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World Bank Engagement in Situations of Conflict

An Evaluation of FY10–20 Experience

IEG Independent Evaluation Group
WORLD BANK GROUP
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WHAT WORKS

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Segun Bamidele Aiyesan is a Nigerian painter, born in Benin City. His painting Scarface asks deep questions of its viewers. The tightly cropped perspective of the face forces a sense of intimacy, encouraging the viewer to get to know this person. Yet, the person is unknowable in many respects – casting his or her eyes downwards, missing one eye, and lacking any particularly unique features. The person depicted seems to ask the viewer: Can you see me? Can you empathize with me, or am I a stranger living in a world unknown to you?

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An Evaluation of FY10–20 Experience

November 3, 2021

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Abbreviations

ASA	advisory services and analytics
CMU	Country Management Unit
COVID-19	coronavirus
CPF	Country Partnership Framework
DNA	Damage and Needs Assessment
DPF	development policy financing
DPO	development policy operation
FCS	fragile and conflict-affected situation
FCV	fragility, conflict, and violence
FY	fiscal year
GBV	gender-based violence
ICR	Implementation Completion and Results Report
ICRC	International Committee of the Red Cross
ICRR	Implementation Completion and Results Report Review
IDA	International Development Association
IDA18	18th Replenishment of the International Development Association
IDA19	19th Replenishment of the International Development Association
IDP	internally displaced person
IEG	Independent Evaluation Group
IPF	investment project financing
LIPW	labor-intensive public works
OP	Operational Policy

RRA	Risk and Resilience Assessment
SCD	Systematic Country Diagnostic
TAA	Turnaround Allocation
TAR	Turnaround Regime
UN	United Nations

All dollar amounts are US dollars unless otherwise indicated.

Acknowledgments

The evaluation was led by Lauren Kelly, lead evaluation officer and task team leader, and co-authored by Daniel Nogueira-Budny, public sector specialist, under the guidance of Jeff Chelsky, manager, Country Programs and Economic Management, and Oscar Calvo-Gonzalez, director, Human Development and Economic Management, and under the overall guidance of Alison Evans, Director-General, Evaluation. The evaluation was supported by a core team consisting of Harsh Anuj, Joy Butscher, Anis Dani, Elizabeth Dodds, Christian Freymeyer, Adam Lichtenheld, Michelle Rebosio, Mees van der Werf, and Jingwen Zheng. Dung Thi Kim Chu provided administrative support. Estelle Rosine Raimondo, senior evaluation officer, provided valuable methodological contributions, and Stephan Wegner, the Independent Evaluation Group's fragility, conflict, and violence coordinator, also provided advisory support. The Independent Evaluation Group also thanks the more than 200 World Bank staff and management and the many government representatives who provided valuable input to this report.

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Overview

Achieving poverty reduction and shared prosperity increasingly depends on the World Bank's ability to effectively engage in conflict-affected environments. The World Bank Group has made a strong commitment to address the rising levels of poverty and human suffering in conflict-affected countries. Globally, conflict is becoming more complex and intense. The increasing intensity of warfare presents significant risks to an expanded volume of World Bank commitments in conflict-affected situations. Conflict actors are also more diverse—and are becoming increasingly internationalized; consequently, working in conflict-affected situations has become more complex. Complicating the battle against extreme poverty is the interaction among conflict, climate change, and the coronavirus pandemic (COVID-19), which is resulting in a reversal of poverty eradication gains.

The World Bank has adapted the way it works in conflict-affected situations. It has done this, among other things, by launching an ambitious fragility, conflict, and violence (FCV) strategy; introducing a new methodology for classifying conflict-affected countries on its list of fragile and conflict-affected situations; updating its conflict analysis methodology and operational policies based on lessons from experience; deepening and formalizing its partnerships with the United Nations (UN) and humanitarian agencies; and increasing the availability of finance tailored to various phases of conflict and fragility. Altogether, the share of commitments to conflict-affected countries, as a percentage of all new World Bank commitments, has risen from 5 percent in fiscal year (FY)10 to an annual average of 15 percent during FY15–20, or from $2.7 billion in FY10 to $7.2 billion in commitments in FY19. Over the same period, conflict-affected International Development Association (IDA)–eligible countries' share of new commitments more than doubled.

The purpose of this evaluation is to surface lessons to inform early implementation of the World Bank's FCV strategy in situations of conflict. The evaluation analyzes how the World Bank works differently in conflict-affected situations by assessing four key aspects of engagement: (i) the extent to which the World Bank identified and addressed conflict drivers and risks at the strategy and

country levels; (ii) how these drivers and risks are integrated into operations; (iii) the ways in which the World Bank has adapted its engagement by working with clients during situations of political instability, partnering with the UN and the International Committee of the Red Cross, leveraging corporate security, and adjusting its portfolio instruments; and (iv) how the World Bank has contributed to project-level results and higher-level outcomes related to peace and stability.

Identifying and Addressing Conflict Risks at the Strategy and Country Levels

The identification and analysis of fragility factors and conflict drivers, relevant for achieving development effectiveness, have improved over the evaluation period. This is due to IDA FCV policy commitments, the development of the FCV strategy, country management commitment, and the elevation of the Risk and Resilience Assessments (RRAs) to a core diagnostic to inform lending. Compared with those of the first half of the evaluation period (2010–15), more recent conflict analyses are twice as likely to identify relevant factors of fragility and to articulate specifically how these factors influence conflict and violence.

However, the client-facing nature and the potentially broad distribution of conflict analyses in the World Bank have sometimes prevented frank assessments of fragility and conflict drivers, limiting the transmission of conflict considerations into portfolio and operational decisions. Specifically, the analyses and redress of conflict drivers has proven difficult when the root causes of conflict are overtly political (that is, geopolitics, elite capture, corruption, and pervasive governance challenges). Although these issues may be understood by World Bank country managers, the limited availability to task teams of information on the political contributors to conflict undermines efforts to tailor operations to conflict drivers. Also, the quality of the diagnostic, or hard-to-operationalize or missing recommendations in conflict analyses, have sometimes limited the transmission of conflict considerations into strategy and operations.

Conflict-informed sector advisory services and analytics prepared in the wake of political or social upheaval have helped country teams navigate local dynamics to inform World Bank responses. For instance, after Madagascar's 2009 coup and during its political transition, the World Bank suspended disbursements and significantly cut back lending but ramped up nonlending activities. This enabled it to supplement its understanding of technical issues across sectors with conflict- and political economy–related factors. Much the same was true after conflict events in Burundi (2014–15), Iraq (2014–16), Myanmar (2017), and South Sudan (2013–present).

However, few sector advisory services and analytics conducted before major warring activities discussed conflict or political economy–related factors. Virtually all sectoral advisory services and analytics conducted before conflict—and easily accessible by staff (many political economy analyses remain confidential)—were not conflict sensitive.

Country teams are increasingly innovating with real-time conflict risk identification and monitoring. Although these efforts have been developed in reaction to major conflict-related events that posed significant risks to the World Bank and country portfolios, many have been sustained as a portfolio monitoring tool. Critical to these efforts is the use of local knowledge gleaned from social media, newspapers, and word of mouth, as well as the ability to interpret these events in relation to decisions that are taken in real time to adapt the World Bank's country engagement.

Identifying and Addressing Conflict Risks at the Operational Level

Investment projects in conflict-affected areas increasingly identify and address fragility factors and conflict drivers; include adaptive, design, and implementation mechanisms; and mitigate exposure risks (in effect, "lean in" to conflict). Compared with the first half of the evaluation period, projects approved during the second half were 50 percent more likely to identify and address fragility factors and conflict drivers and include adaptive, conflict-sensitive design and implementation mechanisms. Likewise, fewer investment projects avoided or neglected conflict. Notwithstanding this

improvement, the number of projects that consider conflict dynamics in conflict-affected areas remains low in Agriculture and Food, Energy and Extractives, and Transport, especially in the Sahel.

Key institutional and operational issues discourage staff from engaging effectively in conflict situations. There are disincentives to effectively engaging in conflict situations that stem from disbursement pressures and higher costs of supervision (in a context of limited resources for project implementation). Disbursement pressures and higher supervision costs discourage staff from covering conflict-affected areas. Staff cited pressure to disburse as a key reason for this behavior. Likewise, the higher costs of supervision (in a context of limited resources for project implementation) are dissuading staff from engaging more in conflict situations.

The existence of an RRA encourages leaning into conflict. RRAs, through formal identification and analysis of conflict drivers, make subsequent investment projects in a particular country more likely to integrate conflict sensitivity. The few operations that did lean in to conflict before an RRA tended to be located in countries that have experienced protracted subnational conflict and that have been assisted by an FCV coordinator or conflict expert (for example, Afghanistan and the Democratic Republic of Congo) or, in other words, countries in which conflict was already being mainstreamed into operations.

Although the World Bank swiftly rolled out emergency COVID-19 responses to all conflict-affected countries with an active portfolio, only half of these operations referenced conflict risks, raising the specter of potentially exacerbating conflict drivers. Although it is acknowledged that the COVID-19 response projects were developed during unprecedented circumstances, for countries already experiencing a high degree of conflict or instability, COVID-19 is best understood and responded to as a multiphase complex emergency. COVID-19 has presented second- and third-order risks—especially security risks—for countries already experiencing a high degree of conflict or instability, a situation that differs from non-FCV countries. Going forward, it may also be useful to bundle analysis about the COVID-19 response with other elements of early response (for example, through development policy financing to stabilize the macro framework) to see if there

are common elements in emergency response in conflict environments that World Bank teams should take into account.

Working Differently in Situations of Conflict

The World Bank is often able to help reduce the negative developmental consequences of political instability by restoring critical financing and leveraging donor funding. In five of the six countries that experienced military coups or unconstitutional interruptions followed by restorations of constitutional order, the World Bank was the first development partner to reengage. In these countries, the World Bank helped preserve hard-won development gains by working with de facto governments during political transitions; indeed, more than 80 percent of emergency operations approved during these transitions effectively maintained critical service delivery.

In working with de facto governments that are also a party to conflict, to mitigate significant slippage in development gains, the World Bank had to wrestle with reputational risks. How to engage in conflict-affected situations is a decision taken by the World Bank—in consultation with member countries and its Board of Executive Directors—during times of uncertainty. Working with de facto governments during political transitions has enabled the World Bank to contribute to the preservation of hard-won development gains and limit the risk associated with inaction. But engagement decisions can have risks that are not apparent in the short run. The World Bank's Middle East and North Africa strategy acknowledges this reality, pointing out the risk that stakeholders could perceive the World Bank as taking sides in a protracted political transition when it reengages, such as when it provides support to a social transition, as it did in the Republic of Yemen (World Bank 2015e). Indeed, engaging de facto governments during political transitions has posed risks to the World Bank's reputation in several Middle Eastern and North African and some Sub-Saharan African countries (World Bank 2019d).

Leveraging UN and humanitarian implementation partnerships has enabled the World Bank to deliver critical services to conflict-affected populations in areas inaccessible to the World Bank. This has helped mitigate operational risks by enabling communication with nonstate actors otherwise off limits to the World Bank. The FCV strategy points to the need to step up partnerships

with humanitarian, development, peace-building, security, and private actors to maximize impact in conflict-affected countries. Engaging UN agencies has enabled the World Bank to reach conflict-affected populations residing in hostile and contested areas. Because UN agencies are better able than the World Bank to negotiate with all parties to obtain access to parts of the country, partnering with them enables the World Bank to better understand social perceptions, group and network dynamics (such as whether certain groups will act as spoilers), and how to avoid doing harm. This has been the case in the Republic of Yemen, where a nonstate actor—the Houthis—controls the capital and most of the country's north; providing health and social services to at-risk populations in those areas entails working with them to secure access.

Engaging and partnering with the UN has allowed the World Bank to finance critical services even in situations in which there is no central government. Without the possibility of partnering (authorized under Operational Policy 2.30), the World Bank would be hard pressed to provide support to vulnerable populations when there are multiple or no governments in power, given its state-centric model, such as in the Republic of Yemen after the 2014–15 conflict.

However, such implementation partnership arrangements have been challenged by disagreements over the implementation of fiduciary and security rules and protocols when problems arise. The World Bank has formalized relationships with UN agencies and the International Committee of the Red Cross, allowing them to follow their own rules and protocols when implementing World Bank–financed projects; however, when procurement or financial management issues have arisen from implementation problems, differences between World Bank and UN systems have contributed to a perception on the side of the World Bank of heightened fiduciary risk. Additionally, UN agencies abide by their own security policies, developed in line with a risk calculus of acceptable loss as a function of lives saved. However, the World Bank has a lower risk tolerance; when faced with these calculations, some Country Management Units have been reticent to adhere to the arrangements followed by UN agencies.

In the face of heightened conflict or political crises, the World Bank has effectively rebalanced its financial support when doubts have arisen about

government commitment to sound fiduciary management. After crises in Burundi (2015), Guinea-Bissau (2012), and Myanmar (2013), the World Bank halted budget support and repurposed IDA to sustain service delivery through investment lending. This allowed it to mitigate the reputational risk associated with providing fungible budget support, which could more easily be diverted. In Madagascar and Somalia, the World Bank pivoted toward subnational entities to bypass political deadlock or to avoid reputational risk associated with working with particular regimes. Trust funds have also been crucial in allowing the World Bank to operate in conflict situations in which IDA resources were unavailable or limited, including in Somalia, Sudan, and West Bank and Gaza; they have also provided resources to cover the extraordinary costs of working in conflict situations and allowed the World Bank to innovate across the portfolio, including in the areas of risk monitoring, conflict analysis, and third-party monitoring mechanisms.

The World Bank has significantly ramped up its security coverage to better support its operations in conflict-affected situations. Enhanced measures include expanding the number of country-based security professionals and ensuring that new staff possess the qualifications—including soft skills—needed to support the safety of operational teams. This has also enhanced the World Bank's capacity to translate security analyses into operational recommendations to heads of office.

However, security-related costs are extremely high and come out of project supervision charge codes. This has been a disincentive to engaging in conflict-affected areas, especially in locations where vendor-based close protection is needed. Also, the deployment of Corporate Security staff is based on the number of nonsecurity staff and frequency of missions per country. This may negatively affect smaller countries and Country Management Units, potentially leading to disconnects between risk level and security staffing.

There are marked differences in operational responses to otherwise similar security instances. Unlike the UN, the World Bank does not provide concrete guidance to heads of missions on how to systematically process data on changes to conflict risk levels as they pertain to the country portfolio. Without this, responses to similar security incidents have varied depending

on the risk tolerance of the head of office, and there is no process in place to ensure that the decision-making regarding these issues is optimal.

Results and Outcomes of World Bank Engagement in Situations of Conflict

At the country level, results frameworks do not capture the World Bank's contribution to conflict-related country outcomes well. This reflects the absence of both a clear conflict narrative and integration of conflict-related issues into country objectives. Few Country Partnership Framework results frameworks are adaptive and capture conflict-reduction aims; the World Bank's reliance on quantitative metrics, attribution, and short time frames may not suit the nature of country programs in conflict-affected countries and their contribution to higher-order outcomes.

Country Partnership Frameworks that have received additional FCV IDA allocations have a more coherent narrative about their transition. Yet their results frameworks only monitor progress of allocation areas directly supported by the World Bank.

An accurate picture of project outcomes is elusive in conflict-affected countries because only a small share of investment projects are evaluated and evaluations in conflict-affected areas are not comprehensively assessing Bank performance. Many trust-funded activities, often used in these contexts, are not being evaluated by the World Bank to support adaptive decision-making and learning; they also fall below the threshold for Independent Evaluation Group validation. Expanding the evaluated share of projects in conflict situations and revising evaluation guidance would provide a more accurate picture of outcomes and contribute to learning from experience.

There are information gaps about the way the World Bank is monitoring or assessing unintended outcomes in conflict-affected areas. Little is known about how World Bank operations in conflict-affected areas can exacerbate underlying grievances. Relatedly, although attention to gender-based violence by the World Bank is increasing, the percentage of at-risk projects in conflict-affected areas that include mitigation measures remains low and

is inconsistent. Although the use of armed security personnel is rising, few projects indicate how associated risks will be mitigated in project areas.

Recommendations

To improve the effectiveness of its engagements in conflict-affected settings, the World Bank will need to address key impediments and implementation challenges that undermine its ability to adapt to context, derive lessons from experience, and manage risk.

To achieve this, the evaluation puts forth four specific recommendations:

Recommendation 1. **To enhance the conflict sensitivity of World Bank engagement, ensure that politically sensitive, confidential analysis is generated, retained, and managed so that it can be used by select future staff working on that country.** Partial coverage of conflict drivers can at times reflect the client-facing nature and the potentially broad distribution of conflict analyses in the World Bank. To address this, there is a need for a well-understood and safe channel for retaining, managing, and conveying extremely sensitive information that cannot be widely circulated internally or put into publicly disclosed documents. The management of this information should not rest solely with individual heads of office.

Recommendation 2. **Ensure that country engagements are informed by timely analyses of conflict dynamics and risks.** This would entail regularly and systematically using conflict analysis for strategy and operational decision-making and other forms of timely conflict risk monitoring (for example, that track shifts in societal perceptions and dynamics and that identify opportunities for peace building) to support adaptive decision-making at the country level.

Recommendation 3. **Address factors that dissuade World Bank engagement in conflict-affected areas.** Several of these factors have resulted in inadequate financial and technical support for project preparation and project supervision in conflict-affected areas. They have contributed to insufficient security coverage for operationally relevant staff who support the implementation of projects in these areas, but who are not directly employed by the World Bank.

Recommendation 4. **In conflict-affected countries, rethink what success looks like.** This will require moving away from an over-reliance on quantitative metrics, attribution, and short time frames that do not suit the nature of these country programs and their contribution to higher-order outcomes. Higher-order outcomes should reflect transition aims and the development of monitoring and evaluation systems to track these aims. Country Partnership Frameworks should include a clear conflict narrative, integration of conflict considerations into objectives, and adaptive results frameworks to capture conflict-reduction aims. Programmatic trust funds used in such contexts should frame their objectives against these transition aims, while putting robust evaluation and learning systems in place.
Many trust-funded activities are not being evaluated by the World Bank to support adaptive decision-making and learning. The World Bank should address inadequate compliance with evaluation requirements for smaller projects, many of which are funded by trust funds. This would require the Independent Evaluation Group to revisit its current $5 million threshold for validating Implementation Completion and Results Reports.

World Bank Management Response

World Bank management would like to thank the Independent Evaluation Group for undertaking the evaluation of the World Bank engagements in situations of conflict in fiscal years (FY)10–20. Lessons learned from the evaluation are directly relevant to current challenges and will inform early implementation of the World Bank's fragility, conflict, and violence (FCV) strategy in situations of conflict and the International Development Association (IDA) FCV special theme and related policy commitments.

Overall Comments

Management notes with satisfaction the report's main conclusion that "the World Bank is adapting the way it engages in situations of conflict to achieve its corporate goals" (71). The World Bank's engagement in situations of conflict is significantly different today than it was in 2010, with changes driven by important institutional and corporate policies, increased knowledge and expertise, and new operational and funding instruments, among others. Commitments have increased from $2.7 billion in FY10 to $7.2 billion in FY19 (from 5 percent of all new World Bank commitments in FY10 to an annual average of 15 percent during FY15–20). The evaluation also notes that over the same period conflict-affected IDA-eligible countries' share of new commitments more than doubled. Management particularly welcomes the recognition that the IDA FCV policy commitments play a key role in furthering the FCV agenda together with the FCV strategy, country management commitment, and the positive role of Risk and Resilience Assessments (RRAs). The range of observations, examples, and findings in the evaluation are pertinent, and their synthesis provides lessons as the World Bank continues to adapt and strengthen its work in situations affected by conflict and fragility.

Outcome Orientation

Management concurs with the need to strengthen the way the World Bank captures its contribution to high-level outcomes at the country level in situations of conflict to be addressed, in line with measure 4 of the FCV strategy (enhance monitoring and evaluation frameworks). Management will continue to have a portfolio-wide perspective, as was done in the Republic of Yemen and Madagascar, where operational engagement across the portfolio, including investment project financing, development policy operations, and advisory services and analytics, were aligned and coordinated in relation to complex conflict-mitigation outcomes. Individual projects served more as pieces of a broader strategy to address critical underlying issues of conflict. The institution's renewed commitment to outcome orientation through the dedicated road map, including revised country engagement guidance, underpins these efforts.

Management agrees with the importance of adaptive management, including regular midcourse correction to deliver high-level outcomes. Operational flexibilities are available to project teams in conflict countries and many projects are designed with adaptable features that allow flexibility in dealing with rapidly changing situations. Although security challenges faced by projects in fragile and conflict-affected situations (FCS) countries usually stem from institutional and country conditions that affect projects regardless of their design, restructuring can also be used to mitigate various aspects of security challenges such as changes in implementation arrangements, changes in component design, or changes in costing or fiduciary arrangements.

Management stresses that partnerships, particularly with United Nations (UN) agencies at the operation level, are an inherent feature of the way the World Bank aims for outcomes, particularly in countries affected by fragility and conflict. Partnerships with a broad range of actors play a critical role on many levels in conflict contexts and they are subject to close coordination and problem solving. The report primarily discusses the advantages offered by World Bank policies (in particular, the operational policy on development cooperation and FCV) that facilitate partnerships with UN agencies and third parties, such as the International Committee on Red Cross, which in turn mitigate risk to World Bank operations and staff by relying on partners' engagement to ensure the flow of financing for

critical services where the World Bank may not have a presence in the field or where the central government has a limited presence. In response to the report's finding that partnership arrangements have been challenged by disagreements over fiduciary and security rules and protocols arising from implementation problems, management appreciates the acknowledgment that management, through its UN Program Team, has been actively working with both UN agencies and World Bank teams to build understanding with respect to the flexibilities in World Bank fiduciary policies. These flexibilities allow for continued reliance on various UN systems through the application of alternative assurance mechanisms and the operational requirements that flow from the Environmental and Social Framework.

Recommendations

Management agrees to enhance the conflict sensitivity of World Bank engagement and ensure that politically sensitive and confidential analysis is generated, retained, and managed so that it can be used by select future staff working on that country (recommendation 1). Management concurs that it is important to generate and internally retain sensitive analysis. As the evaluation indicates, honest and frank analysis in the form of a good quality RRA is key to inform country engagement and programming and make sure they are conflict sensitive. The RRA methodology includes guidance on how to handle potentially sensitive issues throughout the process, including during the concept stage, through country team discussions on emerging findings, and at the decision meeting, where information classification and implications for wider dissemination are determined. As part of implementing the FCV strategy and rolling out the new RRA methodology, management will strive to ensure that RRA analysis and recommendations, or a comprehensive summary, is made available, in line with the World Bank's Access to Information Policy and in a manner that best contributes to the effectiveness of World Bank operations in FCV contexts.

Management agrees to ensure that country engagements are informed by timely analyses of conflict dynamics and risks (recommendation 2). Management shares the premise that timely and systematic analysis of conflict dynamics and risks is critical for strategy and operational decision-

making and should support adaptive decision-making at the country level, together with all available forms of timely conflict risk monitoring. All Country Partnership Frameworks and Country Engagement Notes in the 18 Replenishment of IDA and so far in the 19th were preceded by RRAs or other fragility assessments informing country engagement. The new RRA methodology establishes a robust diagnostic framework with a stronger operational focus, including an FCV-sensitive portfolio analysis, and already forms the basis for further strengthening FCV sensitivity in country engagement. The RRAs are often complemented by other types of analytics and monitoring covering FCV dynamics, including surveys, and sector- and project-level analytics addressing FCV on a more granular level. Management will conduct timely RRAs and other FCV-related assessments in line with the FCV strategy and IDA policy commitments to inform country engagement and subsequent programming. In addition, the World Bank is also innovating and exploring dynamic approaches to crisis and conflict risk monitoring and analysis and is committed to developing specific approaches for deployment of this analysis, where indicated and demanded by country management to inform engagement and decision making.

Management agrees to address factors that dissuade World Bank engagement in conflict-affected areas (recommendation 3). Management understands the thrust of this recommendation and is actively monitoring and improving the operating environment for engaging in conflict-affected areas, including delivering on relevant commitments as articulated in the FCV strategy. It will ensure that operations in FCV settings take security considerations into account throughout the project cycle by factoring security aspects into project design and as appropriate during project implementation (FCV strategy measure 9). Management will also enhance the use of operational flexibilities as needed in FCV settings, including staff training and raising awareness of flexibilities in procurement, the Environmental and Social Framework, and financial management (FCV strategy measure 3). As security arrangements and operating flexibility are enhanced, management will also explore how to effectively deploy more staff in FCS countries.

Management agrees to further consider what success looks like in conflict-affected countries (recommendation 4). Management agrees that rethinking developmental success in conflict-affected countries requires moving away

from an overreliance on quantitative metrics, attribution, and short time frames that do not suit the nature of these country programs and their contribution to higher-order outcomes. In this regard, management is finalizing its note on monitoring and evaluation in FCV contexts as well as the updated guidance on Implementation Completion Reports (ICRs) in FCV contexts, as was agreed in the FCV strategy. Management will strengthen compliance with evaluation requirements for smaller projects. In addition, Systematic Country Diagnostics and Country Partnership Frameworks will include a clear conflict narrative, and objectives will consider conflict considerations, as informed by RRAs. In addition, Performance and Learning Reviews will include in their scope consideration for how the country program responded and adapted to the FCV context.

Additional Comments

Management notes that recent trust fund reforms address the report's concerns related to the self-evaluation of lending operations supported by trust funds. Lending operations supported by trust funds adhere to the same World Bank reporting requirements, including preparation of the ICRs. Small recipient-executed trust funds—that is, those less than $5 million—are also expected to have an ICR. One of the key objectives of the trust fund reform is the delivery of improved results and the development of robust results management systems for umbrella programs; in this context, significant work has been completed to provide clear and consistent guidance on results, reporting, and evaluation of umbrella programs and to ensure that these programs have dedicated monitoring and evaluation resources to adequately capture results and learning, which are then used to inform operations. The upcoming trust-fund directive mandates that all umbrella programs be independently evaluated at least every five years.

Management notes that the words *conflict drivers* and *conflict risks* have been used interchangeably in various sections of the report. Management would like to clarify that in its understanding and usage of the terms in RRAs and other World Bank documents, "conflict drivers" are those underlying factors that are causing conflict, whereas "conflict risk" is the probability that conflict will materialize or escalate in the future.

