through other governments and the EU. Our administrative and financial practices and policies remain solid, as our good track record with regular audits shows.

Finance overview

CMI's total income in 2018 was €8.0m, which is 9,1% more than in the previous year (€7.3m). The surplus amounted to €27k, which is a decrease of €75k from previous year. CMI's biggest funder continues to be Government of Finland, accounting for 44% of the total funding in 2018. CMI has been successful in broadening its funding base, with other governments representing 26% of the total funding in 2018 (14% in 2017).

The partnership with Finnish MFA is the funding base which CMI continues to appreciate and nurture. The new MFA partnership funding cycle started in 2018 and will continue until 2021. CMI's strategic partnerships with other governments has deepened, Sweden being the second largest governmental funder in 2018. CMI's private fundraising has gained some important partnerships as well. CMI expects steady growth and even more diverse funding base in the coming years. The cashflow of CMI continues to be on a good level.

Financial monitoring

Due to CMI's funding structure and nature of our work, corporate governance and financial monitoring must be appropriate, adequate and fully transparent. The leading principle in CMI's finance is to adhere to all the regulations and laws, and to be as transparent and open as possible. Therefore, financial monitoring is

FINANCIAL STATEMENT 2018

INCOME AND EXPENDITURE

INCOME	2018	2017
Governments	6 172 615	5 375 092
Private Foundations and Societies	952 081	858 860
Private Sector	22 503	9 172
Other	817 354	1 056 712
TOTAL GRANTS AND DONATIONS	7 964 553	7 299 836
EXPENSES	2018	2017
External Professional Services	1 579 883	1 314 788
Personnel Costs	2 697 272	2 395 185
Other Costs	3 660 113	3 487 613
TOTAL EXPENSES	7 937 268	7 197 586
SURPLUS / DEFICIT	27 286	102 250

BALANCE SHEET

ASSETS	2018	2017
Non-Current Assets		
Machinery and Equipment	18 055	19 349
Current Assets		
Project Income Receivables	256 604	53 342
Pre-payments and Deposits	175 643	131 830
Cash and Bank	3 052 148	3 099 617
TOTAL ASSETS	3 502 449	3 304 137
LIABILITIES	2018	2017
Equity		
Equity Capital	14 223	14 233
Carryforward from Previous Years	345 356	243 106
Surplus/Deficit	27 286	102 250
Total Equity	386 865	359 579
Short-term Liabilities		
Project Income Advances	2 064 204	1 966 372
Accounts Payables and Other Accruals	1 051 380	978 185
TOTAL LIABILITIES	3 502 449	3 304 137

conducted at the organisational, programme and project level. All financial processes are electronic. Regular monitoring allows CMI to respond swiftly to emerging challenges and mitigate risks beforehand. CMI monitors its finances in such a way that the qualitative and quantitative expectations of our work are met: a result-based approach and forecast management is our framework.

The finance team continues to produce timely information for both regional teams as well as the leadership team to allow well-informed decision making at all levels of the organization. Monthly reports comparing budgets, forecasts and actual expenditure are produced for all teams and for the whole programme. More comprehensive financial and substantive reporting is compiled every tertile, including key performance indicators, and the reports are analyzed and discussed in Finance Review meetings organized for each team. Both private and public funding pipelines and actuals are monitored monthly. Financial issues are also an agenda item in every Board meeting.

