

STATE AND PEACEBUILDING FUND PROGRESS AND RESULTS

as of September, 2019

Prevention and Recovery Grants

Central Asia: Development Approaches for Preventing Violent Extremism (\$500,000). This grant supports a study of the specific risks of recruitment of young men and women into violent extremism (VE), and of the extent to which views supportive of violent extremist movements are present in Central Asian countries. Activities include:

- evidence-based research on the drivers of VE in Central Asia, with an emphasis on youth, gender, and local dimensions;
- defining a development approach for the prevention of VE that can complement security approaches; and
- recommending possible development interventions to inform World Bank support to client governments in preventing VE and addressing recruitment and reintegration.

The initial focus is on Tajikistan as the poorest country in Central Asia, with the longest shared border with Afghanistan, and a pilot country under the Risk Mitigation Regime.

Philippines: Attaining Just and Lasting Peace (\$1,250,000). This project provides the Government of the Philippines, peace partners, and World Bank teams with timely access to technical assistance, just-in-time advisory services and global knowledge products designed to support the peace and development agenda. The main pillars of the work are:

- supporting peacebuilding planning and conflict-sensitive development, including through the development of a Risk and Resilience Assessment and the design and implementation of a “Peace Lens” to enhance World Bank operations in Mindanao; and
- capacity building for peace consolidation to support institution-building and enable the transition of combatants to productive civilian life.

Zimbabwe Immediate Transition Support Program (\$1,000,000). Zimbabwe is undergoing a complex transition following the change in country leadership in November 2017 and the announcement of an ambitious program of reforms. To establish the scale and scope of the country’s current infrastructure and social needs the Government of Zimbabwe requested support from the African Development Bank, the UN, and the World Bank for a Joint Needs Assessment to generate consensus around priorities for the first five years of the transition.

The SPF—through a direct transfer to ZimREF MDTF—is supporting the design of a strategy for the country’s transition based on findings from the Joint Needs Assessment. The strategy will help the government establish the evidence base and systems necessary to improve national decision-making and coordination in support of a peaceful transition and socio-economic transformation, based on broad consultation among various national stakeholders.

Crisis Response Grants

Central America: Youth Employment and Crime and Violence (\$300,000). Central America has witnessed a staggering increase in violence since 2000, and Honduras and El Salvador have the highest homicide rates in the

world. This project builds knowledge on strategies to improve the labor market prospects of at-risk youth in highly violent contexts in Honduras. The grant supports the development of measurement tools to gather evidence on the role of building soft skills as complements to more traditional labor market training interventions in high violence settings. The measurement tools include modules on soft skills, mental health, crime and violence, and an innovative social networks measurement module. Among other key outcomes, the latter will provide important new insights into how social network structures interact with crime and violence.

South Sudan: The Dynamics of South Sudan's Conflict Economy (\$600,000). Civil war in South Sudan has caused the deaths of an estimated 40 000 people since 2013, and the displacement of perhaps 4 million more. The conflict has inflicted significant damage, but its exact magnitude and the dynamics of the war economy remain poorly understood.

This project aims to provide an in-depth understanding of the conflict dynamics in South Sudan and their implications for agricultural production and food security; migration and human trafficking; spillovers to neighboring countries; informal trade and financing flows; and investments in illicit activities.

The research draws on new sources of data, remote sensing, and artificial intelligence to provide, for the first time, a granular overview of the economic dynamics supporting the conflict, expanding knowledge on how economic systems in conflict work and how shocks propagate.

Ukraine: Conflict Response and Recovery Pilot and Capacity Building (\$3,200,000). The conflict in eastern Ukraine continues to present severe challenges to security, stability and recovery. This project enhances recovery and peacebuilding by improving the capacity of the Ministry for Temporarily Occupied Territories and Internally Displaced Persons (MOT) to address the development impacts of the conflict.

The grant supports capacity building to help MOT to fulfill its strategy, planning and coordination mandate. It enables new research and analysis to assess the socio-economic impacts of displacement and combatant return, in order to provide robust data to underpin future planning and programming. Finally, it funds pilot activities that respond to the developmental needs of internally displaced persons, former combatants and host communities as a complement to ongoing humanitarian response efforts.

Forced Displacement Grants

Bangladesh: Cox's Bazar Rapid Impact, Vulnerability and Needs Assessment (\$100,000). There are now close to one million Rohingya refugees in Bangladesh, a situation that poses multiple risks to regional peace and stability. However, critical risk mitigation measures are in place which ensure the safety and dignified living conditions of the Rohingya and manage potential conflicts with host communities.

This grant supports these measures with an assessment of the impacts, vulnerabilities, needs, and gaps under the current and potential refugee influx and disaster scenarios, and provides a framework for short-, medium-, and long-term interventions to address them.

The primary focus is a rapid assessment of the potential impact of the Rohingya on Cox's Bazar's social and physical infrastructure and capacity for service delivery, as well as on the resulting recovery needs. Building on existing data and assessments, international good practices in similar contexts, and dialogue with key stakeholders and partners on coping and mitigation strategies, the assessment will inform the Bank's dialogue with the Government of Bangladesh to support maintaining peace and stability. It will also guide potential Bank involvement in development investments for refugees and host communities.

Ethiopia, Kenya and Uganda: Operationalizing Forced Displacement Program (\$2,400,000). The new Comprehensive Refugee Response Framework (CRRF) outlines specific actions for easing pressure on host

countries; enhancing refugee self-reliance; expanding access to third-country solutions; and supporting conditions for safe and dignified return to countries of origin.