Report to the Board from the Committee on Development Effectiveness

The Committee on Development Effectiveness met to consider the Independent Evaluation Group evaluation entitled *World Bank Engagement in Situations of Conflict: An Evaluation of FY10–20 Experience* and the draft World Bank management response.

The committee welcomed the evaluation and management's constructive response, noting that although the evaluation did not assess the effectiveness of the World Bank Group's fragility, conflict, and violence (FCV) strategy, the timely report did provide valuable insights to inform the early implementation of the FCV strategy and the deliberations for the 20th Replenishment of the International Development Association. Members appreciated management's broad agreement with the evaluation's findings and recommendations and were pleased to learn that the World Bank was making substantial progress in adapting the way it works in situations of conflict to achieve its corporate goals. They encouraged management to rethink what success looks like in conflict-affected countries, as recommended by the evaluation, and look forward to being briefed on work being done in this regard. The committee welcomed management's acknowledgment of the importance of leveraging United Nations and humanitarian implementation partnerships to enable the World Bank to deliver critical services to conflict-affected populations where the World Bank may not have presence in the field. To improve results in the field, the committee encouraged management to work out a pragmatic approach with United Nations agencies and other partners to overcome their differences in procurement and financial management and security protocols when problems arise at the country level.

Members asked for more clarity on the measures to address the institutional and operational issues that are discouraging staff from engaging effectively in conflict situations to enable the Board of Executive Directors to monitor

and track their progress. They welcomed management's commitment to continue strengthening diagnostic tools, including Risk and Resilience Assessments, and integrating them into country strategies and operations. Members appreciated management's ongoing efforts to rethink what development success looks like in conflict-affected countries, moving away from an overreliance on quantitative metrics, attribution, and short time frames. They look forward to management's note on monitoring and evaluation in FCV contexts and the updated guidance on implementation completion reports in FCV contexts, as committed by management in the measures to implement the FCV strategy. Some members expressed concern on the report's finding that the number of projects that consider conflict dynamics in conflict-affected areas remained low in Agriculture, Energy and Extractives, and Transport Global Practices. They encouraged the World Bank to increase efforts to gather knowledge and build expertise to strengthen analysis and enhance the conflict sensitivity of World Bank engagement.

1 Background and Context

Achieving poverty reduction and shared prosperity increasingly depends on the World Bank's ability to effectively engage in conflict-affected environments. The World Bank Group has made a strong commitment to address the rising levels of poverty and human suffering occurring in conflict-affected countries. Globally, conflict is becoming more complex and intense: There were twice as many annual civilian deaths due to conflict in 2016 than in 2010. The increasing intensity of warfare presents significant risks to an expanded volume of World Bank commitments in conflict-affected situations (figure 1.1). Conflict actors are also more diverse—including militias, armed trafficking groups, and violent extremist groups—and are becoming increasingly internationalized; consequently, working in conflict-affected situations has become more complex (UCDP 2017; World Bank and United Nations 2018a). Complicating the battle against extreme poverty is the interaction among conflict, climate change, and the coronavirus pandemic (COVID-19), which has resulted in a reversal of poverty eradication gains for the first time in a generation.

Figure 1.1. Increasing World Bank Engagement in Conflict-Affected Areas



Sources: Independent Evaluation Group; Armed Conflict Location and Event Data Project (database), https://acleddata.com; Uppsala Conflict Data Program (database), Uppsala University, https://www.pcr.uu.se/research/ucdp.

The World Bank recognizes that, to support its mission to reduce extreme poverty, it needs to adapt the way it works in conflict-affected situations. First, it has done this by adopting the new *World Bank Group Strategy for Fragility, Conflict, and Violence 2020–2025*, which lays out new forms of engagement along the conflict spectrum (World Bank 2020f). These include (i) engaging upstream to prevent violent conflict and interpersonal violence; (ii) remaining engaged during conflict and crisis situations; (iii) helping countries transition out of fragility; and (iv) mitigating the spillovers of fragility, conflict, and violence (FCV). Second, it introduced a new methodology for classifying conflict-affected countries within the World Bank's fragile and conflict-affected situation (FCS) list, distinguishing between countries affected by conflict and those with high levels of institutional and social fragility, setting the World Bank on a path to better identifying and applying a customized set of tools, in line with prevailing realities and institutional capabilities (Milante and Woolcock 2017).[1] Third, it updated its conflict analysis (risk and resilience) methodology and updated relevant operational policies (for example, Operational Policy [OP] 2.30, on development cooperation and conflict) based on lessons from experience and in line with the principles set out in the FCV strategy. Fourth, it is deepening and formalizing its partnerships with the United Nations (UN) and humanitarian agencies, including through memorandums of understanding, along the development–security–peace-building nexus. Fifth, it continues to provide increased financing tailored to various phases of conflict and fragility. New commitments directed toward countries and territories that have experienced medium- to high-intensity conflict since 2014—the focus of this evaluation—have increased steadily in nominal terms and, as a share of all new commitments during fiscal years (FY)10–20, have more than doubled.

Over the period of this evaluation (FY10–20), the World Bank provided increased financing to conflict-affected—and fragile—countries both by changing the International Development Association (IDA) performance-based allocation formula and through a suite of innovative instruments tailored to various phases of conflict. Building on lessons from the 17th Replenishment of IDA, the 18th Replenishment of IDA (IDA18) Risk Mitigation Regime and Turnaround Regime (TAR), and recent experiences in the Republic of Yemen and elsewhere, the World Bank created an FCV envelope through the 19th

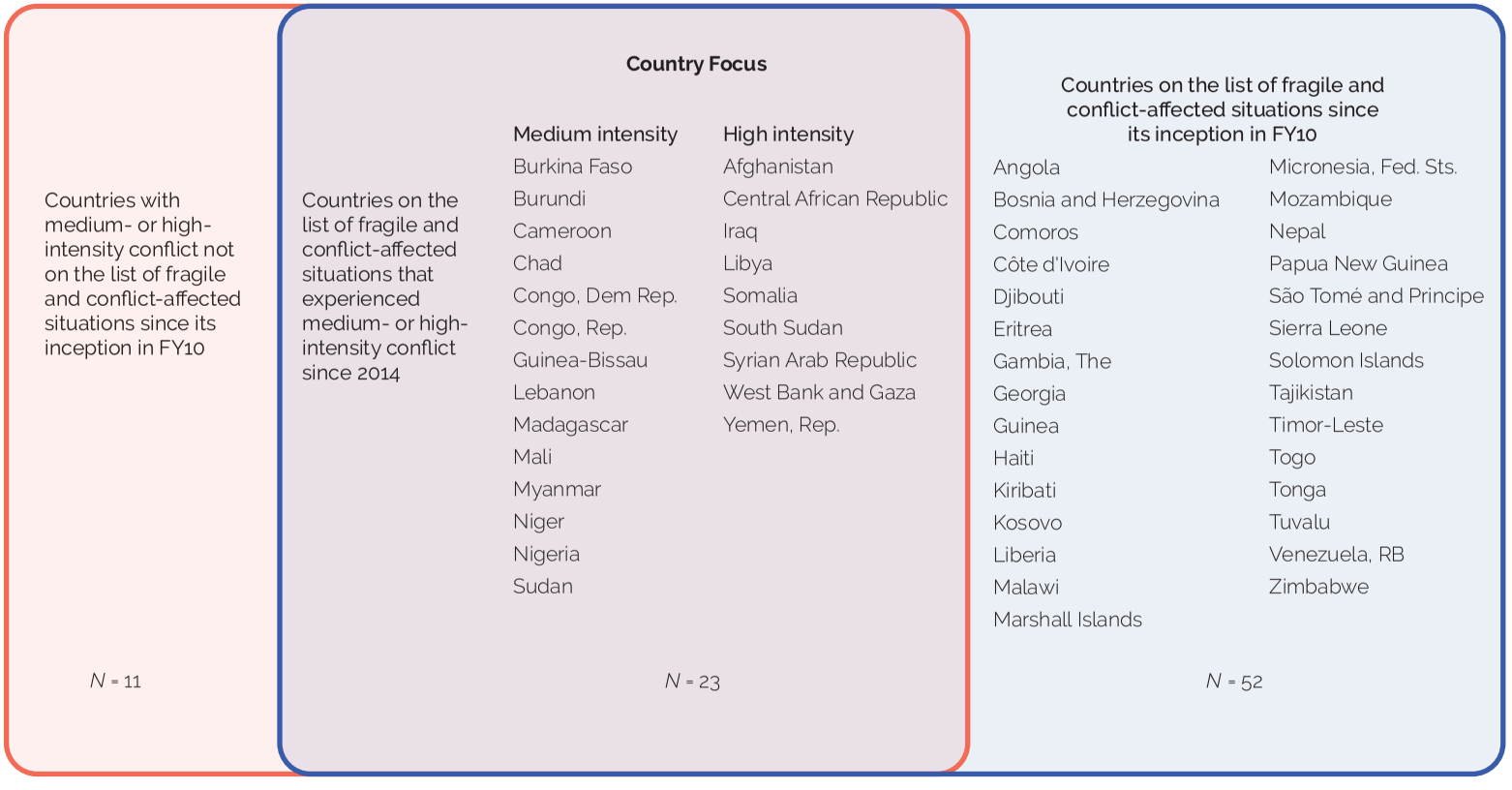
Replenishment of IDA (IDA19), which provides additional allocations to eligible countries in conflict-affected situations (World Bank 2019c). These include the Prevention and Resilience Allocation, which can increase a country's performance-based allocation by 75 percent (up to $700 million); the Remaining Engaged during Conflict Allocation, which can increase a country's performance-based allocation up to $300 million; and the Turnaround Allocation (TAA, a successor to IDA18's TAR), which can increase a country's performance-based allocation by 125 percent (up to $1.25 billion). Complementing the FCV envelope, the Window for Host Communities and Refugees supports pillar 4 of the FCV strategy (mitigating the externalities and impacts of FCV); other IDA windows, including the Crisis Response Window and Arrears Clearance, provide additional resources. Apart from IDA, the World Bank has also established the Global Concessional Financing Facility for refugee-hosting middle-income countries.

To enable it to effectively engage in conflict-affected situations, the World Bank has partnered across the humanitarian–development–peace-building nexus. This includes engaging in various forms of cooperation and coordination with development partners, the UN, and humanitarian agencies, and in interactions with nonstate actors that are a party to conflict. The World Bank has formalized its relationships with several UN agencies. It has also updated its OP2.30, "Development Cooperation and Conflict."[2]

Purpose, Scope, Portfolio, and Evaluation Questions

The purpose of this evaluation is to assess how the World Bank engages in situations of conflict to surface lessons that can inform the implementation of the FCV strategy. It does not evaluate the strategy itself. The evaluation was designed to analyze how the World Bank is working differently in conflict-affected situations. It focuses on a set of countries that have experienced conflict since 2014 and that are included on the World Bank's FCS list (figure 1.2).[3] Countries experiencing medium- to high-intensity conflict, but that were never on the list ($N = 11$) fall outside the evaluation scope. Appendix A details the methodology for determining this group, used to evaluate the World Bank's engagement in situations of conflict.

Figure 1.2. The Focus of This Evaluation: Countries on the Harmonized List with Medium- or High-Intensity Conflict since 2014



Sources: World Bank Harmonized List of Fragile Situations (FY10–20); Armed Conflict Location and Event Data Project (database), https://acleddata.com; Uppsala Conflict Data Program (database), Uppsala University, https://www.pcr.uu.se/research/ucdp; World Bank 2020f (for definition of conflict intensity).

Note: Although West Bank and Gaza is a territory, not a country, members of the evaluation universe (*N* = 23) are referred to as countries for the sake of simplicity. FY = fiscal year.

Evaluation Limitations

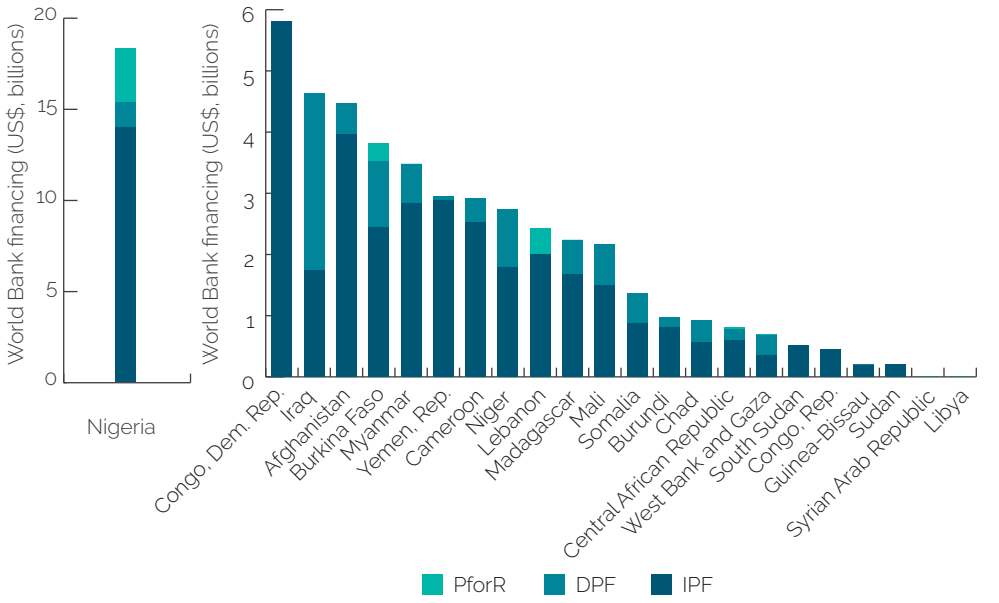
The evaluation is limited in scope to the World Bank's engagement during FY10–20 in countries on the FCS list with moderate to high levels of conflict since 2014. It does not cover broader issues related to fragility, including lessons on how clients can transition out of fragility; it also does not cover interpersonal violence. It does not cover the International Financial Corporation and Multilateral Investment Guarantee Agency interventions, since these are being covered in a parallel Independent Evaluation Group (IEG) evaluation. Issues of gender were not centrally addressed in this report, since IEG is preparing an evaluation on closing gender gaps in countries affected by FCV, which covers women's economic opportunities and gender-based violence (GBV).

Evaluation Portfolio

The World Bank approved 921 lending projects in countries on the FCS list with medium- or high-intensity conflict after 2014, comprising $58.3 billion in commitments during FY10–20. The portfolio consists of $44.8 billion in IDA commitments (77 percent), $8.5 billion in International Bank for Reconstruction and Development commitments (15 percent), and $5 billion in trust-funded commitments (9 percent). Investment project financing (IPF) projects accounted for 90 percent of financing engagements, amounting to approximately three-quarters of total volume. There were 88 individual development policy financing (DPF) operations (10 percent of the total number of projects),[4] comprising $10.6 billion in commitments. Ten operations were Program-for-Results, for a total commitment of $3.7 billion. A quarter of all financing was received by Nigeria, and half was received by four countries (figure 1.3).

Between FY10 and FY20, the share of new commitments to the universe of conflict-affected countries has increased steadily both in nominal terms and as a share of all new commitments. The annual share of commitments to these countries as a percentage of all new World Bank commitments rose from 5 percent in FY10 to an annual average of 15 percent during FY15–20. Similarly, during FY10–20, conflict-affected IDA-eligible countries' share of new commitments more than doubled (figure 1.4).

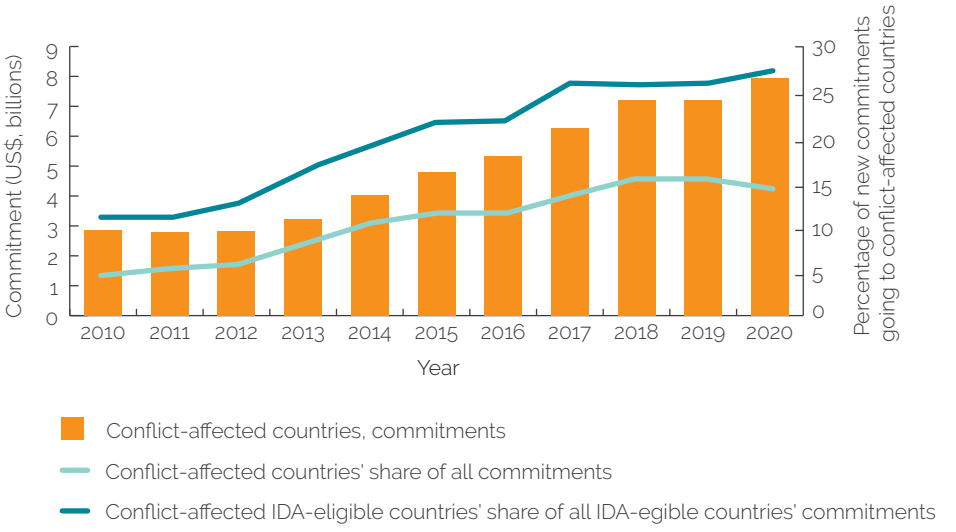
Figure 1.3. Total Commitments to Focus Countries, FY10–20



Source: Independent Evaluation Group.

Note: DPF = development policy financing; FY = fiscal year; IPF = investment project financing; PforR = Program-for-Results.

Figure 1.4. Commitments to Conflict-Affected Countries, Three-Year Average, FY10–20



Source: Independent Evaluation Group

Note: Commitments include all World Bank financing (IDA, International Bank for Reconstruction and Development, and trust funds). FY = fiscal year; IDA = International Development Association.

Given the heightened difficulties of maintaining development gains while battling COVID-19 in areas beset by conflict, the World Bank has approved a significant number of projects with COVID-19–relevant components in conflict-affected countries. As of the end of November 2020, the World Bank had approved 72 COVID-19 response projects to conflict-affected countries, valued at $7.3 billion.

The key question addressed by this evaluation is "How relevant and effective has World Bank engagement in situations of conflict been to the achievement of development gains?" To answer this question, the evaluation posed four subquestions:

- How well has the World Bank identified, managed, and mitigated conflict-related risks?
- How relevant and adaptive has World Bank engagement in situations of conflict been in terms of sequencing, prioritization, and instrument choice?
- How strategically and effectively has the World Bank worked with state actors, nonstate actors, and development partners in pursuit of its development objectives?
- What outcomes has the World Bank contributed to in situations of conflict?

Methods and Report Structure

To answer these questions, methods were designed to derive lessons for strategy and operations from the World Bank's engagement in conflict-affected countries. These methods included a review of conflict risk analyses (fragility assessments, Risk and Resilience Assessments [RRAs], political economy analyses, and country social assessments), Systematic Country Diagnostics, and country strategies (Interim Strategy Notes, Country Engagement Notes, Country Assistance Strategies, and Country Partnership Frameworks [CPFs]); case analyses of 23 country situations; analyses of 186 investment operations implemented in conflict-affected countries as determined by a spatial-temporal analysis and 55 development policy operations (DPOs); a systematic analysis of country results frameworks, program documents, Implementation Completion and Results Reports

(ICRs), and Implementation Completion and Results Report Reviews (ICRRs) to assess results and outcomes; and a review of conflict literature with a focus on metrics. These methods were informed by stakeholder engagement, including through more than 200 semistructured interviews with World Bank management, staff, and clients, and a survey of Corporate Security staff (appendix A).

The report is structured as six chapters. Chapter 2 assesses the extent to which the World Bank identified and addressed conflict-related drivers and risks at the strategy and country levels. Chapter 3 analyzes the extent to which the World Bank identified and addressed conflict-related drivers and risks at the operational levels and how the World Bank is managing and mitigating conflict risks at the strategic and operational levels. Chapter 4 presents the ways in which the World Bank has adapted its engagement to work differently in conflict-affected countries. Chapter 5 analyzes the extent to which World Bank engagements have contributed to all project-level results and higher-level outcomes related to peace and stability. Chapter 6 offers conclusions and presents recommendations to the World Bank to inform the implementation of the new FCV strategy.

[1] During fiscal years 2011–20, countries were placed on the harmonized list of fragile and conflict-affected situations if they either or both (i) were International Development Association (IDA)–eligible and scored 3.2 or less on the Harmonized Country Performance and Institutional Assessment index and (ii) had a United Nations mission or a regional peacekeeping or peace-building mission in the past three years (regardless of IDA eligibility). This typology had its detractors: Some argued that even if a given country is fragile by any reasonable definition, its status as a fragile state does not axiomatically map onto coherent theories of change, strategies, or instruments that international or domestic actors can deploy (Milante and Woolcock 2017). The 2020 fragility, conflict, and violence strategy addressed this concern by introducing a new methodology, identifying countries with high levels of institutional and social fragility as distinct from countries affected by violent conflict (World Bank 2020f). The decision to distinguish between countries suffering from institutional and social fragility and those that also experience violent conflict has set the World Bank on a path to better identifying and applying a customized set of tools, in line with prevailing realities and institutional capabilities.

[2] Also of relevance is paragraph 12 of the World Bank's Investment Project Financing Policy, "Projects in Situations of Urgent Need of Assistance or Capacity Constraints," based on its experience during political transitions, in situations in which there is no central government, and with alternative implementation arrangements (World Bank 2018f).

[3] This includes West Bank and Gaza, which is a territory.

[4] The Independent Evaluation Group (IEG) reviews programmatic development policy operation (DPO) series as a single entity, regardless of the number of operations in the series, given the same rating for each operation. For the purposes of this evaluation, however, the text refers to the number of individual operations (that is, DPOs in a programmatic series).

2 Identifying and Addressing Conflict Risks at the Strategy and Country Level

Highlights

The identification and analysis of fragility factors and conflict drivers, relevant for achieving development effectiveness, have improved over the evaluation period. This is due to International Development Association fragility, conflict, and violence policy commitments; the development of the fragility, conflict, and violence strategy; country management commitments; and the elevation of the Risk and Resilience Assessments to a core diagnostic to inform lending. Compared with those of the first half of the evaluation period (2010–15), more recent conflict analyses are twice as likely to identify relevant factors of fragility and to articulate specifically how these factors influence conflict and violence.

However, the client-facing nature and the potentially broad distribution of conflict analyses in the World Bank have sometimes prevented frank assessments of fragility and conflict drivers, limiting the transmission of conflict considerations into portfolio and operational decisions. Although these issues may be understood by World Bank country managers, the limited availability to task teams of information on the political contributors to conflict undermines efforts to tailor operations to conflict drivers. Also, the quality of the diagnostic, or hard-to-operationalize or missing recommendations in conflict analyses, have sometimes limited the transmission of conflict considerations into strategy and operations.

Conflict-informed sector advisory services and analytics prepared in the wake of conflict events have helped navigate conflict-related and political economy issues and inform future engagement. These have involved analysis to understand local dynamics to inform World Bank responses.

However, few sector advisory services and analytics conducted before major warring activities discussed conflict or political economy–related factors. Virtually all sectoral advisory services and analytics conducted before conflict—and easily accessible by staff (many political economy analyses remain confidential)—were not conflict sensitive.

Country teams are increasingly innovating with real-time conflict risk identification and monitoring. Critical to these efforts is the use of local knowledge gleaned from social media, newspapers, and word of mouth, and the ability to interpret these events in relation to real-time decisions to adapt the World Bank's country engagement.

The identification and analysis of fragility and conflict drivers relevant for achieving development effectiveness have improved over the evaluation period. The World Bank's primary tool for identifying and analyzing key drivers and risks of fragility and conflict is the RRA (box 2.1). There are also country social and economic impact assessments, political economy analyses, and fragility assessments (the predecessors to RRAs), which assess factors of fragility and conflict drivers.[1] Compared with those of the first half of the evaluation period (2010–15), more recent conflict risk analyses are twice as likely to identify and articulate specific factors of fragility and associated drivers of conflict relevant for achieving development effectiveness and addressing risks. Conflict analyses conducted during the first half of the evaluation period tended to include a description of many factors of fragility but were imprecise in articulating how these factors influence what is more specifically driving conflict and violence. Examples of this earlier trend include assessments in South Sudan (before 2015), Madagascar (2014), Mali (2015), Cameroon (2016), and the Democratic Republic of Congo (2016). For example, the Democratic Republic of Congo assessment does not distinguish between causes, drivers, symptoms, consequences, and indicators of fragility; it further offers little guidance on how to focus conflict-reduction efforts at the local level or how to differentiate engagement in conflict and non-conflict-affected areas. Good examples of robust analysis from the second half of the evaluation include the Niger RRA (2016; see box 2.2), the regional Sahel RRA (2020), and the Iraq Country Social Assessment (2020). For example, the regional Sahel RRA has been instrumental in building a common understanding of conflict drivers in the Sahel; identifying areas at risk of violence; analyzing the dynamics at play; and proposing priorities, integrated or coordinated actions, and prevention strategies across the countries and donors of the Sahel Alliance. Also, the Iraq conflict sensitivity analysis includes a thorough analysis of conflict considerations per sector and provides clear guidance on prioritizing and sequencing.

Reasons for this improvement include several mutually reinforcing factors introduced through IDA18 and IDA19 policy commitments; the development of the FCV strategy; the elevation of the RRA to a core diagnostic that must inform country engagement; and the increase of Country Management Unit (CMU) engagement in the RRA production. First, RRAs

were made a mandatory part of the country engagement cycle for IDA FCS during IDA18, at which point the World Bank made a commitment to ensure that CPFs in these countries were informed by an analysis of fragility and conflict risks. Second, in parallel, CMUs began to finance RRAs out of their own budget, which strengthened CMU ownership, engagement, and use of the diagnostic tool. Third, the RRA was made a core diagnostic, mandated to be conducted before lending programs are begun in countries with FCV. Additionally, it is expected that the new set of RRA guidelines, developed with the input of staff with extensive FCV experience, will further improve the quality of RRAs.[2]

Box 2.1. Risk and Resilience Assessments

The World Bank's primary tool for identifying and analyzing drivers of fragility and conflict is the Risk and Resilience Assessment (RRA). The 18th Replenishment of the International Development Association (IDA18) included a commitment that RRAs inform all country strategies in IDA-eligible fragile and conflict-affected situations and Country Partnership Frameworks for all countries with significant fragility, conflict, and violence risks (the *World Bank Group Strategy for Fragility, Conflict, and Violence 2020–2025* includes a recommendation for extending RRA development coverage to International Bank for Reconstruction and Development countries). This commitment was strengthened under IDA19: all Country Partnership Frameworks, Country Engagement Notes, and Performance and Learning Reviews in IDA fragile and conflict-affected situation countries must outline how the World Bank Group (based on RRAs or other fragility, conflict, and violence diagnostics), in collaboration with relevant partners, will address drivers and sources of resilience.

