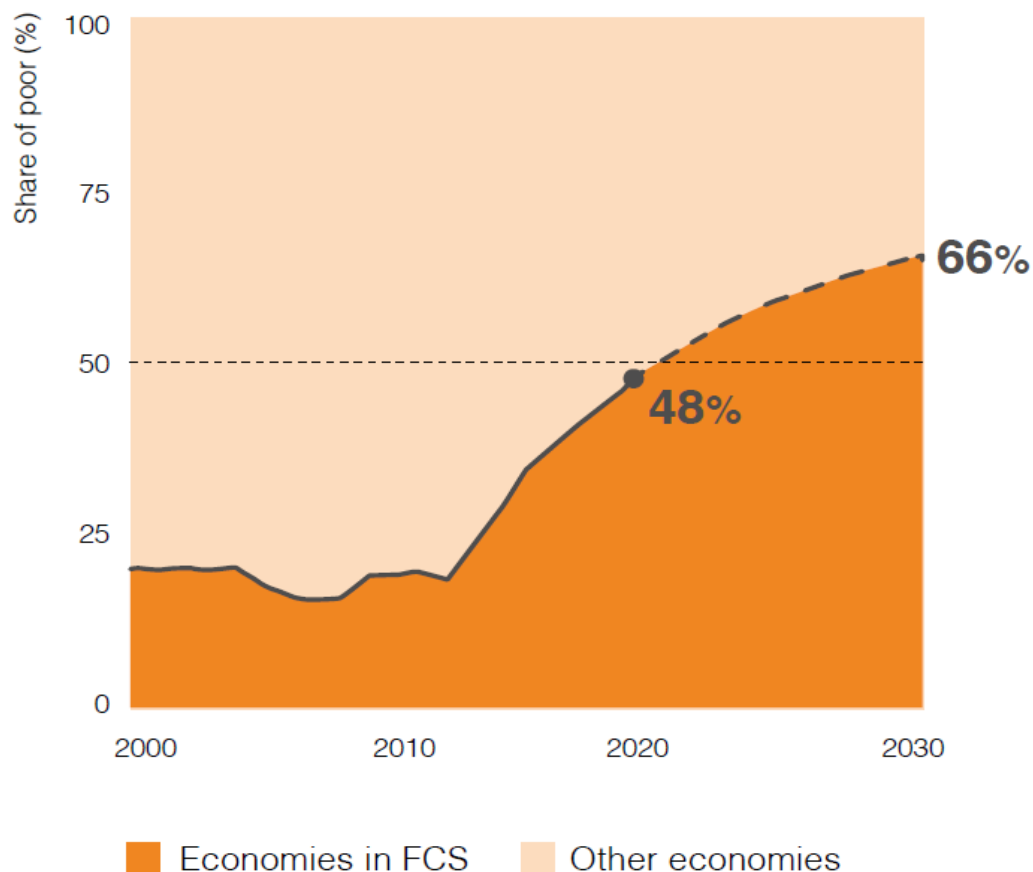


WORLD BANK GROUP STRATEGY FOR FRAGILITY, CONFLICT, AND VIOLENCE 2020-2025



Addressing the challenges posed by fragility, conflict and violence (FCV) is critical to achieving the WBG's mission of ending extreme poverty

Poverty is increasing in fragile settings, with up to 66% of the global extreme poor living in these contexts by 2030



More violent conflicts than at any time in the past 30 years, impacting both low- and middle-income countries



79.5 million forcibly displaced people: the largest forced displacement crisis since World War II



The COVID-19 crisis, as well as other shocks and long-term risks are exacerbating FCV challenges, such as food insecurity, climate change, inequality and gender disparities, and demographic pressures

The World Bank Group has evolved from its initial focus on post-conflict reconstruction to addressing challenges across the full spectrum of fragility

Focus on post-conflict reconstruction



2002

Afghanistan Reconstruction Trust Fund Established

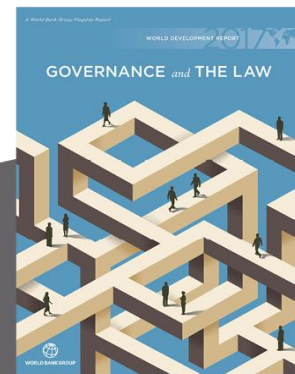
Shifting the focus on development actors' role to address fragility and conflict