This program supports the Governments of CRRF pilot countries Ethiopia, Kenya and Uganda in their continued efforts to implement progressive policy environments to enhance refugees' self-reliance and agency, and to reduce poverty in host communities. The program enables activities across five pillars:

1. supporting technical dialogue on refugee responses;
2. strengthening synergies between humanitarian and development programs on forced displacement;
3. supporting roll-out of the CRRF process;
4. mitigating delivery challenges to maximize the impact of resources for refugees and host communities; and
5. communicating on the progress of high-level commitments.

Together, these pillars are expected to contribute to the operationalization of the IDA18 Regional Sub-window for Refugees and Host Communities, and to the roll-out of the CRRF process.

Uganda: Evidence-Based and Comprehensive Response to Forced Displacement (\$2,200,000). Uganda is currently the largest host of refugees in Africa. The Government has consistently implemented one of the most progressive refugee policy regimes in the world, but there is scope for efficiency gains through improved targeting and harmonized service delivery.

This program contributes to the sustainability of the government's policies and practices by strengthening the evidence base and institutional capacity of key agencies. Its objectives are to:

- support the transition from humanitarian assistance to development programs;
- mitigate delivery challenges and manage risks to maximize development impact;
- strengthen the evidence base for informed decision-making and program interventions; and
- disseminate lessons learned.

Specific activities include:

- strengthening local government capacity to integrate refugee issues in planning and budgeting;
- supporting a comprehensive and coordinated approach to prevent and respond to gender-based violence in areas with protracted refugee presence;
- strategic investment planning to address woodland degradation and enhance biomass energy security; and
- assessing the environmental and social impacts of refugee influx into host districts, and identifying mitigation actions to ensure sustainable interventions by all actors involved in refugee response.

Humanitarian-Development-Peace Nexus Grants

Mali: Joint UN-World Bank Project on Jobs for Youth (\$1,000,000). This grant informs the design of effective support to Jobs for Youth, promoting stabilization in Mali's conflict areas while advancing joint World Bank-UN work on jobs in FCV contexts. Supported activities include:

- surveys and focus group discussions to assess the economic situation and aspirations of young people in central Mali;
- developing and testing a curriculum for psycho-social support for beneficiaries, to complement the effect of jobs support on economic outcomes and stability; and

- an impact evaluation of youth employment activities. Cooperation between the UN and World Bank teams focuses on joint work in beneficiary targeting to provide jobs support where it most effectively promotes stabilization; security arrangements to enable supervision visits to the project areas; and joint learning.

Lake Chad Region: Cross-border Collaboration (\$450,000). This grant builds the foundations for a regional recovery and development strategy for the Lake Chad region, in line with the WBGUN Strategic Partnership Framework objective of strengthening collaboration and joint action in post-crisis and humanitarian settings. A regional recovery and development strategy will contribute directly to recovery and stabilization planning processes for areas around Lake Chad that are transitioning from the need for a military and humanitarian response to a response which prioritizes development.

The grant supports enhanced cross-collaboration between the governments of Chad, Niger, Cameroon, and Nigeria, particularly through the Lake Chad Basin Governor's Forum, and enables regional dialogue among governors, local governments, and civil society organizations across the four countries.

Libya: Developing a Framework for Recovery and Peacebuilding in Libya (\$750,000). This grant enables a Recovery and Peacebuilding Assessment (RPBA) to support the UN-led peace process in Libya, in response to a request from the Government of National Accord. It identifies and costs the needs and priorities for the reconstruction of Libya; establishes a platform for broader consultations on these needs and priorities; and develops a financing and implementation strategy to support peacebuilding activities.

The project builds on recommendations from the 2018 Risk and Resilience Assessment for Libya and will result in both a strategy that can guide Libya's recovery and reconstruction, and a coordination framework that will improve dialogue, coordination and monitoring during the implementation period.

Financing Solutions Grants

West Bank and Gaza: Development Impact Bond for Jobs (\$2,000,000). Impact bonds have emerged as an effective and innovative results-based financing model that leverages private sector investment and focuses on achieving results. This grant supports the testing of Development Impact Bonds as an innovative financing instrument to incentivize private investment and create jobs. The project focuses on enhancing the skills of the Palestinian workforce in a market-driven way to foster improved job outcomes. The bonds will finance the training, job search, and placement services provided to beneficiaries, depending on private sector demand.

Liberia: MSMEs and Rural Finance Post-Ebola Reconstruction (\$4,800,000). Micro, small, and medium enterprises (MSMEs) represent the bulk of employment opportunities in Liberia, providing a lifeline to the poorest in society, and to those most affected by the Ebola crisis. Despite several government-led financing schemes targeting SMEs, the unmet demand for finance remains significant.

This grant aims to support the development of a framework to provide finance on sustainable terms to MSMEs, enhance the capacity of local private sector financial institutions to lend profitably to these enterprises, and objectively measure outcomes. The grant supports a SME Financing Facility in providing on-lending to micro and small entrepreneurs. It enables technical assistance to develop the use of digital financial services and new lending instruments and supports a demonstration to both Government and local banks of best practices in MSME lending.

Lebanon: The Role of Financial Services to Manage the Syrian Refugee Crisis (\$500,000). This grant supports analytical work to

- (i) enhance the knowledge of policymakers on the role of financial services to manage economic instability caused by the Syrian refugee crisis; and

- (ii) (ii) strengthen the economic resilience of vulnerable populations and refugees in Lebanon by piloting innovative approaches to financial inclusion.

The analytical work documents global best practices in innovative mechanisms to deliver financial services during crisis, while the pilot tests the provision of microfinance services to recipients of agency-executed cash transfers. The grant helps Lebanon take a leadership position in the use of financial inclusion to mitigate the effects of conflict on both refugees and host communities