Source: World Bank 2020f.

The upgrading of the RRA to a core diagnostic—to be conducted before the development of lending programs—has addressed a critical sequencing challenge. Of the 23 countries covered by this evaluation, 18 had both an RRA (or, if earlier, a fragility assessment) and a Country Strategy or Engagement Note. Yet, the RRA (or fragility assessment) was made available in a timely way in only 9 cases, during the latter part of the evaluation period. Because

RRAs are currently being updated (or new ones are being written)—for example, those for Cameroon, Central Asia, and Chad—they are increasingly sequenced just in time in relation to CPFs.

IDA19 policy commitments have also helped the World Bank effectively transcend its state-centric model and develop cross-border analyses and targeted regional operations. Spurred by the deteriorating situation in the Sahel, IDA19 deputies and clients requested that the World Bank better consider the cross-border nature of fragility and conflict and reflect this in its analytics and the design of its operations. As a result, the IDA19 policy commitments regarding developing at least three regional programs are helping to change the World Bank's approach: it has finalized a Sahel RRA—in collaboration with the UN and the Sahel Alliance—that is informing both World Bank and UN cross-border operations, with a focus on preventing violent extremism, youth engagement, land rights, and management of transhumance linked with the growing risks brought about by climate change. The broader analysis allowed for a consideration of risks that were left unaddressed in the past (box 2.2). Three other regional analyses are also under way (a Central Asia regional RRA, being conducted jointly with the United Kingdom and UN, that focuses on the specific stresses and history of the Ferghana Valley and border issues with Afghanistan; another for the Lake Chad region; and a third for the Horn of Africa).

Box 2.2. Uneven Assessment of Conflict Risks in the Sahel

Many Sahelian countries face similar conflict drivers: the marginalization of certain regions and groups, unequal access to services, issues of justice and security, competition for scarce resources, and limited trust in state institutions. These are amplified by factors such as climate change, extremism, migration, and demography. They also often spill across political boundaries. Regardless, the World Bank's approach to risk identification and monitoring has traditionally been country specific (it has not historically included analyses of regional and cross-border dynamics), resulting in substantial differences across countries.

» Although Burkina Faso long enjoyed relative stability, regional spillovers and growing domestic unrest have led to increasing conflict risk since 2015. Yet the

(continued)

Box 2.2. Uneven Assessment of Conflict Risks in the Sahel (cont.)

2017 Systematic Country Diagnostic segmented the issue of regional instability and noted that conflict related to terrorism went beyond the [Systematic Country Diagnostic's] scope (World Bank 2017b, 28). The lack of robust conflict analysis was evident in the Country Partnership Framework (CPF), which sparingly discussed conflict risks. It was not until the 2020 Sahel regional Risk and Resilience Assessment that the World Bank provided a comprehensive risk analysis, including regional conflict risks. (A political and social analysis was produced by the World Bank in 2012, but it was not widely circulated and did not refer to in-country work.)

- In contrast, Niger's 2016 Risk and Resilience Assessment adequately captured drivers of conflict, including regional ones. This early and comprehensive identification of conflict drivers allowed the Systematic Country Diagnostic and CPF to be conflict sensitive. The CPF had a significant conflict lens in its subnational targeting; it included analysis of poverty rates and levels of conflict to ensure that the most vulnerable communities were identified.

The World Bank, like many donors, did not anticipate the severity of the conflict and political crisis that broke out in Mali in 2012. Although rebellions had been recurring in the north, the risk to World Bank operations was deemed to be limited, especially since much of the aid was confined to the capital and south. Remote areas, increasingly affected by conflict, received less attention, and risks were underestimated. The World Bank nonetheless reacted swiftly to the rebellion and coup, with emergency operations targeting conflict-affected areas, project restructurings, and an Interim Strategy Note informed by the 2013 fragility assessment. Yet although the fiscal years 2016–19 CPF used enhanced conflict-related risk monitoring and mitigation measures—including remote supervision; adoption of multisectoral, spatial approaches in targeted areas; and expanded partnerships with the United Nations and nonstate actors—the World Bank's approach lacked consideration of regional and cross-border risks, which were not systematically assessed until the Sahel regional Risk and Resilience Assessment was conducted in 2020.

Sources: World Bank 2013c, 2015a, 2015b, 2015c, 2015d, 2015f, 2016b, 2017b, 2017e, 2018c, 2018f, 2020c.

However, the client-facing nature and the potentially broad distribution of conflict analyses in the World Bank have sometimes prevented frank assessments of fragility and conflict drivers, limiting the transmission of conflict considerations into portfolio and operational decisions. The FCV strategy indicates that the Bank Group's approach and interventions should be tailored to FCV drivers, but the analysis and redress of these drivers are more difficult when the root causes of conflict are more political in nature (that is, geopolitics, elite capture, corruption, and pervasive governance challenges). In several instances, RRAs have been found to omit geopolitical factors relevant for development decision-making (for example, in Iraq, Sudan, and the Republic of Yemen); to have only partial coverage of drivers or limited discussion on the political nature of conflict (for example, in Burundi, Cameroon, and Iraq); or to omit regional risks resulting from geopolitical shifts or border issues (which are now being addressed through regional RRAs, for example in Central Asia, the Horn of Africa, Lake Chad, and the Sahel before 2020; see also box 2.2). Although these issues may be understood by World Bank country managers, the limited availability to task teams of information on the political contributors to conflict undermines efforts to tailor operations to conflict drivers.[3]

In Iraq, the overtly political nature of the conflict and the client's sensitivity in relation to discussion of conflict drivers meant that, even though the RRA effectively identified and analyzed drivers of conflict, the World Bank's subsequent Systematic Country Diagnostic (SCD) and country strategy did not take up this analysis. The 2016 RRA effectively identified and analyzed drivers of conflict.[4] However, this analysis was not well leveraged in the subsequent SCD, which portrayed conflict as an explanatory variable for current challenges rather than as an obstacle to current and planned development. Although conflict-specific projects (for instance, the Iraq Social Fund for Development project) were naturally conflict sensitive, a conflict lens was not present in non–Social Development projects. Many projects approved after the SCD did not, for instance, analyze their anticipated impact on existing social inequalities or cleavages, including how cash-for-work and reconstruction activities would differentially affect Iraq's social, ethnic, or sectarian cleavages (key conflict drivers identified in the RRA). To be sure, task teams interviewed noted the pressure to omit an emphasis on conflict to

satisfy both the client (which, buoyed by high oil prices, had declined earlier support a few years earlier) and the World Bank Board of Executive Directors.

In Cameroon, the analysis and treatment of conflict drivers has been partial due to political sensitivities regarding the anglophone crisis. There, the RRA and SCD adequately covered risks associated with the country's highest profile security threat, Boko Haram, but not its secondary conflict emerging in anglophone areas of the country. Consequently, although the CPF points to specific ways to adapt the country program in response to the risks posed by Boko Haram in the north, it does little to address the issues associated with the burgeoning anglophone conflict. World Bank staff were hard pressed to engage on the topic—many reported having insights but not feeling comfortable talking openly about the growing anglophone conflict—because the World Bank's client (the government) was reticent to acknowledge the conflict. The situation was particularly difficult and volatile, since, in this case, the root causes of conflict were political; further complicating the matter were the attitudes and behaviors of some external players who publicly shamed the government.

The quality of the conflict analysis, or hard-to-operationalize or missing recommendations, have sometimes limited the transmission of conflict considerations into strategy and operational decisions. Almost half of all RRAs (including both older and newer analytics) did not provide operationally relevant recommendations, and therefore most of the associated CPFs lacked clear articulation of policy actions to address conflict drivers identified by the RRA. For example, the Sudan RRA (no date) recommendations called for rapid advisory services and analytics (ASA) but bypassed quality and relevance issues that plagued World Bank ASA efforts at the time, thus not reflecting the sequence of actions required to get out of the cycle of economic deterioration. Consequently, the 2020 Country Engagement Note does not reflect Sudan's fragility and does not provide sufficient clarity on concrete sequencing.[5] Another example is the Iraq RRA, whose recommendations were vague or lay outside the purview of the World Bank (for example, "adopting a granular and nimble development approach," or "achieving political settlements between warring actors"). The Guinea-Bissau fragility assessment's recommendations were too high level: it recommended increasing staffing, applying for the IDA TAR, and accelerating the country

program's delivery but included only one midlevel actionable recommendation. Consequently, the CPF was informed by a subset of conflict recommendations from the SCD instead. The resulting CPF omitted the most important fragility drivers and policy actions needed to address them, primarily security sector reform (which may or may not be in the Bank Group's comparative advantage to address, but it should be acknowledged). In other cases, such as Chad, the RRA was backward looking, lacked prioritization, and had no recommendations, apart from a statement that the World Bank should act to break Chad's cycle of fragility. This led to a CPF that addressed the cost of conflict rather than the causes of conflict.

In other analytics, such as Damage and Needs Assessments (DNAs) conducted in postconflict situations, the omission of a conflict lens has prevented the World Bank from ensuring that the implementation of assessment recommendations does not create new grievances or exacerbate those that already exist. Although DNAs focus on core reconstruction and recovery needs and, as such, are not intended to serve as catch-all postconflict recovery assessment tools, they do still need to consider shifting conflict dynamics or how the World Bank should navigate them in conflict-affected countries.[6] Several DNAs have been conducted in conflict-affected countries, including Lebanon, the Syrian Arab Republic, and the Republic of Yemen, but many have had mixed success in identifying and analyzing conflict dynamics. Currently, conflict sensitivity is not integrated into DNAs or the priorities that the recommendations establish; rather, the World Bank relies on other analytical tools to do this. However, this omission of a conflict lens from what is often the main tool used to guide reconstruction prevents the World Bank from ensuring that the implementation of assessment recommendations does not create new grievances or exacerbate those that already exist. For example, the Republic of Yemen Dynamic DNAs (I–III) did not analyze conflict drivers, perhaps because the internationally recognized government of the Republic of Yemen—an actor in the country's conflict—was a partner to the assessments. These analyses focus on mitigating the consequences of active conflict, including the effects on different conflict-affected populations, but do not do enough to ensure that their implementation does not exacerbate tensions. To be sure, it appears that recent DNAs may be becoming more integrated with other conflict and postconflict assessment tools,

leading to greater conflict sensitivity. For example, in Lebanon the World Bank is currently using the Beirut Rapid DNA to reconsider its priorities using a whole-of-government approach that brings together government, civil society, the private sector, activist groups, youth groups, think tanks, and academia around a shared vision; the same is true for the most recent Republic of Yemen DNA.

Box 2.3. Damage and Needs Assessment in the Conflict-Affected Syrian Arab Republic

Although the Arab Spring and the outbreak of the civil war halted World Bank engagement in the Syrian Arab Republic, the World Bank reengaged in 2014 to conduct a Damage and Needs Assessment of selected cities. The assessment, conducted between December 2014 and February 2017, used satellite imagery, social media, and public information to establish prewar baseline data and supply damage estimates. The assessment did not analyze social, institutional, or governance impacts.

These assessments fed into the Syria Economic and Social Impact Assessment, called *The Toll of War* (World Bank 2017j), which advocated a reconstruction strategy without security sector reform. Yet evidence shows that reconstructing infrastructure and social systems without addressing a repressive security system and an unfair justice system is unlikely to achieve sustainable peace. As noted in the World Bank's Middle East and North Africa Reconstruction Forum, past physical reconstructions have failed because they did not strengthen the social contract between the state and civilians. In Syria, for example, rebuilding needs to be considered in the context of the legal architecture of reconstruction. The development of property laws can compel land and property claimants to relinquish ownership in ways that can cement forced displacement through physical reconstruction efforts, and reconstruction efforts can be used to cordon off restive parts of the country, institutionalizing the inequalities that started the uprising. Moreover, an analysis of reconstruction must incorporate a consideration of capital, since half the country's human capital (teachers, doctors, nurses, and so on) fled or died during the war.

Sources: Heydemann 2018; World Bank 2017i, 2017j; World Bank, Middle East and North Africa Reconstruction Forum, March 6, 2018, https://live.worldbank.org/building-peace-inclusive-reconstruction-middle-east-and-north-africa.

Although DNAs conducted in conflict-affected countries seek to deliver much-needed "quick wins," this can come at the expense of correctly identifying the conflict drivers and structural issues that need to be addressed to prevent future conflict. In a conflict-affected context, "quick wins" could be perceived as resources allocated to one side in a conflict that reinforce divisions in society. The Iraq DNA, for example, focused on the reconstruction of cities destroyed by the Islamic State, an area also prioritized by other actors, leading to a perception that certain social groups were benefiting at the expense of others. Furthermore, the problem of basing a reconstruction plan on an assessment of what has been destroyed is problematic in war-torn countries like the Syrian Arab Republic or the Republic of Yemen, where long-lasting conflict has changed the situation to the extent that an in-depth, conflict-sensitive assessment is needed to avoid prioritizing investments that could exacerbate conflict, including by focusing on social, institutional, and governance impacts, in addition to reconstruction needs (box 2.3).

Leveraging Knowledge to Inform Engagement and Management Decisions at the Country Level

Conflict-informed ASAs conducted during and after the onset or escalation of conflict events have helped navigate conflict-related and political economy issues and inform future engagement. This has generally involved analysis to understand local dynamics to inform the World Bank's response. For instance, after Madagascar's 2009 coup and during its political transition, the World Bank suspended and significantly cut back its lending but ramped up its nonlending activities. It engaged in extensive analysis to supplement its understanding of technical issues across several sectors with conflict- and political economy–related factors, in light of heightened political instability, the country's main conflict driver. The results were a series of high-level policy notes that became a critical reference for other development partners and nonstate actors to understand conflict dynamics from a sectoral level and to support future lending. Much the same was true in Burundi (2014–15), Iraq (2014–16), Myanmar (2017), and South Sudan (2013–present).[7]

However, almost none of the sector ASAs conducted before major warring activities in conflict-affected countries—and made widely accessible—included conflict and political economy–related factors to supplement an understanding of technical issues. Although predicting conflict is hard, conflict risk drivers do not come out of nowhere. Yet virtually all sectoral ASAs that were conducted before the onset of conflict—and that were available in the Operations Portal (many political economy analyses remain confidential)—were generally not conflict sensitive. These analyses generally recommended "best practice" technical solutions rather than "best fit" alternatives informed by conflict analysis, adjusted to local institutions and operating conditions (see also Woolcock 2014; World Bank 2011). A notable exception was in the Republic of Yemen, where conflict sensitivity analyses and political economy analyses predated the 2012 crisis. Another was Somalia, where sector ASA analyzed drivers and prioritized efforts to address conflict, making the ASA a strong informant of, and complement to, project financing. More recently, with the incentive of the TAR (now the TAA), Madagascar (post-2016) and the Central African Republic (post-2018) modified their portfolio to include conflict sensitivity in most ASAs, including multisector programmatic ones to ensure portfoliowide strategy and policy actions.

Country management is increasingly innovating with real-time conflict risk monitoring as a form of adaptive management. Although these monitoring efforts have been piloted in reaction to major conflict-related events that posed significant risks to the World Bank and country portfolios, many have been sustained as a portfolio monitoring tool. Although it is still too early to assess the effectiveness and impact of these pilots, it appears that the use of local knowledge gleaned from social media, newspapers, and word of mouth is critical to these efforts, as is the ability to interpret these events in relation to the World Bank's country engagement. For example, in Myanmar, after the Rohingya crisis (2015), the CMU made project approval contingent on a task team's application of a "peace and inclusion lens"—which was used to inform several conflict-sensitive project adaptations—and partnered with a local think tank, which thereafter has acted as a conflict observatory. In Lebanon, after the Beirut explosion in 2020, a new FCV risk monitoring framework was prepared, offering more frequent and proactive assessments to strengthen preparedness, prevention, and decision-making at various lev-

els. In Somalia, country management routinely seeks local political economy insights on the affiliation and reputation of local stakeholders in terms of their perceived legitimacy and relationship to government. Having observers in the field has proven critical for designing urban interventions that can be successfully implemented while considering different clan interests.

[1] Fragility assessments were social development analytical products designed to broadly explore issues in society that foment fragility, not to specifically identify and analyze conflict risks or to directly inform country programming.

[2] The value added of Risk and Resilience Assessments (RRAs) is not only the analytical products themselves but also the process. RRAs help generate a more engaged dialogue with client countries and partners around conflict risks and make it more amenable to addressing the underlying drivers through a coalition and combination of different initiatives.

[3] The new RRA methodology attempts to address this dilemma—the production of RRAs with frank assessments that do not shy away from coverage of the more political contributors of conflict while simultaneously ensuring sufficient access to inform wider task teams (and partners)—by proposing nondisclosure of full RRAs (with a full identification and analysis of the political nature of conflict) and the disclosure to a wider audience of summary slides, which may omit the more politically sensitive analysis. This can also include sharing a summary of RRA findings in a shorter form (see the public version of the Afghanistan RRA).

[4] There was also a 2020 Rapid Country Social Assessment.

[5] On March 26, 2021, Sudan cleared its IDA arrears, enabling its full reengagement with the World Bank Group and paving the way for the country to access nearly $2 billion in IDA grants.

[6] A Damage and Needs Assessment is an internal World Bank exercise to assess damages and needs in either disaster or conflict situations; it can be part of a Post-Disaster Needs Assessment or a Recovery and Peacebuilding Assessment or can be a self-contained analysis. A Post-Disaster Needs Assessment is a tool for assessing damages caused by a natural disaster, whether or not in a conflict-affected situation; it uses the same core methodological approach but is a multistakeholder exercise (such an assessment was conducted in Somalia in 2017). A Recovery and Peacebuilding Assessment is a tool that likewise brings together national and international partners, but to assess the impacts of conflict and identify directions for promoting peace, recovery, and development. These assessments have been conducted in Cameroon, Central African Republic, Mali, Nigeria, and the Republic of Yemen and have informed Bank Group country strategy and operations.

[7] The Myanmar foundational conflict advisory services and analytics project was launched in 2012. As a result of this multiyear research effort, a flagship report was published in October 2017.

3 Identifying and Addressing Conflict Risks to Operations

Highlights

There is a growing tendency for investment projects in conflict-affected areas to identify and address fragility factors and conflict drivers; include adaptive, conflict-sensitive design and implementation mechanisms; and mitigate exposure risks (in effect, to "lean in" to conflict). Likewise, fewer investment projects avoided or neglected conflict issues. The existence of a Risk and Resilience Assessment encourages "leaning in." Notwithstanding this improvement, the number of projects that consider conflict dynamics in conflict-affected areas remains low in Agriculture and Food, Energy and Extractives, and Transport, especially in the Sahel.

When faced with security-related implementation challenges, less than 20 percent of projects in the portfolio analyzed *that had initially avoided or neglected conflict* used restructuring or flexible mechanisms to adapt project design. Staff cite pressure to disburse as a key reason for this behavior.

Although the World Bank swiftly rolled out emergency coronavirus pandemic responses to all conflict-affected countries with an active portfolio, only half of these operations referenced conflict risks, raising the specter of potentially exacerbating conflict drivers. It is acknowledged that the COVID-19 response projects were developed during unprecedented circumstances. However, the pandemic has presented particular risks for countries already experiencing a high degree of conflict or instability, contributing to a multiphase, complex emergency—a situation that differs from non-conflict-affected countries.

To determine the nature and extent to which World Bank investment operations identify and address conflict risk, this evaluation conducted a project-level conflict sensitivity analysis supported by a selectivity framework that rests on the spatial intersection between project locations and conflict areas. The analysis was conducted for projects approved since FY10 mapped to five key Global Practices: Agriculture and Food; Energy and Extractives; Social Protection; Transport; and Urban, Disaster Risk Management, Resilience, and Land (appendix A). The Global Practices were chosen because of their physical footprint and significance in the country portfolios. (Health and education were covered in the World Bank's COVID-19 response analysis; see the Identifying and Managing Conflict Risks as Part of the COVID-19 Response section later in this chapter.) Overall, 84 percent of all projects approved since FY10 were found to be operating in conflict-affected areas.

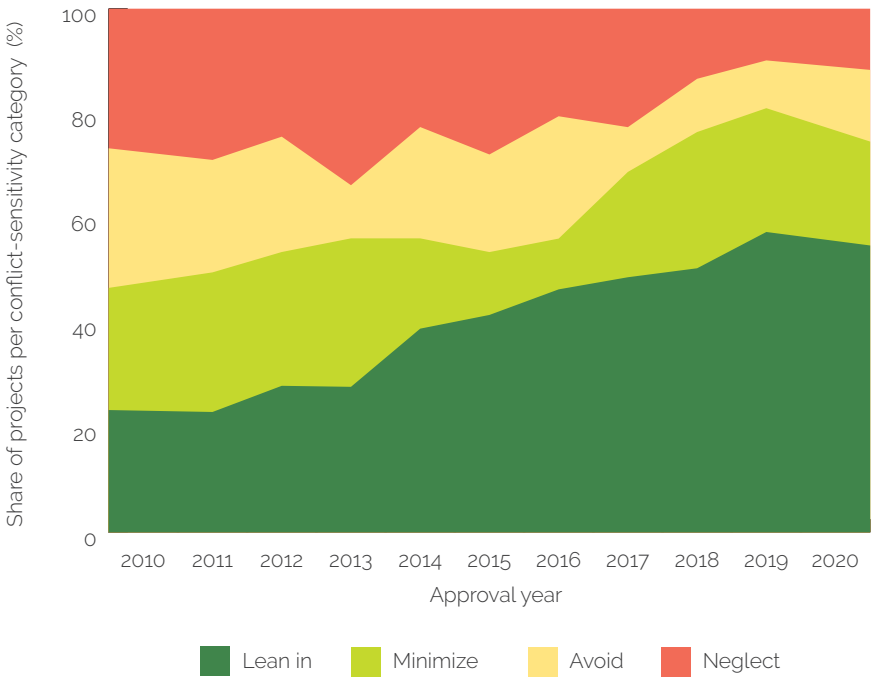
To assess and report on projects' relative conflict sensitivity, the evaluation then developed a taxonomy containing four mutually exclusive and collectively exhaustive categories to systematically assess conflict sensitivity:

- Lean in to conflict. Documentation (i) identified conflict drivers; (ii) explicitly addressed these drivers in project design (theory of change, purpose, scope, location, targeting); and (iii) included adaptive implementation mechanisms, including mechanisms to mitigate exposure risks to assets and people.
- Minimize exposure risk. Documentation (i) identified conflict drivers and (ii) included implementation mechanisms to mitigate risks to assets and people.
- Avoid conflict. Documentation (i) identified conflict drivers, but (ii) sought to avoid engaging in conflict-affected areas or with conflict-affected populations, and as such did not explicitly address drivers or include adaptive mechanisms.
- Neglect conflict. Project documentation neither identified nor addressed conflict issues.

There is a growing tendency for projects that operate in conflict-affected areas to lean in to conflict. Two-fifths of the assessed portfolio were found to lean in to conflict, with an uptick in this behavior over time (figure 3.1). Compared with those approved in the first half of the evaluation period, projects approved during the second half were 50 percent more likely to identify and address conflict drivers as part of their project theory and

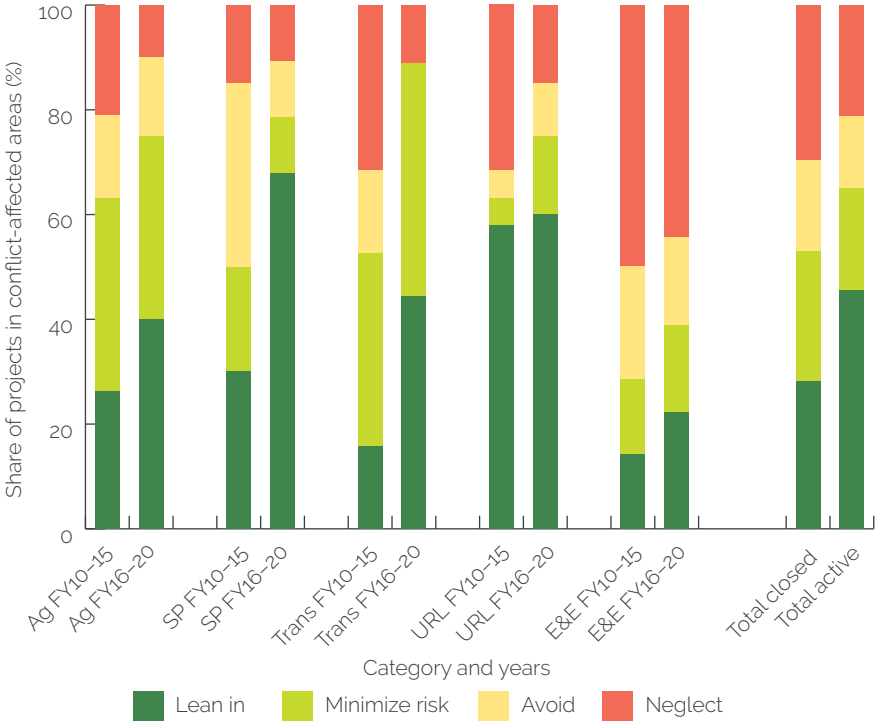
design; include adaptive, conflict-sensitive design; and include implementation mechanisms and mechanisms to mitigate exposure risks to assets and people (figure 3.2). This trend was most pronounced for Transport, Agriculture and Food, and Social Protection, although ratios remained low for Transport and Agriculture and Food. High to begin with, Urban, Disaster Risk Management, Resilience, and Land's "project" ratio stayed the same, except for disaster risk management projects that did not have a conflict lens. The number of Energy and Extractives projects operating in conflict-affected areas that lean in was low throughout (lean-in projects are shown in green in figure 3.2), and there has been only modest improvement in the Sahel since 2019, due to a lack of financial support and decentralized technical expertise.

Figure 3.1. Share of Projects per Conflict Sensitivity Category per Approval Year, Three-Year Trailing Averages



Source: Independent Evaluation Group.

Figure 3.2. How Investment Projects in Conflict-Affected Areas Identify and Manage Conflict Risks (across Five Global Practices)



Source: Independent Evaluation Group.

Note: N = 186. Ag = Agriculture and Food; E&E = Energy and Extractives; FY = fiscal year; SP = Social Protection; Trans = Transport; URL = Urban, Disaster Risk Management, Resilience, and Land.