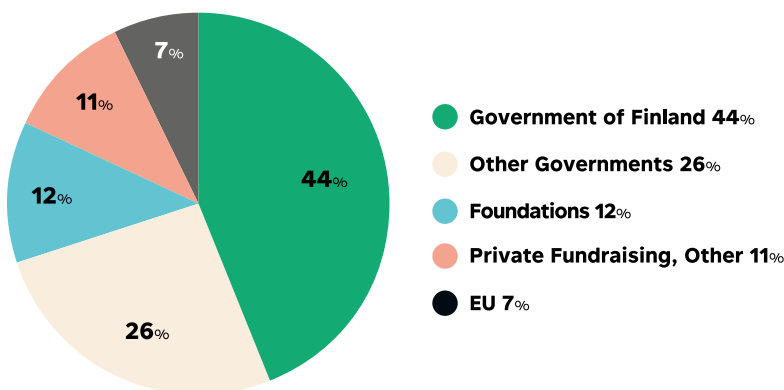
CMI's projects are regularly audited according to donors' requirements. Other organizations continue to benchmark practices and policies of CMI, due to the good remarks CMI has received from many different audits. F&A team performed several monitoring trips to project locations, e.g. Moldova, Ukraine, Belgium, Armenia, Myanmar and the Palestinian Territory during 2018.



Finance & admin team 2018.

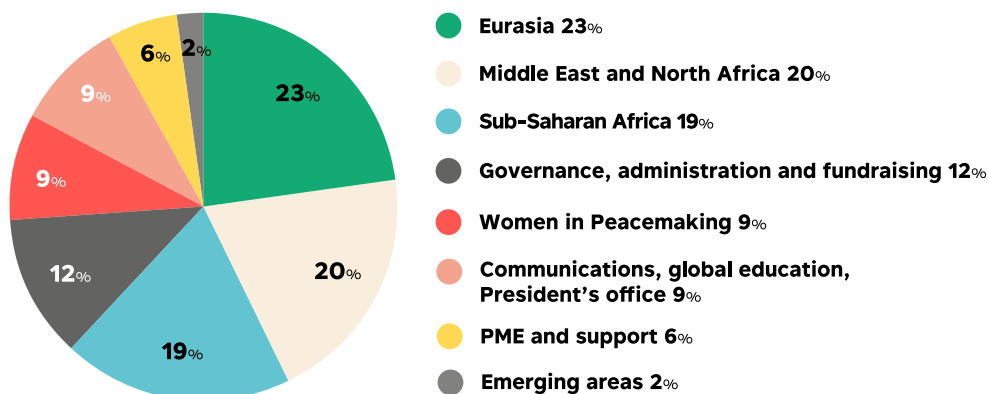
SOURCES OF FUNDING

2018. While the Finnish MFA is CMI's core funder, successful steps have been taken in broadening the funding base through other governments and the EU, which have doubled in 2018.



ACTUAL EXPENSES

2018. Eurasia, Middle East and North Africa, and Sub-Saharan Africa continue to account for the majority of CMI's actual expenses. The share of Women in Peacemaking is also steadily growing. Governance, administration and fundraising expenses remain at a low level, being 12% in 2018. PME stands for Planning, Monitoring and Evaluation.



PARTNERSHIPS AND FUNDRAISING

CMI's work is founded on partnerships, both in terms of political support and joint strategising for peacemaking, and financial support.

THE MULTI-YEAR PARTNERSHIP with the Finnish Ministry for Foreign Affairs forms the central pillar of CMI's core funding base, which enables both long-term engagement and flexibility to explore emerging opportunities. Alongside Finland, we treasure and continue to develop strategic partnerships with Sweden and Ireland, as well as a more multifaceted relationship with the European Union. We acknowledge that a complementary and diverse funding base is fundamental to the organisation's operation and independence. To this end, we engage with a number of governments and institutional donors who contribute through targeted project funding.

PARTNERSHIPS



Ministry for Foreign
Affairs of Finland

European Commission
UNDP (United Nations Development Programme)
Government of Australia
Government of Belgium
Government of Finland
Government of Ireland
Government of the Netherlands
Government of Sweden
Government of Switzerland
Government of the United Kingdom

PRIVATE FUNDRAISING

CMI's work wouldn't be possible without corporate and private donors.

ONE OF THE GREATEST ASSETS in CMI's work is impartiality, which cannot be achieved without private funding. Private funds are essential to be able to quickly react to emerging or suddenly escalating conflicts.