2006

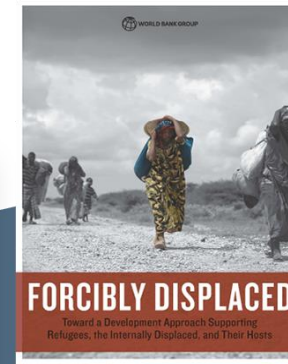
First classification of fragile situations

Pivoting to prevention, and providing development support in active conflict & forced displacement situations



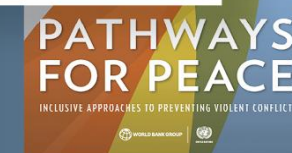
2011

WDR on Conflict, Security and Development



2017

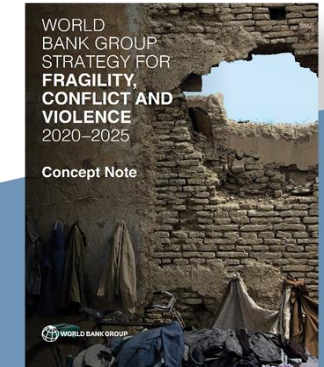
Launch of IDA18



2018

UN-WBG joint report, *Pathways for Peace*

WBG's first Strategy for FCV



2020

Launch of WBG FCV Strategy

Through our engagement in FCV settings, we have learned key lessons to enhance our effectiveness on-the-ground



Focusing on peace and stability is crucial to reducing poverty and increasing growth



Addressing the root causes of FCV is critical to preventing conflict and promoting peace



Investing in the private sector is key to creating jobs, stability, and long-term prosperity



Partnerships with a diverse set of actors are necessary to maximize our collective impact

The FCV Strategy aims to provide tailored development support to countries and communities facing diverse FCV challenges

OBJECTIVE: Enhance the WBG's effectiveness to support countries in addressing the root causes and impacts of FCV and strengthening their resilience, especially for the most vulnerable populations

GUIDING PRINCIPLES



Differentiation



Inclusion



Legitimacy, Transparency & Accountability



Private Sector Solutions for Impact



**PREVENTING VIOLENT
CONFLICT AND
INTERPERSONAL
VIOLENCE**



**REMAINING ENGAGED
DURING CONFLICT AND
CRISIS SITUATIONS**



**HELPING COUNTRIES
TRANSITION OUT OF
FRAGILITY**



**MITIGATING THE
SPILLOVERS OF FCV**

Underpinned by the WBG's comparative advantage in FCV settings:

Sustained and long-term engagement to support national systems, strengthen core state functions and build institutional resilience and capacity, in support of government and private sector clients

The Strategy articulates a tailored financing architecture for low- and middle-income countries aligned with the key pillars of engagement

Through IDA19, we have scaled-up support for low-income countries



IDA19 FINANCING FOR FCV



COUNTRIES CAN ALSO ACCESS



We are also providing support to middle-income countries impacted by FCV challenges



IBRD provides support to address pockets of fragility, subnational conflict, and post-conflict reconstruction in contexts such as Mindanao, Philippines



Providing over \$4 billion through the Global Concessional Financing Facility to support refugees & host communities in Jordan, Lebanon, Colombia, and Ecuador

Trust Funds are crucial to complement IDA and IBRD financing in FCV settings and provide targeted support



In line with the pillars of the FCV Strategy, the **State and Peacebuilding Fund** provides agile and catalytic support for innovative programs in fragile settings

Understanding the root causes of fragility & sources of resilience is essential to design and implement FCV-sensitive country strategies and operations

Through analytical tools such as Risk and Resilience Assessments (RRAs), we provide analysis and operational recommendations to enhance our support.