Specifically, projects lean in to conflict in a variety of ways. These projects target conflict-affected populations, including by reducing tensions between refugees and host communities or between the state and ethnic or marginalized communities. Some are better at articulating how they will ensure transparency regarding beneficiary targeting (for example, youth) to address tensions, including those potentially caused by aid. Two-thirds of this portfolio engage partners, including the UN and nonstate actors, for implementation support. They often put in place alternative mechanisms for monitoring and supervision, such as third-party monitoring or other information and communication technology–enabled solutions, and some engage in innovative risk monitoring (box 3.1). A few projects that lean in also support conflict prevention through enhanced grievance redress (designed to monitor and address conflict drivers) or local conflict resolution mechanisms, or by addressing land disputes.

Box 3.1. Examples of Projects That Lean In to Conflict

In Afghanistan, National Solidarity Project Additional Financing (fiscal years [FY]10–15) introduced conflict-sensitive targeting by restructuring the project to reach highly insecure areas. It provided block grants to communities experiencing funding shortfalls driven in part by deteriorating security conditions. The project developed a high-risk area strategy to enable flexible implementation, including subcontracting implementation to local nongovernmental organizations and using a distance model that relied on community member implementation.

In Somalia, the Shock Responsive Safety Net for Human Capital Project (FY20–present) established clear and objective criteria to ensure fair access to the safety net and to mitigate tensions regarding distribution in highly conflict-affected areas. The project partners with the World Food Programme and the United Nations Children's Fund for implementation and monitoring support.

In the Republic of Yemen, the World Bank partnered with the United Nations Development Programme to maintain support for service delivery after war broke out and after the collapse of the Yemeni state through the Yemen Emergency Crisis Response Project (FY17–present). Partnering enabled the World Bank to target and reach conflict-affected communities in contested areas and permitted the World Bank to reduce risks to project staff and assets, since the United Nations can communicate with third parties. Within 18 months, the approach enabled the transfer of cash to one-third of the population.

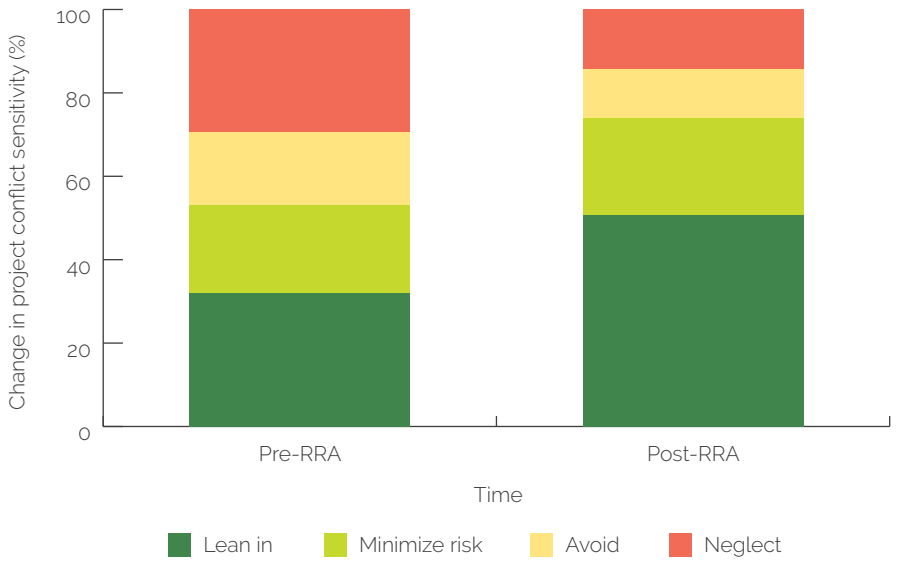
In South Sudan, the Emergency Food and Nutrition Security Project (FY17–19) adapted its implementation arrangements for its cash-for-work component. As discovered during implementation, some beneficiaries could not work because of conflict, so the project was restructured to allow for direct transfers to these populations rather than requiring work.

Sources: World Bank 2016d, 2017a, 2017h, 2019f, 2019g.

The existence of an RRA in a country encourages leaning in because it makes the design of subsequent investment projects more likely to integrate conflict sensitivity. Operations approved in a country after the development of an RRA tend to lean in to conflict more than those approved before an RRA

(figure 3.3). One-third of assessed projects, approved before an RRA, leaned in, whereas this was true for one-half of projects approved after an RRA. Operations that lean in before an RRA were located in countries that have had protracted subnational conflict and that have been assisted by a conflict expert—countries in which conflict is already being mainstreamed into country operations. To be sure, before the recent mandating of RRAs, the decision to conduct an RRA was aligned with country management awareness and support to integrate conflict issues into its engagement strategy; as such, the RRA is a cause and an effect of a country program shift toward conflict awareness.

Figure 3.3. Percentage of IPF across Five Global Practices That Lean In to Conflict before and after RRA



Source: Independent Evaluation Group.

Note: IPF = investment project financing; RRA = Risk and Resilience Assessment.

Over time, there are fewer investment projects operating in conflict-affected areas that do not identify or address conflict issues in design; that is, fewer neglect conflict. The percentage of projects that neglected conflict issues—that neither identified conflict issues nor adapted project activities to address them—declined from 28 to 19 percent from the first to the second half of the evaluation period (the red in figure 3.2). Agriculture and Food and Transport projects showed the strongest improvement (decline in the

number of projects neglecting conflict); Energy and Extractives projects showed no change over time in relation to the number of projects that neglect conflict issues. Projects in the Sahel also pulled down averages; research is needed to understand the factors contributing to this trend (besides the fact that the conflict zone in these countries has expanded rapidly over the past several years).

Fewer investment projects in conflict-affected areas sought to ring-fence themselves from the effects of conflict; that is, fewer projects are avoiding conflict. The propensity to try to avoid conflict—avoiding an area after having identified conflict drivers and their likelihood to further undermine development gains—declined from 17 to 11 percent between the first and second half of the evaluation period (the yellow in figure 3.2). One factor that may explain why projects in conflict-affected areas are less likely to avoid conflict is that almost half (43 percent) of those projects that sought to avoid conflict reported experiencing conflict-related implementation challenges. This was especially true for projects implemented at the national level, of which 75 percent avoided conflict but later experienced conflict. Even so, many projects in this category (and the category of neglect) did not report on conflict-related challenges (this is especially true for the Energy and Extractives sector), even though the data show that these projects were operating in conflict-affected areas. Furthermore, projects in both cohorts (avoid and neglect) are least likely to restructure or use other flexible mechanisms (as determined through a project document review) when faced with conflict-related implementation issues, as compared with two-thirds of projects that leaned in, over the evaluation period.[1]

Twenty-two percent of investment projects in conflict-affected areas did the minimum: they included adaptive implementation mechanisms to mitigate exposure risks to assets and people, but they did not address conflict drivers in their design or project theory (the light-green in figure 3.2). Projects operating in conflict-affected areas need to—at a minimum—mitigate exposure risks to assets and people. Mechanisms include routine risk monitoring—by engaging civil society and nonstate actors—and adapted supervision mechanisms, including third-party monitoring and other information and communication technology–based solutions.

Addressing Risks through Upstream Operational Support from Corporate Security

In some situations, task teams have benefited from actionable, upstream support directly from Corporate Security specialists for project preparation and implementation in situations of conflict. A survey of World Bank security specialists found that only a few had directly supported task teams with such work (which is distinct from security guidance regarding mission travel) in Afghanistan, Mali, Niger, Nigeria, and Somalia (box 3.2); the rareness of such work is not surprising because it lies outside of Corporate Security's mandate (the Bank Group duty of care does not extend to project implementation personnel and activities). This work is largely demand driven: Task team leaders opt to reach out to security specialists for assistance in preparing and implementing projects using a security lens. In the words of one security specialist, "an ideal relationship [between a country security specialist and their management team] might see more regular [country office] requests for analytical input, formal products that serve specific project team needs, in addition to more informal touchpoints between the analyst and the office teams." Some of these cases have led to critical value added for project design or implementation. Yet, since such upstream support falls outside of Corporate Security's mandate, it is not expected it will expand.

Box 3.2. Examples of Upstream Operational Support from Corporate Security

In Mali, a security specialist developed a threat-based analysis to inform design of a project for the dredging of the Niger River Delta, the results of which convinced the task team leader to downsize certain activities pending an improvement in the security environment.

In Somalia, a security specialist conducted analysis and provided security guidance on the potential risks of a projected World Bank–executed roads project in Mogadishu, the results of which led to the dropping of the project because of security risks.

Sources: Interviews with World Bank Group staff and management; interviews with and survey of Corporate Security staff.

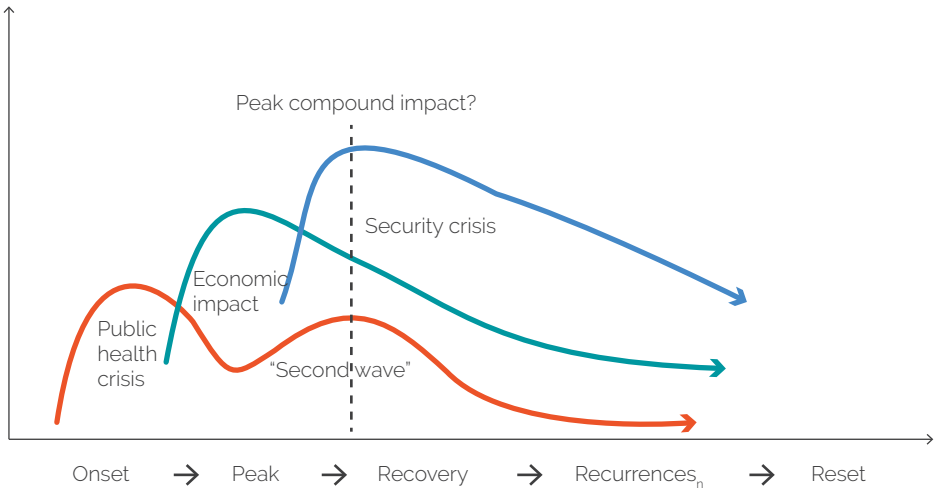
Identifying and Managing Conflict Risks as Part of the COVID-19 Response

Although all conflict-affected countries with active lending received some form of COVID-19 response support, only half of the portfolio—of both restructured and newly approved projects—included a consideration of conflict risks. As of 2020, the World Bank had approved 42 projects and restructured 29 existing projects to respond to COVID-19 in conflict-affected countries (of which 64 are IPF, 4 are DPF, and 3 are Program-for-Results). Only 57 percent of the newly approved and half of the restructured projects include references to conflict risks in their Project Appraisal Documents. For restructured projects, mentions of conflict risk and associated management measures tended to exist only if they had been analyzed by the parent project (in the absence of this initial risk identification, no new analysis was conducted for restructured projects). Analysis gaps were especially found in Eastern and Southern Africa (including in Burundi, the Democratic Republic of Congo, Madagascar, and Sudan).

Although it is acknowledged that the COVID-19 response projects were developed during unprecedented circumstances, for countries already experiencing a high degree of conflict or instability, COVID-19 is best understood and responded to as a multiphase complex emergency. COVID-19 has presented second- and third-order risks —especially security risks—for countries already experiencing a high degree of conflict or instability, a situation that differs from non-FCV countries. For those projects that did not consider conflict dynamics in design, they should integrate this analysis into their adaptive management and their monitoring and evaluation.

Conflict-affected countries experience COVID-19 differently (Cordillera Applications Group 2020). Although these countries are experiencing a wave of public health effects—followed by a wave of economic impacts—many also experience a wave of security impacts (figure 3.4). These waves overlap, have mutually reinforcing effects, and occur in a sequence of onset, peak impact, recovery, recurrence(s), and reset. Where multiple waves occur, there are complex nonlinear ripples of health, economic, and security impacts with which to contend.

Figure 3.4. Impacts of COVID-19 as a Multiphase Complex Emergency



Source: Cordillera Applications Group 2020.

When addressing the impact of COVID-19, many projects did not include special considerations for conflict-affected countries such as those discussed in the following paragraphs.

The impact of the disease may be less damaging than the effects of economic disruption. Conflict-affected countries whose populations depend on remittances are especially vulnerable. When the livelihood of diasporas is compromised because of lockdowns, job loss, or other pandemic effects, the disruption of remittances can create significant hardship. In the initial stages of the pandemic, remittances to Somalia—a country in which half of all households rely on remittances—have fallen by 15 percent (Samantar 2020). Since then, however, remittances have rebounded overall and have been thought to have buffered COVID-19–related economic impacts in some remittance-receiving countries.

Contested governance at the subnational level complicates pandemic response. Countries with areas controlled or contested by nonstate armed actors are likely to have difficulty tracking disease or delivering health services. When development actors are obliged to work only with governments, they may be unable to access areas or may not be seen as impartial. These risks should be considered ex ante.

Internally displaced persons (IDPs) and refugees are vulnerable because they have low access to clean water, sanitation, and nutrition and have difficulties practicing social distancing. Crowded IDP camps lacking in sanitation and medical facilities pose an outbreak risk. Likewise, refugees returning or expelled from countries may represent a health risk (or be perceived as such) if entering from affected areas and can also burden overstretched medical systems.

Perhaps counterintuitively, conflict-affected countries already experiencing high levels of violence, economic disruption, and social polarization may have a protective (or harm-reducing) effect in relation to the pandemic. Economic exclusion can dampen economic shocks associated with COVID-19. For example, a high proportion of farmers engaging in subsistence agriculture limits the welfare impact of market and supply chain disruptions. Also, conflict, which reduces mobility, can slow the virus's spread.

[1] A good example of a project that used restructuring to adapt its design is the Cameroon Multimodal Transport Project, which began in fiscal year 2014 and supported road building in areas where there was eventually active fighting between Cameroonian Armed Forces and Boko Haram. Although a social assessment carried out in May 2017 rated the local security threats as low, the security situation was volatile, and implementation faced mounting security challenges. The project opted for a level 2 restructuring, to institute a permanent security unit to protect the site, a security monitoring commission staffed with senior military officials, and an independent observatory to assess security conditions where the road was being built.

4 Working Differently in Situations of Conflict

Highlights

The World Bank is often able to help stem the developmental consequences of political instability by restoring critical financing and leveraging donor funding. In these instances, the World Bank has helped preserve hard-won development gains by working with de facto governments during political transitions (and avoided risks associated with suspension and delayed engagement). However, in working with de facto governments that are also a party to conflict, the World Bank's engagement has led to perceptions of it taking sides or being a party to a failed social transition.

Leveraging United Nations and humanitarian partnerships, including in situations in which there is no central government, has enabled the World Bank to deliver critical services to conflict-affected populations in areas inaccessible to the World Bank. This has also helped mitigate operational risks by enabling communication with certain nonstate actors that are otherwise off limits to the World Bank. However, disagreements over the implementation of fiduciary, environmental and social, and security policies and procedures when challenges arise risk undermining the effectiveness of these partnerships.

In the face of heightened conflict or political crises, the World Bank has effectively rebalanced its financial support when doubts arise about government commitment to sound fiduciary management. This has allowed it to mitigate reputational risk associated with providing fungible budget support, which could be diverted. Trust funds have also been crucial in allowing the World Bank to operate in conflict situations.

The World Bank has ramped up its security coverage to support its operations in conflict-affected situations, including by ensuring that staff have the soft skills needed to translate security analyses into operational recommendations to heads of office. However, security-related costs are extremely high and come out of project supervision charge codes. This has created a disincentive to engage in conflict-affected areas. Also, the deployment of Corporate Security staff is based on the number of nonsecurity staff and the frequency of missions per country. This may negatively affect smaller countries and Country Management Units, potentially leading to disconnects between risk level and security staffing.

There are, however, marked differences in operational responses to otherwise similar security instances. The World Bank does not provide concrete guidance to heads of mission on how to systematically process data on changes to conflict risk levels as they pertain to the country portfolio. Without this, responses to similar security incidents have varied depending on the risk tolerance of the head of office, and there is no process in place to foster an optimum approach.

This chapter assesses the ways in which the World Bank has adapted its engagement to work differently in conflict-affected countries, particularly as it pertains to reengagement after constitutional interruptions or political transitions. This has entailed acting as first mover; leveraging implementation partners, enhanced security measures, and the use of ASA; and shifting between available financial instruments and modalities. Adaptations are categorized according to how the World Bank (i) works with the client during inchoate situations; (ii) partners with external stakeholders, specifically with the UN and the International Committee of the Red Cross (ICRC); (iii) mitigates risk through security coverage; and (iv) leverages nonlending and lending instruments at its disposal to support engagement.

Quickly Reengaging after Constitutional Interruptions

The World Bank's frequent role as one of the first development partners to engage with de facto governments after an unconstitutional transfer of power has enabled it to restore critical financing (including crowding in donor funding) to support vulnerable populations during inchoate periods. In five of the six countries that experienced serious military coups or similar unconstitutional interruptions followed by restorations of constitutional order during the evaluation period (Niger in 2010, Guinea-Bissau in 2012, Mali in 2012, the Republic of Yemen in 2012, and the Central African Republic in 2013), the World Bank was the first development partner to reengage. In these situations, the World Bank (generally at the request of member countries) took on the risk of resuming policy dialogue and restoring financing after triggering OP7.30—by recommencing disbursements of existing projects and, critically, approving new emergency operations—to preserve development gains in the face of continued uncertainty.[1] First-mover status helps restore critical financing, as was the case in Niger, where the World Bank's reengagement convinced many other development partners to reengage shortly thereafter. Similarly, in the Central African Republic, World Bank reengagement helped restore government credibility and mobilize resources for the beleaguered country. Although there are serious reputational risks associated with reengagement, these must be weighed against the risks of

inaction or delayed reengagement (which can also pose reputational risks, for that matter).

Most of the World Bank's emergency operations approved during these transitions were highly effective at maintaining critical service delivery, although the necessary haste in which they were prepared increases the possibility of exacerbating conflict drivers (or other unintended consequences). Of the 11 emergency operations approved during the political transitions mentioned above, 9 received outcome ratings of moderately satisfactory or higher (chapter 5 provides an analysis of project ratings). The 6 that had a service delivery focus were even rated satisfactory or higher.[2] Mali's Emergency Education Project, for example, was found to be critical in supporting the government to provide basic education to all citizens in spite of the armed conflict and resulting coup, which generated broad turmoil and upheaval (World Bank 2018g). Notwithstanding this success, unintended outcomes related to conflict are not assessed in self-evaluations and validations; this is troubling, as rapidly prepared projects—some completed in less than a month's time—run the risk of overlooking avoidable actions that may unintentionally cause or exacerbate drivers of conflict.

The importance of reengaging quickly after a political crisis can be seen by one example of a protracted, partial disengagement (from financial activities), which contributed to significant slippage in development gains. The World Bank never fully disengages for an extended time; thanks to trust funds, the World Bank is able to maintain a minimum presence even in countries with intense conflict, such as Somalia, before arrears clearance.[3] The one example, however, of a partial financing disengagement after a political intervention highlights the costs of such a measure to development gains. In Madagascar, from 2009 to 2014, the World Bank highly curtailed its financing engagement in the wake of the 2009 political coup (box 4.1). During that time, income per capita fell, poverty rose sharply, social outcomes worsened, public finances were increasingly under stress, and foreign aid dropped by approximately 30 percent, as many donors followed in the World Bank's footsteps and delayed reengagement (World Bank 2013b). IEG is separately analyzing this unique case in a Country Program Evaluation of Madagascar to be delivered in FY22.

Box 4.1. World Bank Disengagement and Implications for Country Development Gains: The Case of Madagascar (2009–14)

Immediately after the political coup in March 2009, much of the international community condemned Madagascar's constitutional interruption, the African Union suspended Madagascar's membership, and the World Bank triggered Operational Policy 7.30, requiring the temporary suspension of disbursements and new lending. Although some portfolio disbursements were progressively resumed in December 2009, limited new lending was allowed on an emergency basis only in November 2012; complete reengagement was only resumed four and a half years later, in January 2014, with the return to constitutional order, despite the earlier existence of a political transition road map. In comparison, the African Development Bank did not curtail its engagement and opted to work with the de facto government.

In Madagascar, the World Bank exceeded the procedures generally put in place under the Operational Policy 7.30 framework: Senior World Bank leadership instituted a stringent ban on nontechnical discussions with the de facto government and any dialogue with officials above the ministerial level. This unique ban and the suspensions were kept in place significantly longer than was deemed necessary by the then head of office and technical teams interviewed by the Independent Evaluation Group. Several staff noted that such a strict response was seen even at the time as misguided, the result of (i) geopolitics, (ii) an overstep by the World Bank into the arena of influencing domestic politics (the deposed president was considered a "donor darling" and enjoyed close relations with the World Bank), and (iii) a desire by senior World Bank management at the corporate and regional levels to use Madagascar as an example.

The World Bank's disengagement contributed to the marked deterioration in economic and human development outcomes. According to the World Bank's analysis, over the course of the political crisis (2009–13), the poverty rate increased by 10 points, the number of out-of-school children soared by 600,000, child malnutrition increased in some areas by 50 percent, and several health care centers closed due to lack of funding.

Sources: World Bank 2013b, 2017d.

The costs of not quickly engaging with a de facto government are real, and so are the risks associated with partnering with a government that is also a

party to conflict (a not-uncommon reality during political transitions). How to engage in conflict-affected situations is a decision that the World Bank has taken—in consultation with member countries and its Board—during times of uncertainty. Working with de facto governments during political transitions has enabled the World Bank to contribute to the preservation of hard-won development gains, including by protecting essential institutions and services; delaying reengagement had steep costs in the case of Madagascar. But engagement decisions can have—and have had—cascading effects that are not apparent in the short run. The World Bank's Middle East and North Africa strategy acknowledges the risk that stakeholders could perceive the World Bank as taking sides in a protracted political transition when it reengages, such as when it provides support to a social transition (World Bank 2015e). This has been the case in the Republic of Yemen, where the World Bank has remained engaged—at the request of the international community—even though a large portion of the country is under the control of de facto authorities. Indeed, engaging de facto governments during political transitions has posed risks to the World Bank's reputation in several Middle Eastern and North African and some Sub-Saharan African countries (World Bank 2019f).

Partnering with the UN and the ICRC to Implement Projects in Conflict-Affected Areas

Partnering with the UN and the ICRC to implement projects in conflict-affected countries (which is done only under exceptional circumstances) has allowed the World Bank to deliver critical services to vulnerable populations who reside in areas inaccessible to the World Bank. The UN has a wider field presence than the World Bank does, with field offices and technical staff dispersed throughout many countries experiencing conflict, such as in the Democratic Republic of Congo and the Republic of Yemen. Engaging the UN as an implementation partner allows the World Bank to reach populations that would otherwise be out of its reach. The World Bank's new FCV strategy notes the need to step up partnerships with humanitarian, development, peace-building, security, and private sector actors to maximize its impact in the field in conflict-affected countries. For example, in South Sudan, the

World Bank has a limited presence outside of Juba and therefore has relied on the UN to deliver services to the 95 percent of the population who reside outside the capital. In Somalia, partnering with the UN has enabled the World Bank to deliver livelihood protection, essential services, and, most recently, locust control to large swaths of the population living in remote border and rural areas. Such collaboration can expand the World Bank's reach into areas of high instability to reach vulnerable conflict-affected populations, including in nongoverned areas, a complicated feat for the World Bank given its headquarters- and capital city–based footprint. In northern Mali, to provide infrastructure reconstruction and livelihood support to conflict-affected populations, the World Bank delegated contract management to the UN Office for Project Services and relied on the UN Multidimensional Integrated Stabilization Mission in Mali for logistics.

Relatedly, engaging with the UN as an implementation partner has allowed the World Bank to continue to finance critical services even in situations in which there is no central government. Without the possibility of such a partnership (authorized through OP2.30),[4] the World Bank would be hard pressed to provide support to vulnerable populations when there are multiple or no governments in power, given its state-centric model. For example, because of the 2014–15 conflict in the Republic of Yemen, the government lost effective control of the country, prompting the World Bank to halt disbursements to the client. To continue supporting health services, and in line with paragraph 12 of the IPF policy *Procurement in Situations of Urgent Need of Assistance or Capacity Constraints*, resources were channeled through other agencies to continue financing critical services: the World Health Organization and the United Nations Children's Fund were tapped to help implement projects through national institutions when the World Bank could not. To avoid exacerbating conflict dynamics, the World Bank has worked to ensure parity in the delivery of assistance throughout the country.

Relying on UN agencies as implementation partners in situations of conflict has also helped mitigate risks to World Bank operations and staff by allowing the World Bank to communicate (through its partners) with nonstate actors otherwise off limits to the World Bank.[5] Given their humanitarian, security, and political mandates, UN agencies are more able than the World Bank to negotiate access with all parties, including those with whom the World Bank

cannot officially communicate, enabling the World Bank to better understand changing social relations, political economy dynamics (such as whether certain groups will act as spoilers), and how best to do no harm in complex environments in which the World Bank's state-centric model complicates the need to engage with multiple stakeholders. This has been the case in the Republic of Yemen, where a nonstate actor—the Houthis—controls the capital and most of the country's north: providing health and other social services to at-risk populations in those areas entails working with them to secure access. Furthermore, given their independence (in the sense of being less state-centric than the World Bank), UN agencies can negotiate access with all parties; in the Republic of Yemen, the World Bank's UN implementation partners also communicate with regional players to make sure that there are no project activities happening in areas where aerial bombings may take place.

Such implementation partnership arrangements have been challenged by disagreements over the implementation of fiduciary and security rules and protocols when problems arise. The World Bank has signed memorandums of understanding with UN agencies (and the ICRC) allowing them to use their own rules and protocols; however, when procurement or financial management issues arise, differences between World Bank and UN systems have contributed to a perception on the side of the World Bank of heightened fiduciary risk associated with such arrangements. For example, fiduciary issues triggered in the Republic of Yemen with the World Health Organization and in Somalia with the ICRC have led the World Bank to question such arrangements, even though similar issues occur with IDA resources elsewhere; they are just handled internally, using World Bank audit and integrity procedures. Additionally, UN agencies likewise abide by their own security policies and risk tolerance measures, adopted to protect their staff and in line with a risk calculus of acceptable loss as a function of lives saved (the UN has a greater risk tolerance than the World Bank). Yet, when these calculations are made by the UN and its executing agencies (often nongovernmental organizations), the World Bank has been reticent to adhere to arrangements when risks materialize. For example, a security breach in South Sudan under a United Nations Children's Fund–implemented maternal health project made the World Bank question its commitment to such implementation arrangements; this posed a dilemma as to whether to cancel the project to prevent

further risks to executing agents or to continue providing critical resources for maternal health.