Private sources contributed approximately 10 percent of CMI's total funding in 2018. Major sources for private funding where private individuals, corporate partners, foundations as well as donations through our events, website and campaigns.

In 2018 we saw a significant increase in CMI's long term corporate partners. Several multi-year contracts were signed and prepared during the year.

The Eva Ahlström Foundation became our largest private partner with a generous contribution of 80 000 euros.

The #worldsworstjoke campaign attracted especially corporate donors and raised over 100 000 euros for CMI's Women in Peacemaking work. The campaign was designed and implemented in collaboration with our pro-bono partner Miltton.

Individual private donors remained extremely important as a source of private funding. Private donations were channeled especially through our Premium Donors Club and fundraising events.

THANK YOU!

MAIN PARTNER



PARTNERS

AHO
OY

ALGOL

ALEXANDER

BASSO

CapMan

Coca-Cola
Suomi

Danske Bank

DITTMAR & INDRENIUS

elisa



FINNAIR

fortum

KID

KONECRANES



LUMON

mitton

VOVO

NIEMI®
MUUTTA KAIKEN



TANA
From Waste to Value

TAT TALOUDELLINEN
TIEDOTUSTOIMISTO

tieto

VESALAINEN

WÄRTSILÄ

OTHER SUPPORTERS AND PARTNERS IN-KIND

B2B-solutions, Château Puybarbe, City of Espoo, Esmes, Finnish National Theatre, HundrED, Iittala Group, Kone, Klok, Kusinkapital, Marx van Ranst Vermeersch & Partners Brussels, Måndag, Studio Kaarre, Welldone L.R., XENIX Strategie -und Wirtschaftsberatung

FOUNDATIONS AND OTHER DONORS

American Friends of CMI (AFCMI), Anders Wiklöf, Aktiastiftelsen i Esbo-Grankulla, Alfred Kordelin Foundation, Eva Ahlström Foundation, Finlandia Foundation National, Hartwall August Ludvig Stiftelse, Jane & Aatos Erkko Foundation, Jenny and Antti Wihuri Foundation, Stiftelsen Tre Smeder, Svenska Kulturfonden, Rockefeller Brothers Fund

A WORD FROM OUR PARTNER



As a child I was often told that I was too “goodhearted” because my biggest wish was for World Peace and that people would treat each other with compassion and respect.

When President Ahtisaari won the Nobel Peace prize in 2008, his statement that all conflicts can be resolved, resonated deeply with me. A recognized and respected statesman told the world that there is nothing naïve in striving for peace. On the contrary, it should be our duty.

I believe it is foremost a privilege to be involved and engaged in the making of our joint future. I am very proud that the Eva Ahlström foundation has decided to deepen and extend our partnership with CMI to help ensure that CMI has the independent, non-earmarked funding that makes it possible for them to react when a crisis occurs.

Our foundation strives to change the way “charity” or “doing good” is perceived by advocating for compassion and action. Supporting CMI fits this mission perfectly.

Maria Bondestam

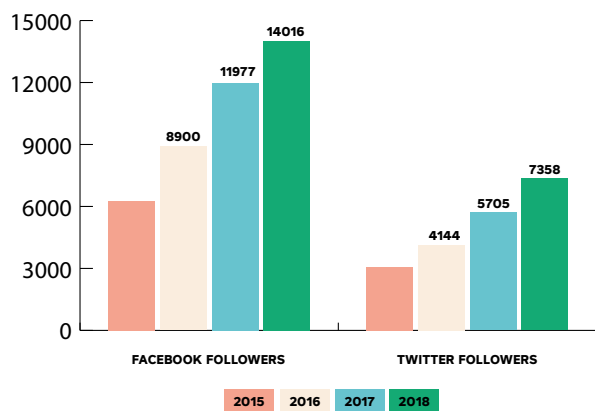
Chairman of the Board,
Eva Ahlström Foundation

COMMUNICATIONS

Cracking open the secrets of peacemaking in an understandable way.