Key areas of focus in RRAs include:

- **The root causes of fragility in the country** and how they can exacerbate tensions and escalate into violence or conflict
- **Longer-term risks and shocks**, such as climate change, rising inequalities, or demographic shocks
- **Factors and sources of resilience** to understand how to mitigate, manage and potentially prevent the escalation or exacerbation of FCV

Translating analytics into country programs



2020 Central African Republic Country Partnership Framework

A clear focus on FCV and **leveraging the IDA19 Turn Around Allocation to support the Government-led stabilization plan**



2020 Sudan Country Engagement Note

Focus on **helping transition out of fragility** by improving macro stability, strengthening institutions and social protection, and fostering private sector-led growth



Complemented by analytics focused on prevention, preparedness, and addressing compounding risks and crises

- Promoting risk-informed investment in conflict and crisis prevention and preparedness
- Addressing emerging food crises through analytics and informing early-action financing through IDA19

Partnerships with a broad range of actors are essential to maximize impact

UNITED NATIONS-WORLD BANK PARTNERSHIP

- Cooperation in **over 40 crisis-affected situations**
- Strong **partnership with UNHCR** on forced displacement crises
- Partnered with UN agencies (e.g. WHO, UNHCR, UNICEF, WFP, OCHA, etc.) in **over 20 FCS countries for COVID-19 response**

CIVIL SOCIETY ORGANIZATIONS

- **Partnering with CSOs in insecure areas and close to the most vulnerable groups** (e.g. with ICRC in South Sudan, Somalia)

MULTILATERAL, REGIONAL, AND BILATERAL PARTNERS

- Working with the UN, MDBs, and bilateral partners as part of the Global Concessional Financing Facility to support refugees and host communities in impacted MICs
- MDB Working Group on FCV

PRIVATE SECTOR

- Engaging the private sector in FCV, led by IFC and MIGA

Leveraging the comparative advantage of partners across the humanitarian-development-peace nexus



THE SAHEL

Partnering with G5 & Sahel Alliance to deliver \$8.5 billion in development support to insecure areas across region



SOMALIA

Working with several actors – e.g. UN agencies, peacekeeping missions, and ICRC – to support the country's transition and address crises such as food security shocks



YEMEN

Providing over \$1.7 billion in IDA financing, in partnership with UN agencies, to preserve development outcomes and build resilience

In the context of the COVID-19 crisis, the FCV Strategy provides an important framework to address the vulnerabilities impacted FCV-affected countries

Critical Elements to Address COVID-19 Crisis



Effective state institutions and strong macro-fiscal capacity



Functioning and accessible health system



Effective and inclusive social safety nets



Strong social cohesion with trust in state institutions



Resilience and ability to manage crises



Sustaining livelihoods and preserving jobs

Existing Risks Facing FCV-Impacted Countries



Weak govts with lack of capacity, high levels of debt, and often without control of parts of their territory



Severely under-resourced health systems – expenditures are 1.2% of GDP in FCS compared to 5.9% of GDP globally*



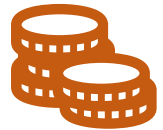
Weak social safety nets with limited reach, often excluding refugees and the most vulnerable



Fractured social contract, with severe deficits of trust between citizens and the state



Overlapping crises, such as violent conflict, food insecurity, regional spillovers, and climate shocks



Weak private sector capacity, underdeveloped markets, and poor access to finance

COVID-19 is deepening extreme poverty and intensifying instability in fragile settings, thereby requiring a tailored approach in FCV contexts

The consequences of COVID-19 are significant & destabilizing in FCV settings:



Deepest Recession in 50 years



Increasing levels of social unrest



Sharp rises in gender-based violence



Intensification of violence and conflict



Rising levels of food insecurity



Hitting hard on the forcibly displaced



Between 19-30 million additional people in fragile and conflict-affected countries estimated to have fallen into extreme poverty in 2020 due to COVID-19

As part of its emergency response, the WBG has provided support to more than 30 fragile and conflict-affected countries:



Strengthening national systems for **prevention and public health preparedness**

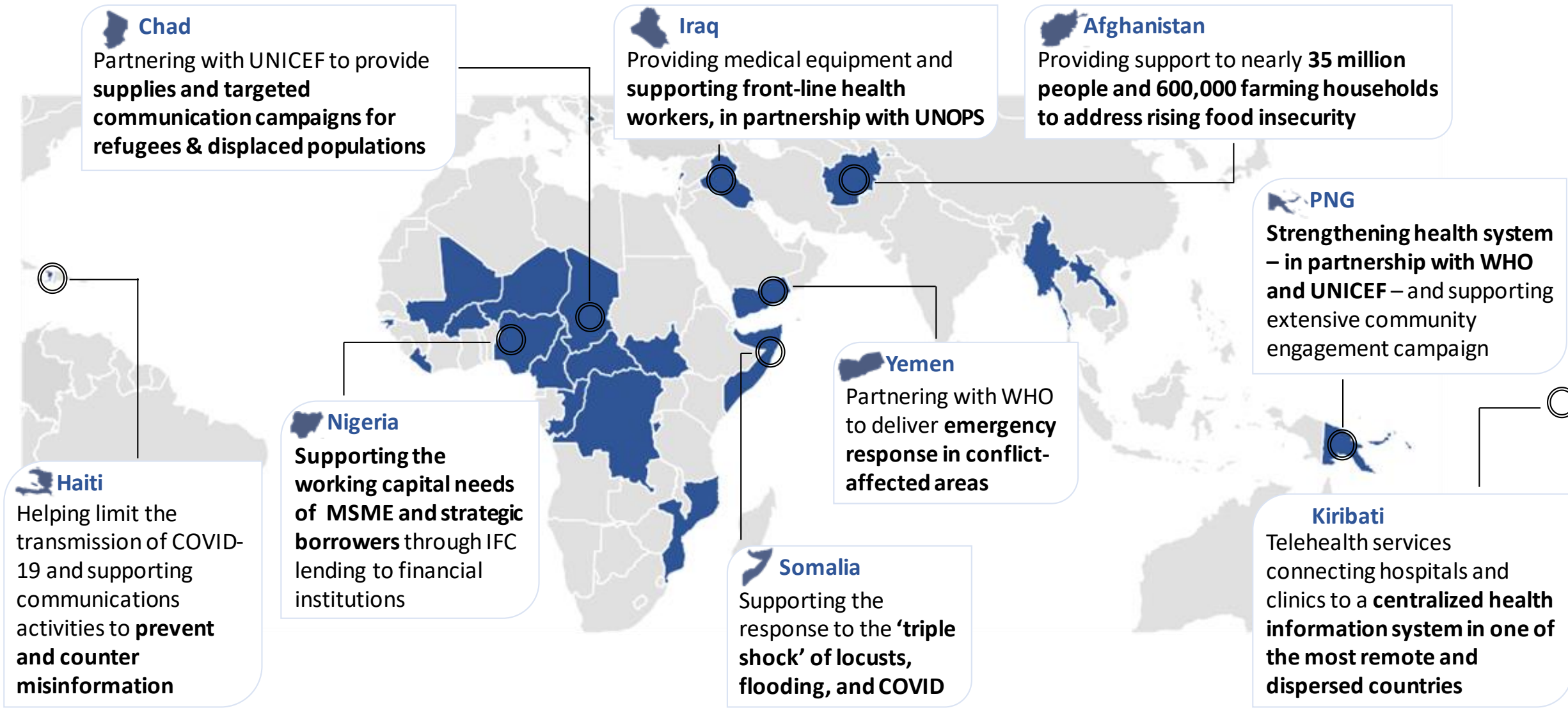


Protecting human capital and **building resilience** to the health, social, and economic shocks posed by the crisis



Supporting the most **vulnerable communities**, including refugees and IDPs

The WBG's response to date has supported over 30 FCS countries, including with \$2.5 billion in new financing, to address the COVID-19 crisis



Key Takeaways

#1 

Addressing FCV challenges is critical to ending extreme poverty – by 2030, up to two-thirds of the global extreme poor will live in fragile & conflict-affected situations

#2 

The WBG has significantly scaled-up its engagement, going beyond post-conflict reconstruction to support countries across the full spectrum of fragility

#3 

The Strategy articulates a tailored approach to address the specific FCV challenges faced by countries, recognizing there is no 'one-size-fits-all' solution

#4 

The Strategy will help adapt the way the WBG operates in FCV through a tailored financing toolkit and specific measures designed to more effectively support countries and vulnerable communities

#5 

Systematically addressing the drivers of FCV, partnerships, scaling-up presence on-the-ground, and tailored implementation support is essential in FCV settings

#6 

The Strategy helps inform the COVID-19 response in FCV settings, through a focus on protecting human capital, supporting the most vulnerable, and strengthening resilience