Ongoing challenges associated with World Bank and UN mandates and roles need to be addressed to ensure the continued success of such implementing partnerships. The World Bank partnership with the ICRC is an example of an institutional partnership intended to improve each other's operational reach and expertise and leverage the benefits associated with combining the forces of organizations with different mandates (that is, developmental and humanitarian). In Somalia and Sudan, the World Bank has benefited from the ICRC's reach, and the ICRC has expanded and secured operations into the development phases of operations. However, the administration of this partnership has been complicated by the fact that, given its different mandate, the ICRC has a duty to adhere to neutrality toward all actors—both state authorities and nonstate armed actors—but the World Bank works exclusively with state authorities. Given the nature of its humanitarian work and its operating environments, the ICRC also must accept situational fluidity. As such, standard World Bank reporting requirements may be unachievable for ICRC staff working on the front line. An example provided by the ICRC is the following requirement included in financing agreements that states that the ICRC should notify the World Bank within seven days of any "significant social, labor, health and safety, security or environmental incident, accident, or circumstance involving the Project, or any other event or circumstance having, or which could reasonably be expected to have, a material adverse effect on the implementation or operation of the Project." According to the ICRC, such security incidents occur daily in active conflict zones, including active conflict that always has adverse effects on implementation, making the reporting requirement impractical. As the World Bank expands its support to conflict-affected areas, necessitating greater partnerships, such requirements may need to be rethought.

Expanding Security Monitoring to Ensure Operational Coverage

The World Bank has ramped up its security coverage in situations of conflict in ways that are enabling the implementation of the FCV strategy.

Enhanced measures include expanding the ranks of country-based security professionals and ensuring that new staff have the appropriate qualifications—including soft skills—to support the safety of operational teams and, critically, translate security analyses into operational recommendations to heads of office. This has been done by (i) boosting Corporate Security's analytical skills (mostly done by headquarters-based analysts); (ii) hiring security staff with an understanding of the security-development nexus (earlier hiring seemed to prioritize military backgrounds) and the know-how to explain how security issues affect operations; and (iii) pairing local security staff (with expertise in local conflict dynamics) with international security hires (who offer a broader perspective earned via service in differing security threat environments). These field staff are charged with ensuring that Security Briefing Notes—often developed in response to a shock—are provided to heads of office in support of risk-informed decision-making.

However, security-related costs are extremely high and generally come out of project supervision charge codes. This has created a disincentive to engaging more in conflict-affected areas, especially in locations where vendor-based close protection is needed. In these locations—such as Afghanistan, Iraq, and Somalia—per diem security costs can run up to or beyond $6,000, large amounts to be covered by project supervision budgets. Where trust funds have been made available, these have helped task teams cover these costs (see also the Adapting Financing Modalities to Enable Continued Support section).

Although increased security coverage has allowed for an expansion to World Bank operations in conflict-affected situations, the way in which Corporate Security staff are deployed may inadvertently penalize small countries and CMUs, potentially leading to disconnects between risk level and security staffing. Security personnel are deployed based on the number of staff and or missions per country, since head count affects exposure. The distribution of central funding for security elements based primarily (but not exclusively) on such a ratio means that conflict-affected countries with disproportionately high numbers of staff but low risks may receive more resources than smaller countries with few staff but high risks, given limited resources.

Despite this improved monitoring of security threats, there are marked differences in operational responses to otherwise similar security instances involving projects and non–World Bank staff due to different levels of risk tolerance of heads of office. The Bank Group's new Directive Framework of Accountability for the Bank Group Security Management System (2020) provides corporate guidance on the safety and security of the World Bank's own staff, for whom it has direct and complete duty of care. It does not, however, tackle how to measure or mitigate the security risk to and in World Bank–financed projects and nonstaff personnel (such as Project Management Unit staff). Unlike other international organizations such as the UN, the World Bank does not provide guidance on how to systematically process data on changes to conflict risk levels as they pertain to the country portfolio; without this, or a specific level of risk tolerance that the World Bank is willing to accept, project implementation responses to security incidents are subject to the different levels of risk tolerance of heads of office. For example, in the Democratic Republic of Congo, a kidnapping prompted the suspension of an entire operation, whereas in Afghanistan, during the National Solidarity Program (2003–17), 125 people associated with the project were kidnapped—and more than 370 people killed—including members of local government, partners, and staff from the project implementation unit; yet that project proceeded apace (see box 4.2 for additional examples).

Box 4.2. Examples of the World Bank's Diverse Set of Responses to Violent Attacks

What constitutes the risk threshold for continued World Bank engagement—and downstream risks for action or inaction—has varied depending on the country context:

- Afghanistan. Project Management Units and those engaged in project activities are regularly attacked and sometimes killed by the Taliban. Over the course of the National Solidarity Program (2003–17), more than 370 people associated with the project were killed and 125 kidnapped, including local government officials, executing partners, and members of the Project Management Unit.

(continued)

Box 4.2. Examples of the World Bank's Diverse Set of Responses to Violent Attacks (cont.)

- Western and Central Africa. A single kidnapping of a Project Management Unit member led to a protracted discussion among country leadership of subsequent steps to take. A separate kidnapping prompted the Country Management Unit to suspend an important project, vowing to unsuspend it only when security improves in the project area. Such a request is unmeasurable and an imprecise instrument to improve security writ large or mitigate the risk of further kidnappings: in this case, the government support improved security by stepping up air strikes on the insurgents.
- Eastern and Southern Africa. After an intrusion into an implementing nongovernmental organization's compound that resulted in robbery and sexual assault, the World Bank abruptly suspended the project on which it had been working. Although serious, this incident was typical of hundreds that occur within the humanitarian and nongovernmental organization communities in any given year, and there was no indication that such an intrusion was outside the ordinary risks associated with operating in such an area. In October 2015 alone, United Nations humanitarian partners in this country reported 32 cases of attempted or successful robbery, burglary, and looting; in September, a robbery led to the death of an aid worker. Other international organizations engaged in similar work in the area have weighed the humanitarian and development benefits of engaging against security risks, and, given a preestablished level of risk tolerance, opted to continue operating in the face of similar incidents.

Sources: Interviews with World Bank Group staff and management; interviews and survey of Corporate Security staff.

Adapting Financing Modalities to Enable Continued Support

The World Bank has adapted to deteriorations of stability by rebalancing its portfolio and instrument use to continue its support to vulnerable populations while nevertheless ensuring the fiduciary or reputational integrity

of its financing. After heightened episodes of conflict and political crisis in Burundi (2015), Guinea-Bissau (FY12), and Myanmar (2013), the World Bank halted budget support and repurposed IDA to support investment lending (often reformulated in line with identified conflict risks), where committed funds can only be spent on eligible procurement cleared by the World Bank. In this way, the World Bank did not have to completely halt lending despite a loss of faith in government commitment to using World Bank funds as intended; rather, it could continue providing support to critical services through investment lending. This pivot addressed (i) the need to continue supporting the delivery of basic services (through investment lending, with its strict fiduciary controls) while (ii) mitigating reputational risk associated with providing fungible budget support to an untrustworthy government. Relatedly, in Somalia and in Madagascar (during the 2009–14 political crisis), the World Bank pivoted toward subnational entities to work around political deadlock at the national level or to avoid working with regimes with reputational risks to the World Bank.

The World Bank has been able to operate in situations of conflict in which IDA is unavailable or limited or when the World Bank has had to respond rapidly to emerging conflicts by leveraging trust funds.[6] In countries in which IDA is not available—either because it is not a borrowing member (for example, West Bank and Gaza) or because the country is in arrears (for example, Somalia or Sudan, prior to March 2021)—trust funds are the only sources of financing that the World Bank can tap to support operations and analysis. For example, through its trust funds financed out of International Bank for Reconstruction and Development net income, the World Bank can make Development Policy Grants to West Bank and Gaza, providing budget support amounting to roughly one-third of the Palestinian Authority's recurrent budget expenditures. Without this, core government functions would be jeopardized. Trust funds have also been leveraged after crises as a way of rapidly responding or circumventing political roadblocks to respond quickly. For example, the Lebanon Syrian Crisis Trust Fund was critical to addressing the refugee crisis.

The World Bank has supported critical services in areas beset by extreme conflict, including in uncontrolled areas, by using trust funds to cover the extraordinary costs associated with such work. Trust funds have allowed teams to innovate in the areas of risk monitoring, conflict analysis, and

third-party monitoring mechanisms. They have provided task teams with additional resources for project preparation and supervision. This is critical because security-related costs generally come out of project supervision charge codes, limiting in-person supervision and thus creating a disincentive to engaging in conflict-affected areas. Trust funds such as the Afghanistan Reconstruction Trust Fund encourage operational staff to take necessary precautions because security costs are covered centrally; this liberty allows for the preparation, implementation, and supervision of projects in insecure areas. Trust funds can also support World Bank execution of activities, helpful in situations in which the client has limited capacity or lacks control over areas; World Bank–executed activities can also address sensitive issues because trust funds are less beholden to clients than are IDA and the International Bank for Reconstruction and Development.

[1] Operational Policy (OP)7.30, *Dealing with De Facto Governments*, provides the framework for reengagement after an unconstitutional transfer of power. When such an event occurs, the policy is triggered, leading to the temporary halting of disbursements on existing loans and postponement of the extension of new loans until the World Bank ascertains that (i) a proper legal framework exists and (ii) necessary obligations under current projects can be carried out.

[2] The sixth project, an education project in Mali (P123503), achieved a moderately satisfactory rating because, although relevance and achievement of objectives were rated substantial, efficiency was rated modest, pulling down the rating from satisfactory to moderately satisfactory.

[3] Libya and the Syrian Arab Republic are exceptional cases with particular political considerations, although even there the World Bank does have a minimal engagement presence.

[4] The revised OP2.30 authorizes the World Bank to partner with bilateral and multilateral agencies (particularly the United Nations and other international and regional institutions that have the major responsibility for peacemaking, peacekeeping and security, humanitarian assistance, and reconstruction and development), government authorities, and civil society and private sector entities that have complementary mandates and common concerns.

[5] Besides being implementation partners, the United Nations and the International Committee of the Red Cross are also strategic partners, with considerable effort exerted to ensure policy alignment, coordinated interventions, and direct collaboration with peacekeeping missions. The World Bank also works with partners in situations of conflict on issues of analytics and joint advocacy.

[6] One of the most critical multidonor trust funds is the State and Peacebuilding Fund. This fund provides catalytic financing to help prevent conflict, support rapid crisis responses, and build long-term resilience in situations of fragility, conflict, and violence.

5 Results and Higher-Level Outcomes in Situations of Conflict

Highlights

At the country level, results frameworks do not capture the World Bank's contribution to conflict-related country outcomes well. This reflects the absence of both a clear conflict narrative and an integration of conflict-related issues into country objectives.

Few Country Partnership Framework results frameworks are adaptive and capture conflict-reduction aims; the World Bank's reliance on quantitative metrics, attribution, and short time frames may not suit the nature of these programs and their contribution to higher-order outcomes. Country Partnership Frameworks that have received additional fragility, conflict, and violence International Development Association allocations have a more coherent narrative about their transition. Yet their results frameworks only monitor the progress of allocation areas directly supported by the World Bank.

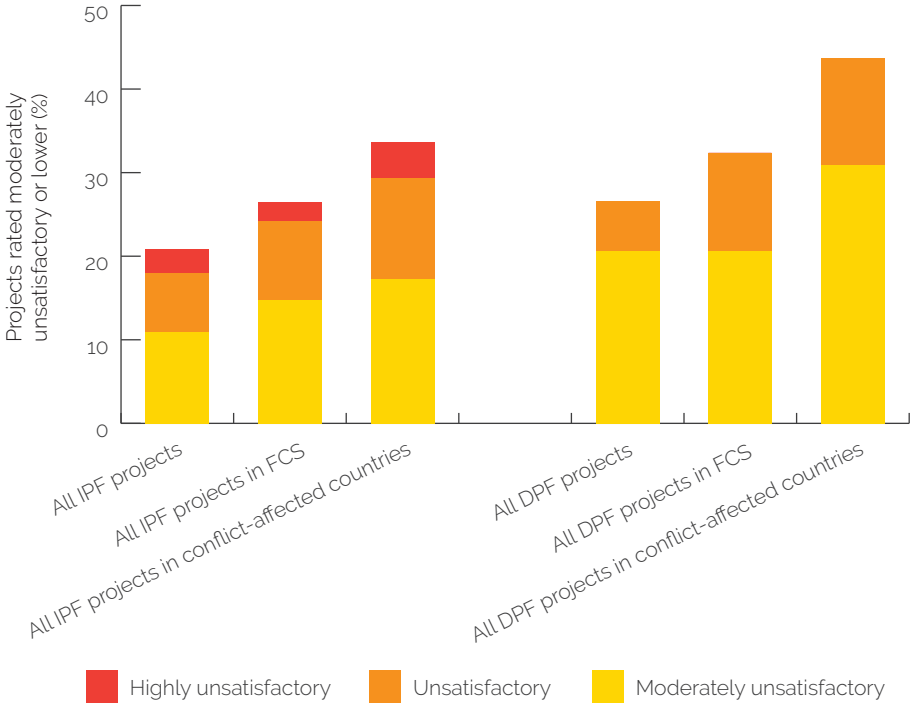
An accurate picture of project outcomes is elusive in conflict-affected countries because only a small share of investment projects are evaluated. Evaluations and validations of investment operations in conflict-affected areas are not comprehensively assessing Bank performance. Many trust-funded activities, which are often used in these contexts, are not being evaluated by the World Bank to support adaptive decision-making and learning; they also fall below the threshold for Independent Evaluation Group validation. Expanding the share of projects in conflict situations that are evaluated and validated and revising evaluation guidance would provide a more accurate picture of outcomes and contribute to learning.

There are information gaps about the way that the World Bank is monitoring or assessing unintended outcomes in conflict-affected areas. Little is known about the extent to which World Bank operations in conflict-affected areas may be exacerbating underlying grievances. Relatedly, although attention to gender-based violence by the World Bank is increasing, the percentage of at-risk projects in conflict-affected areas that report on mitigation measures remains low and is inconsistent. Although the use of armed security personnel is rising, few projects indicate how associated risks will be mitigated in project areas.

Measuring Project-Level Results in Conflict-Affected Countries

Many projects in conflict-affected countries are not achieving their development objectives as articulated in project results frameworks. For the total evaluated portfolio of 171 operations, 44 percent of objectives in DPFs and 34 percent of IPFs were rated moderately unsatisfactory or unsatisfactory by IEG (figure 5.1). This is in contrast to all countries on the FCS list (that is, fragile countries, regardless of their conflict status): just 26 percent of IPF and 32 percent of DPF in those countries had moderately unsatisfactory or lower outcomes, ratings that correspond more closely to the average for all World Bank–borrowing countries.

Figure 5.1. Implementation Completion and Results Report Review Outcome Ratings across Country Groupings, FY10–20

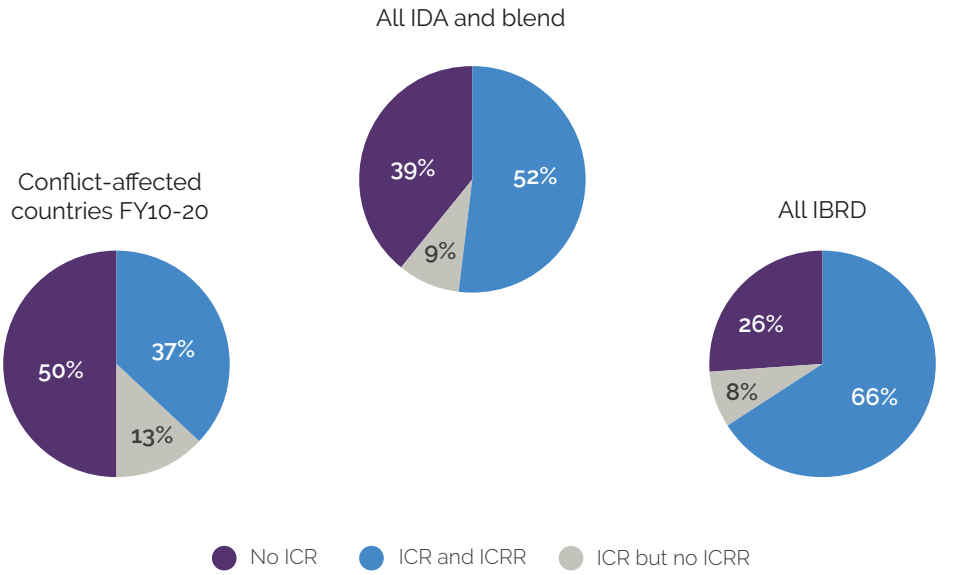


Source: Independent Evaluation Group.

Note: A total of 1,208 World Bank operations approved during FY10–20 were evaluated (to end November 2020), 361 were in countries on the FCS list, and 171 were in conflict-affected countries. DPF = development policy financing; FCS = fragile and conflict-affected situation; FY = fiscal year; IPF = investment project financing.

Complicating the measurement of project outcomes in conflict-affected countries (besides the obvious challenges of constraints on data collection) is the fact that many of these projects are not being evaluated or validated. Programmatic trust funds are often used in such contexts. More than half of all operations used trust fund financing, and more than one-third of all projects exclusively used trust fund financing (particularly in nonmember states in arrears, such as Somalia and Sudan), from 13 development partners through 211 trust funds. Lending operations supported by trust funds, even those that are small, should adhere to reporting requirements, including ICRs.[1] However, 50 percent of all closed projects in the portfolio did not have ICRs. Also, since IEG only validates projects with an ICR that are financed at a level of $5 million or more, only 37 percent of all closed projects were validated, compared with 52 percent in all IDA or blend countries (figure 5.2).

Figure 5.2. Evaluations and Validations of Projects Closed during FY10–20 in Conflict-Affected Countries, by Country Grouping



Source: Independent Evaluation Group.

Note: FY = fiscal year; IBRD = International Bank for Reconstruction and Development; IDA = International Development Association; ICR = Implementation Completion and Results Report; ICRR = Implementation Completion and Results Report Review.

Expanding the share of projects rated by IEG would provide a more accurate picture of project outcomes in conflict-affected areas, including by likely increasing the percentage of projects achieving their development objectives. Nearly all nonvalidated operations have been rated moderately satisfactory or higher by the World Bank. If past ratings are used as a proxy, then IEG would downgrade only 10 percent of these from a moderately satisfactory or higher rating to moderately unsatisfactory or lower. This would bring average performance more in line with all projects in FCS. It would also allow for a more accurate assessment of the type of outcomes achieved through targeted projects that are purposively financed at smaller levels in line with capacity constraints, to minimize risks, to pilot and innovate, or to address development challenges related to justice, governance, or other economic or social issues.

Evaluations and validations of investment operations in conflict-affected areas are not comprehensively assessing Bank performance. In a conflict situation, although an operation may fail to achieve its development objective, the World Bank may nevertheless have performed well, for example, by setting ambitious yet feasible targets; ensuring that design and implementation are informed by appropriate risk identification and mitigation; and engaging in risk-informed adaptive management. This real-world disconnect between outcomes and Bank performance often reflects the high degree of uncertainty that typifies conflict situations. However, IEG found that assessments (i) tend to focus on the overall outcome (that is, achievement of outcomes relative to objectives and targets set at the design stage), (ii) lack references to conflict in the Bank performance section, and or (iii) assign Bank performance a low rating because of the project outcome. For example, there is no reference to conflict in the Bank performance sections of half of all IPF validations, and there is only one ICRR that links conflict considerations to a Bank performance rating of moderately satisfactory (for taking into account past lessons, hiring the right team, and integrating risk identification and mitigation into design and implementation).

There is also a significant difference between the way the World Bank and IEG observe and assess the success of DPOs in conflict-affected situations, with IEG systematically downgrading DPOs to the moderately unsatisfactory (or lower) rating. DPOs in conflict-affected countries were downgraded at the same rate as DPOs in the broader World Bank universe: 31 percent

and 32 percent, respectively. However, in several DPOs in conflict-affected countries, an acute deterioration in operating conditions during program implementation negatively affected clients' ability to support ongoing reform programs, which then led to worse program outcomes in evaluations when compared with DPOs in nonconflict situations. Although the outcome ratings assigned by operations reflected these less-than-satisfactory outcomes, IEG downgraded these lower-performing project ratings even further. Of the 55 DPFs with ICRRs,[2] nearly one-third of operations were downgraded by IEG. However, unlike for DPOs from non-conflict-affected countries, where the 59 percent of downgrades were from highly satisfactory or satisfactory to moderately satisfactory, fully 94 percent of downgrades in the conflict-affected universe were to ratings of moderately unsatisfactory or lower (including two from satisfactory to moderately unsatisfactory, eight from moderately satisfactory to moderately unsatisfactory, and six from moderately unsatisfactory to unsatisfactory). Reasons cited by IEG for the downgrades include lack of achievement of outcomes and overambitious design, with ICRRs for about half of DPOs mentioning conflict in the downgrade explanation.[3] IEG is currently working with World Bank management to revise DPO ICR and ICRR methodologies to ensure a common framework that allows evaluations to better capture the important nuances of World Bank engagement, including in situations of conflict.

Higher-Level Outcomes at the Country Level

Results frameworks in conflict-affected countries do not capture the World Bank's contribution to country outcomes well, paralleling IEG's earlier finding from the outcome orientation at the country-level evaluation that noted this for the broader World Bank portfolio. For most conflict-affected countries, information on the progress of the country's transition out of fragility needs to be obtained from country progress discussions that also rely on standard results tracking as part of the CPF cycle. However, the World Bank's current reliance on metrics, attribution, and short time-boundedness does not suit the nature of country programs in conflict-affected countries. Although country teams in some of the evaluation universe were found to practice adaptive management, the World Bank's static country-level results system does not effectively support them in doing so. The outcome orien-

tation evaluation recommended a more decentralized country-level results system to help country teams shape their monitoring and evaluation plans in line with the country's own adaptive management and learning needs.

Only governance and state effectiveness pillars in CPF results frameworks in conflict-affected countries have a clear conflict (or fragility) narrative; other pillars remain "business as usual." Governance pillars often articulate the link among state legitimacy, institutional effectiveness, and stability; they also include relevant indicators related to institutional transparency and accountability (for instance, budget transparency and revenue transfers) and citizen engagement. Pillars in the sustainable and human development sectors, however, tend to use traditional sector narratives and output indicators devoid of links to conflict reduction. Overall, CPFs have not reported on citizen feedback and grievance issues emanating from project monitoring and evaluation systems; these tools can be used to track conflict considerations at the country level (except for the Afghanistan CPF, which included a pillar on citizen engagement). In countries where displacement is a development challenge, and that have projects that address displacement, CPFs have not consistently captured displacement-related aims. CPFs have also not reported results geographically, even though many programs target aid subnationally to address conflict drivers, including inequality.

CPFs for conflict-affected countries that have received IDA FCV allocations (such as the TAR/TAA) are presenting a coherent narrative about their transition out of fragility and are mainstreaming conflict considerations in their country portfolio. A successor to the TAR introduced in 17th Replenishment of IDA, the TAR/TAA provides critical financing for countries emerging from conflict (or social or political crisis or disengagement) and where there is a window of opportunity to pursue reforms that can accelerate a transition out of fragility and build resilience.[4] So far, the Board has approved eligibility for the Central African Republic, Madagascar, Somalia and Sudan[5] after having established government commitments and agreed on milestones with the borrower and the World Bank.[6] Pursuant to these allocations, Madagascar's FY17–21 CPF was fully conflict sensitive. Similarly, the Central African Republic's CPF includes frank references to drivers of conflict and as such relevantly focuses on regional and social disparities, elite capture, and weak governance. To support implementation, the World

Bank has increased its staff presence. Overall, the FCV IDA allocations—and the ensuing way that CPFs are written—have enabled a franker dialogue among CMUs, clients, and the Board.

Although a notable first step, the TAA process could be improved by encouraging even greater inclusion within subsequent CPFs of conflict-sensitive indicators. TAA Eligibility Notes contain lofty milestones for ambitious reforms, some of which lie (by definition) outside the scope of the World Bank's mandate, but parallel CPFs do not fully embrace a conflict-sensitive approach, since their results frameworks do not consistently include conflict-sensitive indicators. The inclusion of conflict-sensitive indicators would ensure that the World Bank is not only weaving a conflict narrative into its CPF but also prioritizing and monitoring those areas and actions that do lie within the World Bank's mandate. For instance, although the Central African Republic CPF has mainstreamed conflict issues, its results framework does not track citizen feedback about service delivery quality or associated perceptions of state legitimacy, nor does it track land- and resource-related grievances, even though the country program heavily supports the development of traditional value chains (mining, forestry, select cash crops). In the Central African Republic, access to justice is also a major theme, and some CPF indicators track progress against disarmament, demobilization, and reintegration objectives, but there is no tracking of IDPs or host communities. A contrasting example is the Madagascar CPF, which adeptly includes conflict-sensitive indicators on decentralization, increased revenue mobilization, and the fight against rent capture, three critical agenda items within the TAA to facilitate the country's escape out of the fragility trap (and that are within the World Bank's mandate). However, like the Central African Republic CPF, it does not include indicators to track citizen feedback on the quality of service delivery or citizen perceptions on government inclusion and responsiveness.

Contribution of IPF to Country Outcomes

CPF results frameworks need to integrate information collected from projects focused on reducing the drivers of conflict, but projects are not reporting on these aims. Rather, most operations that include an objective

or a theory to promote cohesion or stabilization assessed the same technical and corporate level output indicators as those operating outside of conflict contexts. Half of IPF projects assessed (n = 94 across five Global Practices) included explicit conflict-related aims in their project development objectives (8 percent) or project theory (43 percent). About 70 percent of these projects were approved from FY15 onward. The most frequently occurring aims are (i) social cohesion between groups (horizontal) and between citizen and state (vertical); (ii) peace building and stabilization; and (iii) reduced resource-related conflict (table 5.1). However, of the 12 closed projects with articulated conflict-related aims, only 3 ICRs reported on these aims. For example, the Afghanistan National Solidarity Program III (FY10–15) measured its contribution to building democratic and legitimate local governance processes using proxy indicators and through impact evaluations and beneficiary surveys. The Central African Republic Service Delivery and Support to Communities Affected by Displacement Project (FY17) measured perceptions of how peaceful coexistence activities benefited communities.