WHAT DOES THE TERM “positive peace” mean in practice? What do we mean when we speak about an “honest broker”? Why is inclusivity important in peacemaking? Our video series “Vocabulary of peace” aims to crack open the secrets of peacemaking in an understandable way. The video series is just one example of the work we do to tell about our work and its results in a clear and engaging way.

This sort of appealing content and active social media presence bore fruit in 2018. Our following continued to increase in all of our social media channels (Facebook + 17%, Twitter + 29%, Instagram +77%), thereby widening our outreach. One of the highlights of the year was our #worldsworstjoke fundraising campaign, which raised awareness about the importance of women’s participation in peace processes. The fun campaign video was a success, reaching over 320 000 people.



Our social media channels continued to grow in 2018.

We also received much visibility in the traditional media. Cooperation with Finnish and international media was one of the cornerstones of our external communications. Throughout the year, we actively increased CMI’s media visibility, and our work was picked up on a number of occasions by leading media outlets. Our blog posts published in Uusi Suomi also reached over 22 000 readers.



Federica Mogherini spoke at our event ‘Mediation makes sense’, held to commemorate ten years since President Ahtisaari’s Nobel Peace Prize.

Big year for the peacemaking community

2018 was also a significant year for President Ahtisaari and the whole peacemaking community: 10 years ago President Ahtisaari received the Nobel Peace Prize. To celebrate this significant occasion, we organized a commemoration, which discussed Ahtisaari’s legacy. The keynote speaker was the High Representative of the European Union for Foreign Affairs and Security, **Federica Mogherini**, who observed that the ideas of the CMI’s founder are an inspiration to the EU as a peace project.

We also had an honor to welcome former US Vice President **Al Gore** to Helsinki. He spoke at our event titled ‘Our Planet in Crisis and the Sustainability Revolution’, organized in cooperation with Generation Investment Management.



Former US Vice President Al Gore stressed that conflict resolution organizations like CMI can play an important role in solving the climate crisis.



President Ahtisaari with Edvin Vuotilainen of Mattildens Gymnasium and Mette Bergmann of Espoolahti High School.

TEACHING PEACEMAKING FROM A YOUNG AGE: PRESIDENT AHTISAARI'S LEGACY TAKING ROOT AMONG THE YOUTH

The Ahtisaari Days' message of peace spread to Espoo schools. Conflict resolution is an art that each one of us can learn.

SEVENTH GRADER Oliver Heikkilä from Kirkkojärvi School in Espoo was smiling broadly. **President Ahtisaari** had just awarded him as his school's student mediator. Oliver was lauded as a mediator who is friendly and considerate of others.

Oliver and a fellow student also got the chance to hear the Nobel laureate's own peace mediation principles at a ceremony held at the school. President Ahtisaari explained that he started out on his career as a mediator as a youngster on the basketball court, where tempers would run high.



CMI's Sade Hotakainen and Oskari Eronen visiting Nöykkiö School.

"I was the one who'd say let's sit down now and loosen up." The President stressed the importance of learning to settle disputes when one is young.

Insights in Espoo classrooms

The President's visit to Kirkkojärvi School kicked off the annual Ahtisaari Days in Espoo. Experts from CMI and the Foreign Ministry, as well as our young peace ambassadors the Lennons, visited altogether 36 schools in Espoo. A total of 5 000 learners attended classes on peace mediation.

"Conflicts are not resolved by violence but by negotiation. The same as you solve arguments between friends by talking. All sorts of conflicts can be resolved peacefully. Each one of us can be a peace maker", CMI experts **Oskari Eronen** and **Sade Hotakainen** urged learners at Nöykkiö School.

The same topic was the focus of an event held in the afternoon at Aalto University with President Ahtisaari and his son **Marko Ahtisaari**. They both stressed the importance cooperation in conflict situations: "You can't do anything in isolation."

Find out more: www.ahtisaaripaiva.fi



ALL CONFLICTS CAN BE RESOLVED

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