Table 5.1. Higher-Level Conflict-Related Outcomes Articulated in Investment Project Financing Project Theory (percent)

Global Practice	Social Cohesion (Horizontal)	Social Cohesion (Vertical—Strengthen Social Contracts)	Use of LIPW for Peace Building and Stabilization	Reduce Resource Conflict
Agriculture and Food	18	0	8	23
Energy and Extractives	6	6	21	3
Social Protection	38	15	19	4
Transport	18	0	11	0
Urban, Disaster Risk Management, Resilience, and Land	41	21	18	0

Source: Independent Evaluation Group.

Note: LIPW = labor-intensive public works.

Social Cohesion

By far, the most common conflict-related outcome in IPFs is social cohesion, but this outcome is difficult to achieve at the project level, and even more difficult to measure. Many projects operating in conflict situations seek to strengthen social cohesion, both horizontal (within and between conflict-affected individuals and groups) and vertical (between citizen and state; see table 5.1). Community-driven development investments have especially attempted, through various implementation mechanisms, to repair group bonds frayed by war and violence. Although these efforts are of merit, they have not been measured.[7] The World Bank is also using social contract diagnostics to assess what citizens expect from the state and what the state can legitimately expect from citizens. IEG's *Social Contracts and World Bank Country Engagements* evaluation (World Bank 2019f) showed that these efforts are most effective when anchored in regional and country engagements and focused on social contract renewal, as was the case in the Middle East and North Africa after the Arab Spring. Even so, in several Middle East and North Africa cases, citizen engagement–specific operations were missing from the portfolio (especially in Iraq, Lebanon, and the Republic of Yemen). In the absence of this anchoring—of social country diagnostics in CPFs and the portfolio (especially regarding service delivery)—project efforts are unlikely to have a measurable impact on the social contract.

Use of Labor-Intensive Public Works to Support Political Stabilization and Peace-Building Goals

There is a need to test assumptions about the contribution of labor-intensive public works to wider stabilization and peace-building efforts in different conflict-affected settings.[8] Labor-intensive public works (LIPW) was the most frequently cited modality used to support stabilization aims (among many other proactive measures), including in Afghanistan, the Central African Republic, the Democratic Republic of Congo, Niger, Nigeria, and the Republic of Yemen. LIPW are used to increase state presence and dampen grievances, and, in some cases, they are intended to be used as a tool to dissuade potential fighters (for example, youth) from joining insurgent groups. For example, the 2014 Democratic Republic of Congo Eastern Recovery Project is using

LIPW to prevent youth in high-risk zones from being recruited into armed groups. Although the World Bank indicates that short-term employment programs are only one small piece in working toward longer-term stabilization, the evidence that exists on the links between LIPW and stabilization goals shows only modest effects (Mvukiyehe 2018). As such, these theories and activities should be further tested and refined.

Reducing Resource-Related Conflict

Several projects in the assessed portfolio seek to reduce resource-related conflict, but only 45 percent of those projects deployed relevant conflict-related activities, and even so, envisioned outcomes were not discussed in the CPFs. Farmer-pastoral conflict over scarce resources contributes to instability in many conflict-affected countries, including Burkina Faso, Cameroon, Chad, Mali, and Nigeria. The aim of reducing intergroup resource-related conflict was articulated in agricultural projects in Africa and was addressed through mechanisms such as community-based natural resource management practices. For example, the Chad Emergency Food and Livestock Crisis Response Project sought to prevent agropastoral conflict by demarcating 250 kilometers of transhumance corridors, establishing committees of elders, and organizing peaceful coexistence forums. Yet none of the projects that sought to reduce resource-related conflict reported on conflict outcomes, and as such, these outcomes were not tracked in CPFs.

Contribution of DPF to Country Outcomes

DPFs in conflict-affected situations have contributed to critical country-level outcomes not captured by results frameworks or indicators. Although DPO results frameworks cannot capture the entirety of program impact, this is particularly the case in conflict-affected situations. DPOs failing to achieve program results—for instance, because of a deterioration in the stability of a conflict-affected country (the main factor found to negatively affect DPO outcomes in such countries)—may have nonetheless enabled critical outcomes outside of the parameters of formal results frameworks. Even when conflict negatively affects outcomes, the engagement can contribute to positive impact, often in ways that are difficult to capture in results frameworks.

Also, DPOs can contribute to higher-level outcomes that fall outside their short program horizons.

Fiscal Stabilization in the Context of Potential Collapse

Some DPOs in conflict-affected countries have contributed to the higher-order outcome of fiscal stabilization. This is often the result of the budget support provided, which can support the maintenance of core public services and reduce reliance on more expensive or destabilizing sources of finance. In such situations, sometimes just "keeping the lights on" or simply maintaining development gains (that is, preventing slippage) can be considered a success (Kelly, Nogueira-Budny, and Chelsky 2020). For example, in 2017, the World Bank's DPF to the beleaguered government of Chad was unsuccessful from a results perspective. However, that same engagement succeeded in shoring up a government teetering on the verge of fiscal collapse, an outcome not captured within the project's results framework; an analogous situation occurred in Iraq, in the face of conflict with the Islamic State (box 5.1). The reforms supported by DPF can also contribute to fiscal stabilization to the extent that they are successful in, for example, addressing constraints on private sector development or improving the management of public finances.

Box 5.1. Contribution of Development Policy Lending to Economic Stabilization

Two development policy financing loans in Iraq totaling $2.6 billion were instrumental in helping contend with a fiscal crisis resulting from the war against the Islamic State and a collapse in oil prices. First, the World Bank—in coordination with the International Monetary Fund, the Japan International Cooperation Agency, the Department for International Development (United Kingdom), and France—provided external resources to prop up reserves, foster macroeconomic stability, and help the government pay its wage bill. Second, the development policy financing's actions triggered needed structural reforms—to salaries, pensions, state-owned enterprises, and the petroleum sector—to bring expenditure under control. Given the civil war in the neighboring Syrian Arab Republic, there was a real fear that a failure to provide budget support would cause the government's collapse. Given the unsustainable macroeconomic framework, there was also fear that inaction would lead to the further accumulation of arrears,

(continued)

Box 5.1. Contribution of Development Policy Lending to Economic Stabilization (cont.)

collapse of the exchange rate, and a protracted economic crisis leading to a negative impact on the government's struggle to battle the Islamic State.

In 2017, the World Bank provided budget support to the beleaguered government of Chad, which proved critical to the country's fiscal stability. However, the operation delivered inadequate results: The public wage bill was not reduced by targeted amounts, and there were significant delays in ensuring oversight of state-owned enterprises and freezing of tax exemptions. However, the operation is also credited with helping to shore up the country's fiscal situation in the context of severely deteriorating security conditions along the borders with Cameroon and Nigeria, due to Boko Haram and, to a lesser extent, fragile situations along the borders with the Central African Republic, Libya, and Sudan. According to the Implementation Completion and Results Report, failure to address the fiscal crisis could have translated into a "broader social, security, and humanitarian crisis, as the deteriorating security conditions in Chad could have serious repercussion on the fragile subregional economic and social situation, with potentially very high long-term costs."

Sources: Kelly, Nogueira-Budny, and Chelsky 2020; World Bank 2018h, 2019h, 2019i.

Strengthening Country Systems

Some DPOs have contributed to the higher-order outcome of building and strengthening core country-level fiscal institutions by using national administrative and public financial management systems. Many development partners halt general budget financing after deteriorations in a country's stability because of concerns over political and fiduciary risks in inchoate contexts. The 2011 *World Development Report* warned about the pitfalls of budget support in fragile states, recommending financial instruments that support the tracking of expenditures (for example, IPF, with its clear relationship between disbursements and expenditure; World Bank 2011). However, the provision of budget support has a positive impact on public financial management and accountability systems by channeling resources through country systems and supporting budget planning and execution processes (OECD 2005). In using

country systems and subjecting financing to the client's own implementation processes, DPOs avoid the construction of parallel systems—including political decision-making mechanisms—that can undermine the strength and legitimacy of government (Dollar and Pritchett 1998).

Signaling

Some DPOs in conflict-affected countries were found to have contributed to higher-order outcomes by "signaling" to others that a country's political stability, macroeconomic framework, or fiduciary safeguards had improved, so that other development partners found it safe to (re)engage. Although geopolitics and the politics of the World Bank donor countries generally drive the availability of World Bank budget support, the presence of DPOs does signify progress. Given the instrument's prerequisite of the presence of a stable macroeconomic policy framework and ability to ensure fiduciary controls, the implementation of a DPF signals to others that a client has reestablished the controls necessary to agree to a reform program that makes it a worthwhile recipient of additional development support (box 5.2).

Box 5.2. Development Policy Lending as a Signal to Development Partners

The World Bank's decision to reengage with governments through development policy lending (and other instruments) serves as an important signal nationally. Reforms, programs, and changes effected through them can contribute to rebuilding state-society relations, increase confidence in government, and provide evidence of tangible commitments by political leaders to support a postconflict settlement and embark on a recovery and development pathway. In this sense, World Bank financing is used to encourage political elites to undertake reforms critical to placing the country firmly on a postconflict track; this was the case in Madagascar and is currently the case in Somalia.

(continued)

Box 5.2. Development Policy Lending as a Signal to Development Partners (cont.)

In Madagascar, however, the World Bank's decision to reengage with the government through the 2015 reengagement development policy operation also informed other donors that the new democratically elected government was committed to reform. Although it was not the development policy operation formal project development outcome, the program document indicated the intention for the operation to signal to the donor community about meaningful reengagement with the World Bank (World Bank 2014b); the operation included as one of its prior actions the government entering into legal agreements with donors for the clearance of arrears to the major petroleum companies and a mining investor. The leveraging of $1.4 billion of International Development Association Turnaround Allocation resources also signaled to partners the World Bank's support for the government's reform agenda, which generated confidence among donors and incentivized the resumption and expansion of development assistance (World Bank 2019a).

In Somalia as well, the fiscal year 2020 Reengagement and Reform Support Development Policy Financing served to normalize Somalia's relations with international financial institutions and the donor community, clearing the way for enhanced service delivery. The World Bank's development policy financing was instrumental in helping clear Somalia's arrears: It allowed up to $375 million of the $420 million made available through the development policy financing to be disbursed to a bridge-loan creditor. By clearing arrears, the country qualified for debt relief under the Heavily Indebted Poor Countries Initiative, paving the way for activities that can help it transition out of fragility.

Sources: World Bank 2011, 2014b, 2016a, 2020e.

Measuring Unintended Outcomes

Do No Harm

Although it is critical to ensure the "do no harm" principle, little is known about the extent to which World Bank operations in conflict-affected areas

are exacerbating underlying grievances. The World Bank's FCV strategy notes that activities financed by donors and development partners should avoid causing or contributing to adverse human or environmental impacts (World Bank 2020f, 17). In conflict-affected contexts, this calls for them to adopt a context-specific, conflict-sensitive approach based on adequate due diligence, diagnostics, risk analysis, and citizen engagement. A systematic review of the causal impact of development aid (including that of the World Bank) on violence in countries affected by civil war found that aid in conflict zones is more likely to exacerbate violence than to dampen it: a violence-increasing effect occurs when aid is misappropriated by violent actors or when violent actors sabotage aid projects to disrupt cooperation between the local population and the government.[9] In rare instances of World Bank projects where this is measured, there are examples of increased violence by insurgents despite the projects being rated satisfactory. This was the case in the World Bank–supported conditional cash transfer program *Familias en Accion* in Colombia. Although the project achieved satisfactory marks for school attendance and food consumption, in some municipalities, the project subsidies incentivized information sharing with the government, increasing its territorial control and encouraging the Revolutionary Armed Forces of Colombia to commit more indiscriminate acts of violence to recapture lost territory.

Project size can also lead to unintended outcomes, with some evidence showing that large programs can contribute to conflict. Two recent papers summarizing the aid experience in Afghanistan and Iraq found that program size can be linked to conflict. In Afghanistan, large-scale operations were found to be more likely than smaller ones to create unrealistic expectations and were more subject to corruption and targeting by insurgents (Iyengar, Shapiro, and Hegarty 2017).[10] In Iraq, research shows that smaller projects that were coordinated with security forces were more successful (Berman, Shapiro, and Felter 2011). More research on this topic can help donors design such interventions in ways that improve livelihoods while lowering the risk of exacerbating conflict.

Gender-Based Violence

Attention to GBV is increasing, but many at-risk projects still lack mitigation measures. Across the sectors analyzed, 28 percent of projects articulated

how they would address GBV in project areas. Seventy percent of these projects were approved after the 2018 introduction of a Good Practice Note for Addressing Gender-Based Violence in Investment Project Financing involving Major Civil Works and the rollout of the new Environmental and Social Framework. Projects that identify GBV risks and that have GBV prevention mechanisms address GBV in bidding documents, assessments, and agreed codes of conduct. They include GBV focal points within grievance redress mechanisms, awareness-raising activities, and accounting for costs of GBV mitigation actions. Good examples include the Burundi Infrastructure Resilience Emergency Project, which had all project workers sign a code of conduct in the local language, and the South Sudan Safety Net and Skills Development, which raised awareness on GBV and used GBV focal points in its grievance redress mechanism. However, there is uneven treatment across at-risk projects, within Global Practices, located in conflict-affected areas (for example, those that may induce a population influx; those that target IDPs or refugees [World Bank 2020f]; or those that provide cash transfers to women [Roy et al. 2017]). For example, there are a few good practice transport projects that identify and mitigate the GBV risks associated with population influx, such as the 2019 Niger Rural Mobility and Connectivity Project, yet most do not, including projects that operate in similar risk areas and implement similar activities, such as the 2018 Mali Rural Mobility and Connectivity Project. Social protection projects that transfer cash to women in conflict areas can exacerbate interpartner violence. Forty percent of the social protection projects addressed GBV risks, such as the 2016 Nigeria National Social Safety Nets Project, whereas a similar project implemented in a similar context—the 2016 Mali Adaptive Social Safety Nets Project—did not.

Mitigating Potential Harm of Using Armed Security in Project Areas

Although small, the number of projects that intend to use security personnel is rising, but very few of those describe how they will mitigate potential harm on or near project sites. According to the World Bank's Environmental and Social Framework, "the presence of security personnel (employees of a private security company, police or military personnel) can pose risks to,

and have unintended impacts on, both project workers and local communities"(World Bank 2018e). For example, the way in which security personnel interact with communities and project workers may appear threatening to them or may lead to conflict. As of December 2020, although only 4 percent of investment projects (29 out of 823) in conflict-affected countries indicate the intended use of security personnel, with one exception, all of these were approved after FY15 (and one-third in FY20). Of these 29 projects, only one-third refer to mitigation measures, such as memorandums of understanding, use of a complaint or grievance redress mechanism, specific oversight and accountability procedures, or security risk assessments. Projects that include mitigation measures are approved almost exclusively after the provision of enhanced guidance by the Bank Group, rolled out in investment projects as of October FY19. In addition, task teams have been supported by a recent Technical Note, *The Use of Military Forces to Assist COVID-19 Operations*, which includes suggestions on how to mitigate risk. The revised OP2.30, "Development Cooperation and Conflict," includes guidance on the exceptional use of security and military agencies in project implementation in emergencies and insecure areas.

[1] World Bank policy requires an Implementation Completion and Results Report for each completed lending operation (OP/Bank Procedures 10.00, "Investment Project Financing"). If the commitment amount was greater than $5 million, these reports are submitted to IEG for review. Grants are thus not reviewed. These reports' requirements for trust funds are set separately for each trust fund. Some trust-funded activities above $5 million are subject to IEG review; for example, recipient-executed trust fund, Carbon Initiative, and Global Environment Facility projects.

[2] IEG reviews programmatic DPO series as a single entity, regardless of the number of operations in the series, given the same rating for each operation. For the sake of clarity, however, the text refers to the number of individual operations (that is, DPOs in a programmatic series).

[3] IEG reviews that downgrade project performance scores when limited evidence or data on results are provided might not account for why those data are not available. Indeed, there might be strong incentives for World Bank staff not to report the full extent of risks and results in documents shared with the Board of Executive Directors, the client, and sometimes the public, given the political sensitivities involved.

[4] In the 19th Replenishment of IDA, the Turnaround Regime's criteria, allocation formula, and processing were refined and simplified; the revised instrument was rechristened "Turnaround Allocation" (World Bank 2019d). To qualify, (i) a government must commit to a reform agenda (developed in coordination with the World Bank and based on conflict analysis), milestones for which will be reviewed annually by the World Bank (to confirm continued eligibility), and (ii) the World Bank must formalize (preferably within its country strategic documents) the ways in which the portfolio will actively support the government in addressing the drivers of fragility and conflict.

[5] As well as The Gambia, which is not a conflict-affected country.

[6] Guinea-Bissau was approved but was subsequently withdrawn after reforms stagnated and the client did not meet agreed-on milestones.

[7] To address this measurement gap, the World Bank Community-Driven Development Community of Practice has partnered with Mercy Corps and is learning from systematic reviews conducted by 3ie about how to design and assess the intended social cohesion impacts of its portfolio. Measuring this aim will be difficult, however, since a 3ie systematic review found small positive effects from such projects on intergroup interaction and noted that there are many steps between enhanced intergroup interaction and social cohesion. Although a single

World Bank project will not be able to bridge all these steps, it can assess its contribution along the social cohesion results chain.

[8] There is no universally accepted definition of stabilization; it can be broadly defined as the prevention of a renewal of violent conflict (USIP 2009).

[9] See Zürcher (2017). The systematic review identifies 19 studies: 14 within-country studies from Afghanistan, Colombia, India, Iraq, and the Philippines and 5 cross-national studies. These studies investigate the impact of six aid types: community-driven development, conditional cash transfers, public employment scheme, humanitarian aid, infrastructure, and aid provided by military commanders in Afghanistan and Iraq.

[10] To be sure, extant literature has pointed to other factors linking aid to the exacerbation of conflict in Afghanistan, such as how big the overall aid envelope is, who is implementing the projects (that is, independent security contractors versus civil society versus the government), and the manner in which projects are implemented.

6 | Conclusions and Recommendations

The World Bank is adapting the way it engages in situations of conflict to achieve its corporate goals. It has done this, among other things, by launching an ambitious FCV strategy, updating its conflict analysis methodology and operational policies, expanding and deepening its partnerships with the UN and humanitarian agencies, and providing financing tailored to various phases of conflict and fragility.

The identification and analysis of fragility factors and conflict drivers, relevant for achieving development effectiveness, have improved over the evaluation period. This is due to IDA FCV policy commitments, the development of the FCV strategy, country management commitment, and the elevation of the RRAs to a core diagnostic to inform lending. Compared with those of the first half of the evaluation period (2010–15), more recent conflict analyses are twice as likely to identify relevant drivers of FCV.

However, the client-facing nature and the potentially broad distribution of conflict analyses in the World Bank have sometimes prevented frank assessments of fragility and conflict drivers, limiting the transmission of conflict considerations into portfolio and operational decisions. Although these issues may be understood by World Bank country managers, the limited availability to task teams of information on the political contributors to conflict undermines efforts to tailor operations to conflict drivers. Also, the quality of the diagnostic, or hard-to-operationalize or missing recommendations in conflict analyses, have sometimes limited the transmission of conflict considerations into strategy and operations.

Conflict-informed sector ASA prepared in the wake of political or social upheaval have helped country teams navigate local dynamics to inform World Bank responses.

However, few sector ASA conducted before major warring activities discussed conflict or political economy–related factors. Virtually all sectoral

ASA conducted before conflict—and easily accessible by staff (many political economy analyses remain confidential)—were not conflict sensitive.

Country teams are increasingly innovating with real-time conflict risk identification and monitoring. Critical to these efforts is the use of local knowledge gleaned from social media, newspapers, and word of mouth, as well as the ability to interpret these events in relation to real-time decisions to adapt the World Bank's country engagement.

Investment projects in conflict-affected areas increasingly identify and address fragility factors and conflict drivers; include adaptive, design, and implementation mechanisms; and mitigate exposure risks (in effect, "lean in" to conflict). Compared with the first half of the evaluation period, projects approved during the second half were 50 percent more likely to identify and address fragility factors and conflict drivers and include adaptive, conflict-sensitive design and implementation mechanisms. The existence of an RRA was shown to encourage "leaning in." Notwithstanding this improvement, the number of projects that consider conflict dynamics in conflict-affected areas remains low in Agriculture and Food, Energy and Extractives, and Transport, especially in the Sahel.

When faced with security-related implementation challenges, fewer than 20 percent of projects in the portfolio analyzed *that had initially avoided or neglected conflict* used restructuring or flexible mechanisms to adapt project design. This differs from projects that "lean in," which included adaptive mechanisms to mitigate such risks. Staff and a World Bank review of the use of conflict analyses in operations cite pressure to disburse as a key reason for this behavior.

Although the World Bank swiftly rolled out emergency coronavirus pandemic responses to all conflict-affected countries with an active portfolio, only half of these operations referenced conflict risks in their project documents, raising the specter of potentially exacerbating conflict drivers. It is acknowledged that the COVID-19 response projects were developed during unprecedented circumstances. However, the pandemic has presented particular risks for countries already experiencing a high degree of conflict or instability, contributing to a multiphase, complex emergency—a situation that differs from non-conflict-affected countries.

The World Bank is often able to help stem the developmental consequences of political instability by restoring critical financing and leveraging donor funding. In these instances, the World Bank has helped preserve hard-won development gains by working with de facto governments during political transitions (and avoided risks associated with suspension and delayed engagement).

However, in working with de facto governments that are also a party to conflict, the World Bank's engagement has led to perceptions of it taking sides or being a party to a failed social transition. Indeed, engaging de facto governments during political transitions has posed risks to the World Bank's reputation in several Middle Eastern and North African and some Sub-Saharan African countries (World Bank 2019d). Yet there are also risks of inaction (including reputational risks involved in not acting).

Leveraging UN and humanitarian implementation partnerships, including in situations in which there is no central government, has enabled the World Bank to deliver critical services to conflict-affected populations in areas inaccessible to the World Bank. This has also helped mitigate operational risks by enabling communication with certain nonstate actors that are otherwise off limits to the World Bank. However, disagreements over the implementation of fiduciary, environmental and social, and security policies and procedures when challenges arise risk undermining the effectiveness of these partnerships.

In the face of heightened conflict or political crises, the World Bank has effectively rebalanced its financial support when doubts arise about government commitment to sound fiduciary management. This has allowed it to mitigate reputational risk associated with providing fungible budget support, which could be diverted. Trust funds have also been crucial in allowing the World Bank to operate in conflict situations.

The World Bank has ramped up its security coverage to support its operations in conflict-affected situations. It has both increased the number of security specialists and focused on developing the soft skills needed to translate security analyses into operational recommendations to heads of office.

However, security-related costs are extremely high and come out of project supervision charge codes, a factor that has dissuaded engagement

in conflict-affected areas. Also, the deployment of Corporate Security staff is based on the number of nonsecurity staff and the frequency of missions per country. This may negatively affect smaller countries and Country Management Units, potentially leading to disconnects between risk level and security staffing.

There are marked differences in operational responses to otherwise similar security instances. The World Bank does not provide concrete guidance to heads of mission on how to systematically process data on changes to conflict risk levels as they pertain to the country portfolio. Without this, responses to similar security incidents have varied depending on the risk tolerance of the head of office, and there is no process in place to foster an optimum approach.

At the country level, results frameworks do not capture the World Bank's contribution to conflict-related country outcomes well. This reflects the absence of both a clear conflict narrative and an integration of conflict-related issues into country objectives. Also, few CPF results frameworks are adaptive and capture conflict-reduction aims; the World Bank's reliance on quantitative metrics, attribution, and short time frames may not suit the nature of these programs and their contribution to higher-order outcomes. CPFs that have received additional FCV IDA allocations have a more coherent narrative about their transition. Yet their results frameworks only monitor the progress of allocation areas directly supported by the World Bank.

An accurate picture of project outcomes is elusive in conflict-affected countries because only a small share of investment projects is evaluated and evaluations in conflict-affected areas are not comprehensively assessing Bank performance. Many trust-funded activities, which are often used in these contexts, are not being evaluated by the World Bank to support adaptive decision-making and learning; they also fall below the threshold for IEG validation. Expanding the share of projects in conflict situations that are evaluated and validated and revising evaluation guidance on issues like Bank performance would provide a more accurate picture of outcomes and contribute to learning from experience.

There are information gaps about the way the World Bank is monitoring or assessing unintended outcomes in conflict-affected areas. Little is known

about the extent to which World Bank operations in conflict-affected areas may be exacerbating underlying grievances. Relatedly, although attention to GBV by the World Bank is increasing, the percentage of at-risk projects in conflict-affected areas that include mitigation measures remains low and is inconsistent. Although the use of armed security personnel is rising, few projects indicate how associated risks will be mitigated in project areas.

Recommendations

To improve the effectiveness of its engagements in conflict-affected settings, the World Bank will need to address key impediments and implementation challenges that undermine its ability to adapt to context, derive lessons from experience, and manage risk. To achieve this, the evaluation puts forth four specific recommendations.

Recommendation 1. **To enhance the conflict sensitivity of World Bank engagement, ensure that politically sensitive, confidential analysis is generated, retained, and managed so that it can be used by select future staff working on that country.** Partial coverage of conflict drivers can at times reflect the client-facing nature and the potentially broad distribution of conflict analyses in the World Bank. To address this, there is a need for a well-understood and safe channel for retaining, managing, and conveying extremely sensitive information that cannot be widely circulated internally or put into publicly disclosed documents. The management of this information should not rest solely with individual heads of office.

Recommendation 2. **Ensure that country engagements are informed by timely analyses of conflict dynamics and risks.** This would entail regularly and systematically using conflict analysis for strategy and operational decision-making and other forms of timely conflict risk monitoring (for example, that track shifts in societal perceptions and dynamics and that identify opportunities for peace building) to support adaptive decision-making at the country level.

Recommendation 3. **Address factors that dissuade World Bank engagement in conflict-affected areas.** Several of these factors have resulted in inadequate financial and technical support for project preparation and

project supervision in conflict-affected areas. They have contributed to insufficient security coverage for operationally relevant staff who support the implementation of projects in these areas, but who are not directly employed by the World Bank.

Recommendation 4. **In conflict-affected countries, rethink what success looks like.** This will require moving away from an over-reliance on quantitative metrics, attribution, and short time frames that do not suit the nature of these country programs and their contribution to higher-order outcomes. Higher-order outcomes should reflect transition aims and the development of monitoring and evaluation systems to track these aims. CPFs should include a clear conflict narrative, integration of conflict considerations into objectives, and adaptive results frameworks to capture conflict-reduction aims. Programmatic trust funds used in such contexts should frame their objectives against these transition aims, while putting robust evaluation and learning systems in place. Many trust-funded activities are not being evaluated by the World Bank to support adaptive decision-making and learning. The World Bank should address inadequate compliance with evaluation requirements for smaller projects, many of which are funded by trust funds. This would require IEG to revisit its current $5 million threshold for validating ICRs.

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APPENDIXES

Independent Evaluation Group

World Bank Engagement in Situations of Conflict

Appendix A. Methods

Evaluation aim. The purpose of this evaluation was to examine the relationship between modalities of World Bank engagement in situations of conflict and the achievement of development objectives. The evaluation was designed to focus on how the World Bank is working in conflict-affected countries, how engagement decisions are made in different contexts, and what contributions the World Bank has made to development gains.

Evaluation questions. The key question to be addressed is, "How relevant and effective has World Bank engagement been in contributing to the achievement of development objectives in situations of conflict?" To answer the evaluation, the following subquestions are posed:

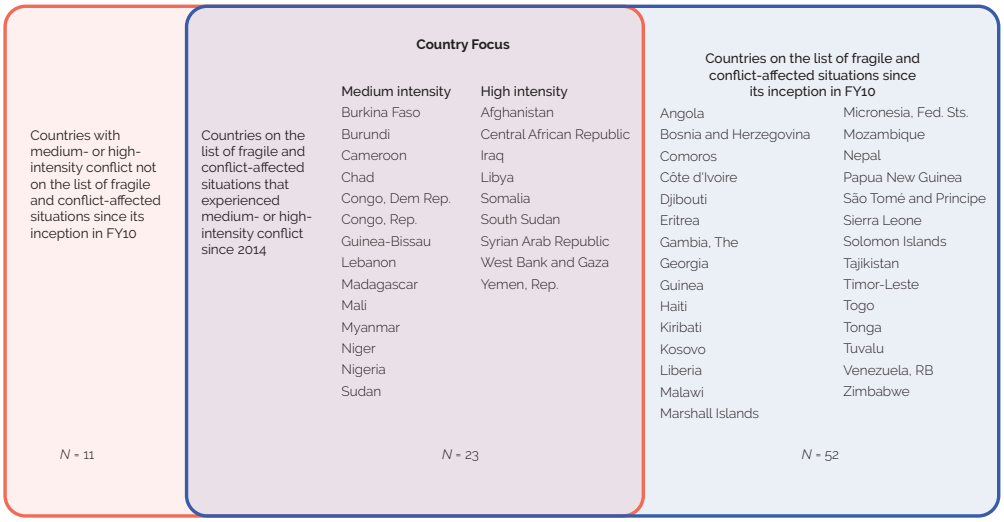
1. How well has the World Bank identified, managed, and mitigated conflict-related risks?
2. How relevant and adaptive has World Bank engagement in situations of conflict been in terms of sequencing, prioritization, and instrument choice?
3. How strategically and effectively has the World Bank worked with state actors, nonstate actors, and development partners in pursuit of its development objectives?
4. What outcomes has the World Bank contributed to in situations of conflict?

Evaluation scope. The evaluation focused on a set of countries that have (i) experienced medium- or high-intensity conflict since 2014 per data obtained from both the Armed Conflict Location & Event Data Project (ACLED) and the Uppsala Conflict Data Program (UCDP) and that (ii) have been included on the World Bank's fragile and conflict-affected situation (FCS) lists (figure A.1). The cut-off for country conflict activities (2014–present) was chosen to enable a deeper assessment of countries that have recently experienced conflict to ensure operational relevance. The definition of high- and medium-intensity conflict is derived from the World Bank's fragility, conflict, and violence (FCV) strategy.

Definitions of conflict intensity. This evaluation uses data on conflict fatalities from ACLED and UCDP. Countries in high-intensity conflict are defined as those with (i) an absolute number of conflict fatalities above 250 according to ACLED and 150 according to UCDP and (ii) a number of conflict fatalities relative to the population above 10 per 100,000 according to both ACLED and UCDP, reflecting widespread and intense violence across many parts of the country. Countries in medium-intensity conflict are defined as (1) countries with lower intensity conflict, as measured by (i) an absolute number of conflict fatalities above 250 according to ACLED and 150 according to UCDP and (ii) between 2 and 10 per 100,000 population according to ACLED and between 1 and 10 according to UCDP, or (2) countries with a rapid deterioration of the security situation, as measured by (i) a lower number of conflict fatalities relative to the population between 1 and 2 (ACLED) and 0.5 and 1 per 100.000 population (UCDP) and (ii) the number of casualties more than doubling in the past year.

Countries in the evaluation universe. The evaluation has used the above methodology to identify countries that have experienced medium- or high-intensity conflict since 2014. When data from one data set were incomplete for a given country in a given year, the evaluation relied on the other data set. By opting to circumscribe cases to countries that have appeared at least once on the FCS list and that have also experienced medium- or high-intensity conflict since 2014, this evaluation's universe is 23 countries (figure A.1).

Figure A.1. Countries on the Harmonized List with Medium- or High-Intensity Conflict since 2014



Source: World Bank Harmonized List of Fragile Situations (FY10–20); Armed Conflict Location & Event Data Project (database), https://acleddata.com; Uppsala Conflict Data Program (database), Uppsala University, https://www.pcr.uu.se/research/ucdp; World Bank 2020 (for definition of conflict intensity).

Note: Although West Bank and Gaza is a territory, not a country, members of the evaluation universe (N = 23) are referred to as countries for the sake of simplicity. FCS = fragile and conflict-affected situation; FCV = fragility, conflict, and violence; FY = fiscal year.

Countries outside the evaluation universe. Figure A.1 visualizes two groups of countries that fall outside the evaluation universe. The country selection excludes 11 Part II countries that have experienced medium- or high-intensity conflict since fiscal year (FY)10, but that were never on the Harmonized List during FY10–20. Many countries that have experienced extreme violence, especially in Latin America and the Caribbean, fall into this category: they have not been included on the FCS list, so they are excluded from the evaluation. The country selection also excludes a second category of countries that have only experienced fragility (for example, institutional, including most small island states) or that have not experienced medium- or high-intensity conflict since 2014. These 29 countries are listed in figure A.1, on the right side of the diagram.

Evaluation Methods Table

The methodology relies on several data sources: (i) a review of fragility assessments (FAs) or Risk and Resilience Assessments (RRAs), other country

conflict risk analyses, Systematic Country Diagnostics (SCDs), and Country Partnership Frameworks (CPFs); (ii) portfolio review and analyses; (iii) a review of Implementation Completion and Results Reports (ICRs) or Implementation Completion and Results Report Reviews (ICRRs); (iv) external evaluations and relevant results-related literature (for example, on social cohesion and stabilization); (v) case analyses of 23 countries; (vi) semistructured interviews; and (vii) Corporate Security survey and focus groups. Table A.1 and the subsequent section fully detail the methodology used to answer the evaluation questions.

Table A.1. Evaluation Questions and Methods

Evaluation Questions	Evaluation Methods
How well has the World Bank identified, managed, and mitigated conflict-related risks?	FA/RRA screen; SCD screen; CPF screen; portfolio review and analysis; spatiotemporal analysis of projects; project-level conflict sensitivity analysis; Corporate Security survey and focus groups; semistructured interviews
How relevant and adaptive has World Bank engagement in situations of conflict been in terms of sequencing, prioritization, and instrument choice?	Country case analyses; portfolio review and analysis; Corporate Security survey and focus groups; key informant interviews
How strategically and effectively has the World Bank worked with state actors, nonstate actors, and development partners in pursuit of its development objectives?	Country case analyses; portfolio review and analysis; key informant interviews
What outcomes has the World Bank contributed to in situations of conflict?	DPF analysis; review of project results frameworks; review of ICRs/ICRRs; external evaluations and relevant results-related literature (for example, on social cohesion and stabilization)

Source: Independent Evaluation Group.

Note: CPF = Country Partnership Framework; DPF = development policy financing; FA = fragility assessment; ICR = Implementation Completion and Results Report; ICRR = Implementation Completion and Results Report Review; RRA = Risk and Resilience Assessment; SCD = Systematic Country Diagnostic.

Evaluation Question 1. To answer the question "How well has the World Bank identified, managed, and mitigated conflict-related risks?" the evaluation used the following methods and tools.

An **FA** or **RRA screen** was conducted to catalog and assess the country drivers of conflict (their accuracy and completeness), the use of data, the relation of drivers to development challenges, prioritization, and guidance, including recommendations and the operationalizability of recommendations. Country teams also reviewed all other relevant country and regional risk analyses (political economy analyses with conflict analyses, country social assessments with conflict analyses, and so on). As of December 2020, 14 of the 23 evaluation countries had an RRA; for other countries, such as those in the Sahel, their FAs had been updated through the conduct of a regional RRA (World Bank 2020c); the Afghanistan RRA was finalized after the report analysis was finalized, and the RRAs for Chad and South Sudan are under way. In Lebanon, the World Bank opted for an integrated approach by mainstreaming conflict analysis in the SCD. In Nigeria, a Resilience and Peace Building Assessment was conducted for the Boko Haram–affected regions. No FA or RRA has been developed for the Syrian Arab Republic or West Bank and Gaza.

An **SCD screen** was used to catalog and assess the way that the SCD identified and integrated drivers of conflict into its analyses, including by citing those risks referred to in the FA, RRA, or other conflict risk analyses. The screen was used to assess the degree to which the SCD clarified the link between conflict risks and development and the ways these risks should be managed and mitigated. It also assessed whether the SCD suggested ways whereby parts of the country engagement should be prioritized or sequenced based on these risks. Other screening questions pertained to partnerships, understanding the transnationality of conflict, conflict-related results and outcomes, and whether there was a differentiation of approach to conflict and non-conflict-affected areas.

A **CPF screen** was used to mainly assess the coherence, prioritization, and sequencing of the World Bank's engagement per the risks and recommendations identified by the conflict risk analyses, the SCD, or both. The screen included questions on the reference to drivers of conflict, conflict-related lessons—including on contingency planning and adaptive management—and on the use of partnerships. The findings from the RRA, SCD, and CPF screen were then summarized and systematically collected in a framework that ordered them per country for ease of cross-country comparison.

A **portfolio review and analysis** was conducted to identify and assess (i) investment projects led by five Global Practices (GPs; Agriculture and Food, Energy and Extractives, Transport, Social Protection, and Urban, Disaster Risk Management, Resilience and Land) and (ii) relevant development policy financing (DPF). The evaluation identified 921 projects approved during FY10–20 implemented in the 23 conflict-affected countries. The evaluation cataloged these project data alongside other data collected on financing commitments, project status (ongoing, closed, suspended, or canceled), and restructuring (level one and two). The basic Prevention and Resilience Allocation was used to analyze lending over time by country and by lead GP, instrument choice, financing source, project size, project approval, completion dates, and performance ratings.

Summary of portfolio. The evaluation identified 921 projects approved during FY10–20 and implemented in the 23 countries. These projects account for $58.3 billion in commitments. The portfolio consists of $44.8 billion in International Development Association commitments, $8.5 billion in International Bank for Reconstruction and Development commitments, and $5 billion in trust fund resources. Investment project financing (IPF) accounted for 90 percent of total projects and three-quarters of total financing. There were 88 development policy operations (10 percent of all projects), comprising $10.6 billion in commitments. Ten operations were Program-for-Results, with a total commitment of $3.7 billion.

IPF analyses. This assessment selected five key GPs (Agriculture and Food, Energy and Extractives, Transport, Social Protection, and Urban, Rural, and Land)—that formed a significant share of commitments to conflict-affected countries in terms of projects and the total value of financing. There were 395 approved projects led by these GPs during the evaluation period, of which 224 were financed by the International Bank for Reconstruction and Development, the International Development Association, or both. The assessment focused on these 224 projects because of the availability of project documentation.

Spatiotemporal analysis was conducted for all projects approved in conflict-affected countries during FY10–20 to identify the overlap between project locations and conflict incidents. To plot conflict-affected locations,

the UCDP Georeferenced Event Dataset Global version 19.1 was used. For the purpose of this exercise, conflict-affected locations were defined as areas in the first subnational administrative level that have experienced multiple incidents of conflict (i) sometime during the three years before project approval, (ii) during the year of approval, and or (iii) during project implementation. The evaluation used three categories of conflict as defined by UCDP, including nonstate, one-sided, and state. These data sets were then merged into an integrated project and conflict location database; Tableau was used to visualize the data, and the data and code coexistence were aggregated. The database included project data, such as approval and closing dates, activity locations, and conflict locations. It also included coding to determine whether a conflict took place sometime during the three years before approval, during the year of approval, or during project implementation, and to determine the number of fatalities. Using this database, 186 projects of the above-mentioned 224 were identified as having taken place in conflict-affected areas.

A conflict sensitivity analysis was then conducted for these 186 projects operating in conflict-affected areas. The evaluation created an integrated project Excel database that included project locations and project content analysis (from Project Appraisal Documents, aide-mémoire, Implementation Status and Results Reports, ICRs, and so on). The integrated project Excel database included the following data points that were analyzed as part of the conflict sensitivity analysis:

- Project location, size, and geographic coverage (subnational versus national in scope, locations in non-government-controlled areas)
- Objective statement and theory of change, including as related to the four pillars of the FCV strategy
- Project targeting (for example, conflict-affected communities, or gender—including by addressing gender-based violence risks)
- Project mechanisms (implementation and supervision procedures, noting any adaptations); implementation means, including the use of partners and security
- Indicators and results measurement (intended and actual)
- "Do no harm" principles and activities.

The conflict sensitivity analysis revealed patterns of engagement that were then coded into four exhaustive and mutually exclusive categories. Projects were mapped to a green lean-in category if they (i) identified conflict drivers, (ii) explicitly addressed these drivers through project design (for example, theory, purpose, scope, location, beneficiary selection); (iii) included adaptive, conflict-sensitive implementation mechanisms and mechanisms to mitigate exposure risks to assets and people. Projects were mapped to a yellow "minimize exposure risks" category if they (i) identified conflict drivers and (ii) included adaptive implementation mechanisms to mitigate exposure risks to assets and people. Projects were mapped to the orange "avoid" category if they (i) identified conflict drivers but (ii) sought to avoid engaging in conflict-affected areas or with conflict-affected populations, and as such, did not explicitly address drivers or include adaptive mechanisms. Projects were mapped to the red "neglect" category if they did not identify or address conflict issues.

Additional portfolio review and analysis was carried out for the entire 921 project portfolio. To assess the use of security personnel by projects in the evaluation countries, available project documents (Project Appraisal Documents, Program Documents, ICRs, and ICRRs) were downloaded. Using a taxonomy of keywords and phrases, a code was run to isolate text fragments containing those keywords. Those were then manually searched to eliminate false positives and identify relevant projects. An analysis of project ratings was carried out for all projects, regardless of financing instrument, that had been evaluated through at least an ICR and possibly also an ICRR.

DPF analyses. DPFs from all countries with active lending portfolios were analyzed. Countries with DPFs included Afghanistan, Burkina Faso, Burundi, Cameroon, the Central African Republic, Chad, Guinea-Bissau, Iraq, Madagascar, Mali, Myanmar, Niger, Nigeria, Somalia, West Bank and Gaza, and the Republic of Yemen. The evaluation used a DPF screening tool to assess the following: higher-level conflict-related outcomes, including those implicit or unspoken in project documentation; relation to complementary IPFs; conflict sensitivity of prior actions and triggers; potential distributional effects and related conflict mitigation measures; public perceptions about reform actions; conflict-related risks; conflict-related lessons; project ratings and results; the degree to which DPFs contributed

to building state capacity for service delivery and enhancing state legitimacy; and other conflict-related issues.

Pandemic response projects. The evaluation identified all active and closed coronavirus pandemic (COVID-19) response projects in the evaluation's 23 conflict-affected countries as of late November 2020. This portfolio was determined using a combination of human-coded projects (that is, task teams and central coding team) and text mining in structured text data from the Projects and Operations portal. The resulting list was cross-referenced with the list of COVID-19 response projects published by the World Bank on the World Bank Group's Operational Response to COVID-19 (coronavirus)—Projects List.[1] Using this approach, the evaluation team identified projects not on the COVID-19 response projects list, since this methodology also captured active projects that were restructured for COVID-19 response. The evaluation found 72 approved COVID-19 response projects in the 23 conflict-affected countries, valued at $7.3 billion.

Semistructured interviews. The evaluation team conducted 160 interviews. Specifically, the team consulted five groups of key informants: (i) World Bank managers and senior staff in Regions, Country Management Units, and the GPs and Global Themes that play a direct role in conflict-related issues; (ii) relevant United Nations and other partner agency staff; (iii) government counterparts; (iv) other multilateral development banks, international financial institutions, nonstate actors, and external academics.

Corporate Security engagement. The evaluation team conducted a survey of all Corporate Security personnel and in-depth interviews with senior security staff. The evaluation surveyed all 102 individuals working for the World Bank's Corporate Security in headquarters and the field. The survey collected confidential data on security staff's relations with task teams and non–World Bank staff and consultants, risk tolerance in country offices, the use of Corporate Security analyses, human and financial resourcing, and partnering. The survey response rate was 26 percent. The survey findings were triangulated and supplemented with in-depth semistructured interviews with six relevant senior security specialists responsible for conflict-affected countries and was followed by a conversation with the Corporate Security management team.

Evaluation Question 2. To answer the question **"How relevant and adaptive has World Bank engagement in situations of conflict been in terms of sequencing, prioritization, and instrument choice?"** the evaluation used the following methods and tools.

Country case analyses. The evaluation conducted 23 structured case studies (of the entire evaluation universe), which involved key informant interviews and desk analysis of strategic documents (RRAs, SCDs, and CPFs) and project documents (both lending and nonlending), including a series of document-specific templates (including a country portfolio sequencing and prioritization tool) to systematically compare the World Bank's country-specific engagements over time and across countries. It also leveraged the Corporate Security staff survey and focus groups, and the portfolio-level screening of relevant lending projects.

Key informant interviews. The evaluation team conducted 160 interviews. Specifically, the team consulted five groups of key informants: (i) World Bank managers and senior staff in Regions, Country Management Units, and the GPs and Global Themes that play a direct role in conflict-related issues; (ii) relevant United Nations and other partner agency staff; (iii) government counterparts; (iv) other multilateral development banks, nonstate actors, and external academics.

Evaluation Question 3. To answer the question **"How strategically and effectively has the World Bank worked with state actors, nonstate actors, and development partners in pursuit of its development objectives?"** the evaluation used the following methods and tools.

All templates (RRA, SCD, CPF, and project) included a question on partnerships. The evaluation drew on these templates and the partnership summaries in the final case analyses to draw out lessons. Partnership questions were included in the interviews with key stakeholders (including World Bank management, staff, client counterparts, and the partners themselves). Interview findings on the role of partners were then triangulated across these stakeholder groupings to arrive at conclusions. There was a greater focus on the role of the United Nations, since these partner agencies are more frequently used across conflict-affected countries than are other actors (for example, the International Committee of the Red Cross).

Evaluation Question 4. To answer the question **"What outcomes has the World Bank contributed to in situations of conflict?"** the evaluation used the following methods and tools.

Portfolio review and analysis. The evaluation used all available ICRs, ICRRs, and rating information to assess the reported results of conflict-affected projects compared with all closed and rated projects during the evaluation period and in all FCV contexts. It then considered high-level outcomes that were envisioned (in the Project Appraisal Documents) by probing all sections and imputing theories of change. To assess the relative achievement of these higher-level outcomes, the Implementation Status and Results Reports and ICRs were screened for qualitative content, available external studies or evaluations were reviewed, and these efforts were supplemented with key informant interviews (Bank Group and client).

External literature reviews were conducted to take stock of existing work on developing theories of change and monitoring and evaluation frameworks and indicators in FCV contexts. Salient examples were assessed and included in the section on results and outcomes in the report.

DPF analyses. DPFs from all countries with active lending portfolios were analyzed. The evaluation used a DPF screening tool to assess higher-level conflict-related outcomes, including those implicit or unspoken in project documentation, in relation to intended and achieved results per the prior actions and their trigger and program ratings, and in relation to complementary IPFs.

References

World Bank. 2020. *World Bank Group Strategy for Fragility, Conflict, and Violence 2020–2025*. Washington, DC: World Bank. https://openknowledge.worldbank.org/handle/10986/34858.

[1] See the projects list at https://www.worldbank.org/en/about/what-we-do/brief/world-bank-group-operational-response-covid-19-coronavirus-projects-list.

Appendix B. Screening Templates

Risk and Resilience Assessment Questionnaire

Country:

Date of RRA [Risk and Resilience Assessment]:

Author:

Does the RRA identify internal and external drivers of conflict?

Internal Drivers
External Drivers

Political, social, and economic drivers of conflict?

Political Drivers
Social Drivers
Economic Drivers

Drivers of conflict at a community level, drivers specific to different parts of the country, and national-level issues?

Community-Level Drivers
Regional-Level Drivers

National-Level Drivers

Is there clear evidence presented for why specific drivers of conflict and resilience were selected? What data is used to buttress these drivers? How credible is the evidence (and data)?

Does the RRA explain how these drivers of conflict and resilience are directly related to development issues (including governance, poverty, inequality)? How exactly?

Does the RRA present clear guidance on how the analysis should impact the World Bank's overall country strategy, prioritization of activities, or apply a conflict lens to its activities?

Are the recommendations written in such a way to make it evident to a nonconflict specialist whether these were taken on board in strategic documents? Please also list the recommendations.

Systematic Country Diagnostic Screening Tool

Name country:

Date published:

Drivers

Which drivers of conflict are mentioned in the SCD [Systematic Country Diagnostic]? Please use the table below. Feel free to add rows to these and other tables if necessary.

	Name	Description
1		
2		

3		

What is your analysis of the drivers mentioned? (e.g. drivers correctly identified, relative importance of various drivers, are some more contextual or localized than others, too generic, omissions from the RRA [if one was available during the time of writing]?)

Conflict and Development

What are aspects of conflict that, according to the SCD, affect development? Please use the table below.

	Aspect	Impact on Development
1		
2		
3		

Does the SCD discuss the need to address conflict in order to affect developmental challenges? (Does the SCD just describe conflict, or does it indicate how the diagnostic of development challenges should be different in conflict-affected areas?)

Body and Annex

Please compare qualitatively the analysis done on conflict drivers in the main text to that in the annex if it exists.

If an annex on drivers of conflict exists:

Please use the below scale to indicate to what degree conflict permeates the SCDs main text.

Then please describe qualitatively when and how conflict permeates the main text.

1	2	3	4	5
Never	Rarely	Sometimes	Often	Always

Analysis and Data

Does the SCD draw on or leverage any conflict analysis?
In your analysis please distinguish between internal products World Bank (e.g. RRA, Political Economy Analysis, conflict assessments, etc.) and what is available from other entities.

Which data on drivers of conflict does the SCD use?

Is it sourced?

	Data/Analysis	Source	Internal/External
1			
2			
3			

Does the SCD cite or use data from the RRA?

What is your analysis of the data used? (e.g. is it sufficient, what is its quality and reliability, what other data could have been used to strengthen the SCD, is it relevant to the drivers)

Risk

Does the SCD identify conflict risks to the project portfolio? Note: please only discuss conflict-related risks. For instance, fluctuating commodity prices pose risks in many countries, with and without conflict. Risks should only be included when they relate to conflict.

What kind of tools are used for risk identification and assessment? (e.g. RRAs, World Bank analysis, expert consultations)

What does it say about identifying, managing, and mitigating conflict risk at the following levels:

	Level	Identifying	Managing/Mitigating
1	Policy level		
2	Strategy level		
3	Portfolio level		

What does it say about the following risk categories, and which tools are used for identification, management, and mitigation? Feel free to adapt the list to reflect the risks discussed.

	Risk	Identifying	Managing	Mitigating
1	Performance			
2	Corruption/state capture			
3	Behavioral			
4	Macroeconomic/shocks			
5	Societal cleavages (i.e., ethnic, religious, linguistic, etc.)			
6	Security/access			
7	Lack of data/information			
8	Service delivery			

Do the mentioned risks connect to the identified conflict drivers?

	Driver	Risk
1		
2		
3		

What is your analysis of the risk identification, management, and mitigation as it relates to conflict? (e.g. is it sufficient, are identification, management, and mitigation adequately separated, sensitive to the difference between conflict and non-conflict areas, does the SCD elsewhere reflect the risks identified here?)

Does the SCD identify priority areas?

If so, what is the argumentation for the described priority areas?

How do they relate to the conflict risks and conflict drivers?

What is your analysis of the priority areas? (is it too generic, realistic or too all-inclusive)

	Priority Areas	Argumentation	Relation to Conflict
1			
2			
3			

Does the SCD discuss that (because of identified risks) the portfolio should be sequenced in a certain way to mitigate conflict risk?

If yes, how? (e.g. is it at the sector level [agriculture before mining] or the instrument level [IPF (investment project financing) vs. DPO (development policy operation)])

What is your analysis of the sequencing?

Partnerships

Which (potential) partners are mentioned (including state actors, non-state actors, and development/humanitarian partners)? For each partner include

Partner

Typology (e.g. state, nonstate, international organization, civil society, NGO [nongovernmental organization])

Quote of reference

Their role (e.g. implementation, convening, dialog, leverage, peace, and reconciliation)

	Partner	Typology	Their Role	Quote of Reference
1				
2				
3				

What is your analysis of the partnerships discussed (e.g. are any potential partners not included, is it too generic?)

Transnationality

Is the conflict understood as a regional issue?

What mention is made of regional partnerships/multi-country linkages between World Bank projects?

What is your analysis of the SCD's understanding of the possible regional nature of the conflict?

Results and Outcomes

Does the SCD discuss anticipated results (i.e. tangible results) in a way that is sensitive to the conflict context?

How?

Does the SCD discuss desired outcomes as separate from results or indicators?

Does the SCD discuss the need to capture data in real time (to ensure conflict sensitivity)?

What is your analysis of the outcomes mentioned? (e.g. does in the context of conflict the SCD diagnose how to reduce poverty, are results seen as homogenous across conflict and non-conflict areas?)

Differentiation

Does the SCD differentiate between conflict and non-conflict-affected areas of the country?

What is your analysis of the SCD's success in producing different diagnostics of what to do in conflict and non-conflict areas?

CPF Screening Questionnaire

Country:
Date published:
Date of CPF [Country Partnership Framework] publication:

Where does conflict "live" within the document?

Does the CPF include a separate section on a conflict objective/pillar? If so, please describe how.

Does the CPF include a conflict lens/approach across its objectives/pillars? If so, please describe how.

Does it neglect certain conflict in the remainder of the CPF (i.e. elsewhere is it *not* conflict sensitive)? From your evaluator opinion, which gaps exist in the mainstreaming?

Informing the CPF

Does the CPF's strategic objectives develop or address the drivers of conflict as described in the SCD (and/or RRA)? Please make sure to include the conflict drivers that were not addressed (and your thoughts on why they were excluded). Please answer below in the table but be sure to include your comments in the last column.

CPF Strategic Objective	SCD/RRA Conflict Drivers Addressed	Comments

SCD Conflict Drivers Not Addressed

Overall, does the CPF pick up on lessons from working in conflict from prior conflict strategies or relevant analyses/reviews (in the specific country or in others), etc.? Please specify the conflict lens of these lessons.

If so, how does it build on these?

How were the lessons integrated in programming?

Specific Conflict-Related Lesson Learned	How Lesson was Addressed in Programming

Risk Analysis

Is conflict-related risk a factor in the programming as set out in the CPF? *Please discuss risks that are a consequence of conflict and/or exacerbated by*

conflict rather than general risks also present in non-conflict peer countries. Please use the table below, which is characterized into:

Political risk (e.g. contested elections, security, renewed fighting)

Societal risk (e.g. ethnic/religious/identity cleavages or tensions)

Corruption/state capture risk

Macroeconomic risk/shocks

Other

Type	Specific Risk(s)	Identification	Management	Mitigation *as part of its programming*
Political				
Societal				
Corruption/state capture				
Macroeconomic risk/shock				
Other				

In your opinion, are certain risks missing?

How (if at all) have the above risks been used as a management tool for the corporate programming across the CPF pillars/objectives? For example, is risk language incorporated into framing pillars/objectives? (e.g. if exclusion is a risk how is inclusion integrated into programming)

Please specifically discuss programming

Does the CPF use risk analysis to apply adaptive management techniques?

Sequencing and Prioritization

Does the CPF discuss prioritization or sequencing through a conflict lens (Yes/No)? Please describe briefly. If so, how does this align with the discussion of prioritization or sequencing in the SCD?

Does the CPF treat conflict-affected areas differently from non-conflict areas in terms of programming? If so, how?

Partnerships

Does the CPF mention partnerships with regard to conflict-related programming and programming in conflict-affected areas? Which (potential) partners are mentioned (including state actors, non-state actors, and development/humanitarian partners)? For each partner include

Partner

Typology (e.g. state, non-state, IO, civil society, NGO)

Their role (e.g. implementation, convening, dialog, leverage, peace and reconciliation)

Quote of reference

	Partner	Typology	Their Role	Please paste reference to partnership
1				
2				
3				
4				

Project-Level Conflict Sensitivity Analysis

This CSA [conflict sensitivity analysis] tool is intended to evaluate the conflict sensitivity of individual World Bank projects. It draws on DFID's [Department for International Development (UK)] Strategic Conflict Assessment tool, GIZ's [German Agency for International Cooperation] Peace and

Conflict Assessment, and USAID's [United States Agency for International Development] Conflict Assessment Framework.

Instructions

Only projects that have worked partly or fully in conflict-affected or fragile areas should be selected for analysis using this tool. Each project should be reviewed using the following:

- Project Appraisal Document (or equivalent)
- Latest ISR [Implementation Status and Results Report] and Aide Memoire (if project is closed, try to find the last Aide Memoire)
- For closed projects, ICR [Implementation Completion and Results Report]
- Interview with TTL [task team leader], social specialist, or operations officer (as needed)
- For some projects, there could be relevant studies or social safeguards documents (the PAD [Project Appraisal Document] or ICR might refer to them)

Project Information

Project Name:
Date of Approval:
Date of Effectiveness:
Closing:
Amount:
Implementing Agencies:
PDO [project development objective]:
Global Practice:
Main activities:
Is the project national? Subnational?

Nature of the Project and Conflict Context

1. Did the project try to address a conflict-related issue or was it focused on achieving traditional development objectives? Did it work "in" conflict (e.g., programming that seeks to minimize conflict-related risks/"do no

harm"); "on" conflict (programming that focuses on conflict prevention/management/resolution); or "around" conflict (treating conflict as an impediment to be avoided)? If the project is working "in" conflict, what conflict driver(s) is it seeking to address?

2. What was the stage of conflict when this project was being implemented? (escalating, deescalating, latent conflict, or postconflict peace building)

3. What was the nature of violence in the project area?

4. What was the ICR performance rating?

Project Design

5. Please describe whether and how the project identified conflict-related risks.

    a. Was a conflict specialist or social development specialist involved in the project design (check PAD and ICR for list of authors and contributors and their positions)?

    b. What sources of analysis were leveraged (e.g. RRA, Political Economy Analysis, Conflict assessments, peace and conflict lens, experts)? In your analysis please distinguish between internal World Bank products and what's available from other entities. Dimensions of conflict analysis could include:

        i. An analysis of governance and institutions and how these are related to conflict.

        ii. An analysis of horizontal and vertical inequalities between different groups.

        iii. An analysis of what drives inclusion, cohesion, or social accountability/participation.

        iv. Economic factors that fund or contribute to conflict.

    c. What was the quality of the analysis of the conflict risks to and stemming from the project in the project documentation?

6. Please describe how conflict analysis was integrated into the design of the project.

    a. Did it inform the sector and/or geographic areas targeted for programming (e.g., communities most or least affected by conflict)? The lending instruments used? The main beneficiaries (e.g., inclusive or exclusive of particular groups)? How were these decisions justified?

    b. Describe any conflict-related mechanisms that were integrated into the project design (e.g., participatory grievance processes).

Project Implementation

7. Was the project restructured? If so, when? Was it restructured to revise the PDO or alter the scope, target, or amount of money delivered under the project?

    c. Was restructuring due to conflict?

    d. Did the restructuring paper reflect any changes or improvements regarding conflict sensitivity?

8. Did the project implement activities in a conflict-sensitive way? Consider the following conflict-related risks, and how well the project identified and mitigated them:

    e. Contextual risks

        i. Did the project consider what changes might arise in the general environment (e.g. insufficient capacity of partner) as a result of conflict, and how those changes could impair or prevent implementation of the project and the attainment of its objectives?

    f. Programmatic risks

ii. Did the project take adequate measures to prevent negative externalities of program activities as they relate to conflict (e.g. increased GBV [gender-based violence], labor influx upsetting fragile communal balance, new rents or unequal gains destabilizing community, restricting access of displaced people to communal resources)?

iii. Were project activities inclusive of different groups? (Consider ethnic, linguistic, religious minorities, as well as ways that the project tries to include youth, women, disabled, or ex-combatants, IDPs [internally displaced persons], refugees).

iv. How has the project disseminated information about projects to different social groups (including women, youth, displaced persons, etc.)? Are there groups that normally do not have access to this information?

v. Was the project able to identify key individuals, governing structures, or partners that could drive change and involve them in the project?

vi. What did the project do to manage actors can be identified as spoilers? E.g., groups benefiting from war economy (combatants, arms/drug dealers), smugglers, etc.

g. Corruption risks

vii. If corruption/elite capture was a concern, how did the project address this? Did the project go beyond implementing World Bank fiduciary procedures?

h. Personnel risks

viii. What were the mechanisms to hire project staff, including staff responsible for project implementation? Were these mechanisms conflict sensitive?

ix. How might conflict jeopardize the security of project and/or partner personnel (e.g. murder, robbery, kidnapping and medical care)?

i. Risk Mitigation and Management

x. How well were risks monitored? Did the project measure and track its impact on conflict (e.g., inequality or the poverty of specific excluded groups)?

xi. What contingency measures were prepared to facilitate an appropriate response in the event that risks manifested?

xii. How well did the project responded to the effects of its projects (programmatic and operational), and either adjusted its activities or developed new initiatives in response? Please only discuss effects that pertain to conflict.

Case Analysis Portfolio-Level Coherence and Sequencing Tool

The purpose of this tool is to understand (i) the nature of the country non-lending portfolio—its topical mix, its sequencing and utility for making key conflict-related lending decisions; and (ii) the nature of the lending portfolio—sequencing, prioritization of sector and project choices—in relation to the conflict-related advice and guidance provided by RRAs/SCDs on operational choices and strategies. It also probes the issue of instrument choice.

Name of Country:

Key Conflict Events and Dates, and World Bank Operations

Describe key conflict events and dates (e.g., start of conflict, end of conflict, escalation, de-escalation) along with information on World Bank operations (e.g., when the World Bank opened offices in the country, commenced or suspended operations, etc.)

Date	Event

Key Pieces of Analytical Work

Describe the key pieces of analytical work that were conducted that could provide insights to the task teams preparing operations in conflict-affected areas. This section should not be limited to Conflict Analysis, but rather should include, at the author's discretion, more traditional types of World Bank non-lending that could be used at least partially to increase conflict sensitivity. Examples include:

- Political Economy Analysis
- Public Expenditure Reviews
- Governance and Corruption
- RRA, FA, Peace and Conflict Lens, Country Social Assessment
- Sector-specific assessments that use a conflict lens or are conflict sensitive, and focus on conflict-related sectors as specified in the SCD

Along with the date and description of the product, please specify the category of the non-lending activity among the following options: (1) service delivery in conflict-affected areas; (2) conflict analysis; (3) macro-fiscal products (e.g., PFM [public financial management], fiduciary assessment, payment system or other operational analysis), and (4) governance.

Date	Product	Category

Key Lending Operations in Conflict Areas

Together with the Macro Data team, provide a List and Description (name, sector, dates, financing) of the Key Lending Operations including canceled operations that have geographic overlap with conflict-affected areas. Include national, regional and more siloed projects.

Dates	Name	Sector	Financing

Portfolio Tends

Together with the Macro Data Team, provide graphs of (1) lending vs. non-lending as a % of the country portfolio, (2) lending and non-lending by sector, and (3) lending and non-lending by instrument (e.g., IPF[investment project financing] DPF [development policy financing]) including restructured projects. Next, work together to derive lessons on geographic coverage and report them here. You may wish to show a map(s), or you can just explain in text, how trends in the geographic scope of the portfolio, by sector, and by key events.

Coherence Analysis

How well were the key lending operations—**sector choice, timing, and instrument choice—**in line with the risk/conflict analysis guidance provided by the RRA, FA, SCD or other specific conflict assessments?

Sequencing Analysis

Please describe the sequencing of non-lending pre, during or post warring activities?

Are there any shifts in the focus or timing of nonlending operations (e.g. governance, institutional analysis, conflict sensitivity, political analysis) in response to changes in the conflict context (start or end of conflict, escalation or de-escalation, etc.)? Please describe them. In other words, as non-lending being conducted "in advance of, in real time" to help task teams assess the changing nature of conflict risks and dynamics, including the changing nature or political or institutional issues that have conflict implications?

If yes, is the non-lending then used to inform lending? Describe?

Are there any differences in the sequencing and prioritization of activities on conflict-sensitive areas or sectors versus non-conflict sectors or areas of the country? Please explain.

Is there evidence of program alterations due to the presence of conflict (e.g. more related non-lending projects prior with a conflict lens, mass cancellations of projects)?

Did projects scale back, close down, or leave areas affected by conflict? Backfill your response to this question once you have completed the project-level CSA analysis.

Conclusion

How do lending and nonlending operations line up in line with conflict events and the need for preparedness and informed risk taking?

Was there adequate differentiation between conflict and non-conflict-affected analysis and operations?

(continued)

Appendix C. People Interviewed

Table C.1. People Consulted

No.	Name	Category	Title	Organization
1	Henry Kerali	Afghanistan	Country Director	World Bank
2	Homa-Zahra Fotouhi	Afghanistan	Operations Manager, SACKB	World Bank
3	Janmejay Singh	Afghanistan	Lead Social Development Specialist, South Asia Region Social Development Unit	World Bank
4	Nathalie Lahire	Afghanistan	Senior Economist, HMNED	World Bank
5	Shubham Chaudhuri	Afghanistan	former Country Director	World Bank
6	Tobias Akhtar Haque	Afghanistan	Lead Economist, ESAMU	World Bank
7	Alexandra Bezeredi	Burundi	Senior Social Development Specialist	World Bank
8	Mònica Lomeña-Gelis	Burundi	Senior Evaluation Officer	IFAD
9	Abdouley Seck	Cameroon	Current Cameroon Country Director	World Bank
10	Elisabeth Huybens	Cameroon	Director of Strategy and Operations for West and Central Africa (former Cameroon Country Director)	World Bank
11	Harisoa Danielle Rasolonjatovo Andriamih	Cameroon	Senior Education Specialist	World Bank
12	Vincent De Paul Mboutchouang	Cameroon	Education Specialist	World Bank
13	Han Fraeters	Central African Republic	Country Manager	World Bank
14	Rebecca Lacroix	Chad	Senior Operations Officer	World Bank
15	Derek Michael Erkkila	Corporate Security	Senior Security Specialist	World Bank
16	Jeffery Scott Walker	Corporate Security	Senior Security Specialist	World Bank

(continued)

No.	Name	Category	Title	Organization
17	Jeffrey "Jeff" Culver	Corporate Security	Chief Security Officer	World Bank
18	Lacky Lukusa	Corporate Security	Senior Security Specialist	World Bank
19	Martin Ronnberg	Corporate Security	Senior Security Specialist	World Bank
20	Paul Donohoe	Corporate Security	Senior Security Specialist	World Bank
21	Steve Tinegate	Corporate Security	Senior Security Specialist	World Bank
22	Bianca Adam	COVID LE	Senior Operations Officer GTFSA	World Bank
23	Indira Konjhodzic	COVID LE	Lead Operations Officer GTFSA	World Bank
24	Lindsey Paul Jones	COVID LE	Consultant GTFSA	World Bank
25	Nikolas Myint	COVID LE	Senior Social Development Specialist	World Bank
26	Spyridon Demetriou	COVID LE	Senior Operations Officer GTFSA	World Bank
27	Chadi Bou Habib	Congo, Dem. Rep.	Lead Economist	World Bank
28	Pierre Joseph Kamano	Congo, Dem. Rep.	TTL, Health project	World Bank
29	Sophie Grumelard	Congo, Dem. Rep.	Eastern Recovery TTL	World Bank
30	Ernst Schaltegger	FAO engagement	Senior Advisor Environment and Sustainable Livelihoods INNOVABRIDGE Foundation	FAO
31	M. Lomeña-Gelis	FAO engagement	Senior Evaluation Officer	FAO
32	Hanna Karoliina Aspelin	GIA	Audit specialist	World Bank
33	Jean Edgar Ojiambo	GIA	Audit specialist	World Bank
34	Sriram Sivaramakrishnan	GIA	Audit Supervisor	World Bank
35	Vinu Srinivas	GIA	Manager	World Bank
36	Walid H. Al-Najar	GIA	Audit specialist	World Bank
37	Hideki Matsunaga	Iraq	Adviser (MNACE)	World Bank
38	Ibrahim Khalil Dajani	Iraq	Program Lead (IMNDR)	World Bank

(continued)

No.	Name	Category	Title	Organization
39	Luca Bandiera	Iraq	Senior Economist (EMFMD)	World Bank
40	Michelle Rebosio	Iraq	Consultant (IEGEC)	World Bank
41	Nadwa Rafeh	Iraq	Senior Health Specialist (HMNHN)	World Bank
42	Rene Solano	Iraq	Senior Social Protection Specialist (HMNSP)	World Bank
43	Robert Bou Jaoude	Iraq	Operations Manager (MNC03)	World Bank
44	Roland Lomme	Iraq	Senior Governance Specialist (EMNGU)	World Bank
45	Soran Hama Tahir Ali	Iraq	Senior Infrastructure Specialist (IMNT1)	World Bank
46	Alexandre Hugo Laure	Lebanon	Senior Private Sector Specialist	World Bank
47	Eric Le Borgne	Lebanon	Former Lead Economist, now Practice Manager, Macroeconomics	World Bank
48	Nadwa Rafeh	Lebanon	Senior Health Specialist	World Bank
49	Nathalie Lahire	Lebanon	Senior Economist, Education	World Bank
50	Stephan Massing	Lebanon	Senior Strategy and Operations Officer	World Bank
51	Thomas Farole	Lebanon	Lead Economist, Jobs	World Bank
52	Alexandre Marc	Macro Interviews	Former Chief Specialist, FCV	World Bank
53	Audrey Roberts	Macro Interviews	Analyst	Courage Services
54	Bernhard Metz	Macro Interviews	Senior Operations Officer	World Bank
55	Catalina Quintero	Macro Interviews	Consultant	World Bank
56	Dan Chase	Macro Interviews	Manager	World Bank
57	Ekaterina Romanova	Macro Interviews	Senior Social Development Specialist	World Bank
58	Gustavo Ramirez	Macro Interviews	Economist	IMF
59	Ibrahim Khalil Dajani	Macro Interviews	Program Leader	World Bank
60	Maria Vannari	Macro Interviews	Head of the Global Support Team on UN Agencies Engagement	World Bank
61	Megan Yellin	Macro Interviews	Director, Client Programs	Courage Services

(continued)

No.	Name	Category	Title	Organization
62	Patrick Barron	Macro Interviews	Advisor GTFSA	World Bank
63	Raja Rehan Arshad	Macro Interviews	Lead Disaster Risk Management Specialist SMNUR	World Bank
64	Roland Lomme	Macro Interviews	Senior Governance Specialist EMNGU	World Bank
65	Sandra Bloemenkamp	Macro Interviews	Former country Manager for the Republic of Yemen	World Bank
66	Spyridon Demetriou	Macro Interviews	Senior Operations Officer GTFSA	World Bank
67	Steve	Macro Interviews	Operations Coordinator	World Bank
68	Steven Bulthuis	Macro Interviews	Security Specialist	World Bank
69	Tracy Hart	Macro Interviews	Global Lead, Fragile & Conflict States, Environment, Natural Resources, & Blue Economy	World Bank
70	Vikram Raghaven	Macro Interviews	Lead Counsel	World Bank
71	Asbjorn Haland	Macro Interviews; Cameroon	Senior Operations Officer	World Bank
72	Adolpho Brizzi	Madagascar	Former CM, Madagaccar	World Bank
73	Anne-Lucie Lefebvre	Madagascar	Senior Public Sector Specialist	World Bank
74	Catalina Quintero	Madagascar	Consultant	World Bank
75	Charalambos G. Tsangarides	Madagascar	Deputy Division Chief, Mission Chief for Madagascar	IMF
76	Ellena Rabeson	Madagascar	Senior Ops Officer	World Bank
77	Erick Rabemananoro	Madagascar	External Affairs Officer	World Bank
78	Mark Lundell	Madagascar	Advisor; Former CD, Madagascar	World Bank
79	Neelam Verjee	Madagascar	Ops Officer	World Bank
80	Tiago Peixoto	Madagascar	Senior Public Sector Specialist	World Bank
81	Vikram Raghavan	Madagascar	Lead Counsel	World Bank
82	Sean Bradley	Myanmar	Lead Social Development Specialist	World Bank
83	Ali Moha	Niger	CAP3 National Coordinator	World Bank
84	Adetunji Oderipe	Nigeria	Senior Agricuture Economist	World Bank

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No.	Name	Category	Title	Organization
85	Ayaz Parvez	Nigeria	Lead Disaster Risk Management Specialist	World Bank
86	Catalina Quintero	Nigeria	Consultant	World Bank
87	Catherine Martin	Nigeria	Senior Operations Officer	World Bank
88	Indira Konjhodzic	Nigeria	Lead Operations Officer GTFSA	World Bank
89	Mary Morrison	Nigeria	Senior Social Development Specialist	World Bank
90	Melissa Johns	Nigeria	Adviser (RRA author)	World Bank
91	Rachel Ort	Nigeria	Public Sector Specialist	World Bank
92	Rosa Maria Martinez	Nigeria	Social Development Specialist	World Bank
93	Thomas Djurhuus	Partnerships	Senior Partnership Specialist	World Bank
94	Joy Aoun	RPBA/DNA	Disaster Risk Management Specialist SMNUR	World Bank
95	Megan Yellin	RPBA/DNA	Director, Client Programs	Courage Services
96	Jean-Pierre Chauffour	Sahel	Program Leader	World Bank
97	Pierre Xavier Bonneau	Sahel	Program Leader	World Bank
98	Soukayne Kane	Sahel	Country Director Mali, Burkina Faso, Niger and Chad	World Bank
99	Emilie Jourdan	Sahel / Mali	Senior Operations Officer—FCV	World Bank
100	Aly Sano	Sahel / Mali	Senior Economist	World Bank
101	Boubacar Sidiki Waibani	Sahel / Mali	Senior Operations Officer	World Bank
102	Bella Bird	Somalia	Former Country Manager	World Bank
103	Christian Wabnitz	Somalia	Operations Coordinator for Africa	ICRC
104	Hugh Riddel	Somalia	Former Country Manager	World Bank
105	Makiko Watanabe	Somalia	Senior Urban Specialist SAEU2	World Bank
106	Philip Schuler	Somalia	Lead Economist EAEM1	World Bank
107	Tesfaye Bekalu	Somalia	Senior Water Supply and Sanitation Specialist SAEW3	World Bank
108	Winston Percy Onipede Cole	Somalia	Lead Governance Specialist	World Bank
109	Zishan Faiza Karim	Somalia	Senior Urban Specialist SSAU1	World Bank

No.	Name	Category	Title	Organization
110	Abel Lufafa	South Sudan	TTL, Agriculture	World Bank
111	Endashaw Gossa	South Sudan	Social Development TTL	World Bank
112	Melissa Williams	South Sudan	TTL, Agriculture/Safety Nets	World Bank
113	Muhammad Zulfiqar Ahmed	South Sudan	Rural Roads PTL	World Bank
114	Nadia Selim	South Sudan	Social Development TTL	World Bank
115	Sahr Kpundeh	South Sudan	Former Country Manager	World Bank
116	Tesfaye Bekalu	South Sudan	Senior Water Supply and Sanitation Specialist SAEW3	World Bank
117	Vara Vemuru	South Sudan	Lead Social Development Specialist	World Bank
118	Zara Inga Sarzin	South Sudan	Former TTL, Local Governance Project	World Bank
119	Zishan Faiza Karim	South Sudan	Former TTL, Local Governance Project	World Bank
120	Christopher David Nelson	Support	Manager IEG	World Bank
121	Estelle Raimondo	Support	Senior Evaluation Officer	World Bank
122	Felix Oppong	Support	Economist	World Bank
123	Ikechi B. Okorie	Support	Senior Operations Officer	World Bank
124	Michael Woolcock	Support	Lead Social Scientist	World Bank
125	Nabila Assaf	Support	Manager FCV Group	World Bank
126	Sara Batmanglich	Support	Senior Ops Officer	World Bank
127	Sara Gustafsson	Support	Senior Operations Officer	World Bank
128	Sara Michael	Support	Former Manager, FCV Group	World Bank
129	Stephan Wegner	Support	Senior Evaluation Officer	World Bank
130	Wolfgang K. C. Koehling	Support	Senior Operations Officer	World Bank
131	Harun Onder	Syrian Arab Republic	Senior Economist	World Bank
132	Alaa Mahmoud Hamed Abdel Hamid	Yemen, Rep.	Senior Health Specialist	World Bank
133	Alexandre Marc	Yemen, Rep.	Former Chief Technical Specialist	World Bank

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No.	Name	Category	Title	Organization
134	Asbjorn Wee	Yemen, Rep.	Senior Operations Officer—FCV Unit	World Bank
135	Cristobal Ridao Cano	Yemen, Rep.	Lead Economist, TTL ECRP	World Bank
136	Henriette Von Kalten-borne-Stachau	Yemen, Rep.	Senior Operations Officer—FCV Unit	World Bank
137	Ibrahim Bas-alamah	Yemen, Rep.	Social Development Specialist	World Bank
138	Kanishka Bala-suriya	Yemen, Rep.	Consultant—Writer of RRA	World Bank
139	Marina Wes	Yemen, Rep.	Country Director	World Bank
140	Nabil Shaiban	Yemen, Rep.	Senior Operations Officer—TTL RRA and CMU Staff	World Bank
141	Raja Bentaouet Kattan	Yemen, Rep.	Country Manager	World Bank
142	Sandra Bloen-kamp	Yemen, Rep.	Former Country Manager	World Bank
143	Sharad Alan Tendon	Yemen, Rep.	Senior Economist	World Bank

Table C.2. Client Voice

No.	Name	Category	Title	Organization
1	Mohammad Qayoumi	Afghanistan	Acting Minister of Finance & Chief Adviser on Infrastructure and Technology to the President of Afghanistan	GOIRA
2	Habib Zadran	Afghanistan	Deputy Minister of Finance	GOIRA
3	Mohammad Najib Amiri	Afghanistan	General Director, Urban Citizens Charter National Priority Pro-gram, Deputy Ministry of Munici-palities, Independent Directorate of Local Government	GOIRA
4	Saleh Moham-mad Samit	Afghanistan	Director of Operations, Citizens' Charter National Priority Pro-gram, Ministry of Rural Rehabili-tation and Development (MRRD)	GOIRA
5	Mahamat Mahaboub ABAKAR	Chad	Director of Projects, Cooperation and Partnership in Education, Ministry of National Education and Civic Promotion	Chad govern-ment

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No.	Name	Category	Title	Organization
6	ISMAIL Adoum Hamid	Chad	Director General of Gender Equity, Ministry of Women and Child Protection Childhood and National Solidarity	Chad government
7	Ashti Alwindi	Iraq	Director of the Office of Externally Funded Projects	FGoI
8	Majida Salman	Iraq	Communication Consultant, Reconstruction Fund	FGoI
9	Hussein Jasim Kadhim	Iraq	Acting Director General, Roads and Bridges Directorate	FGoI
10	Bawer Sagvan	Iraq	Head of Contracting Department, Directorate of Roads and Bridges, Dohuk, KRG	KRG
11	Sharmarke Farah	Somalia	Director General National Bureau of Statistics	FGS
12	Samira Gaid	Somalia	Former Security Advisor to the Prime Minister	FGS
13	Asmaa Shalabi	Yemen, Rep.	Strategic Advisor—the Republic of Yemen	UNDP
14	Naseeb Qirbi	Yemen, Rep.	WHO Project Director	WHO
15	Hannah Buechner	Yemen, Rep.	UNDP Amman Liaison Office	UNDP



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