



World Bank Group Strategy for Fragility, Conflict and Violence (FCV)

Consultation Meeting with the Private Sector Representatives

Feedback Summary

Date: June 25th, 2019

Location: Toronto, Canada

Audience: Private sector representatives and private sector-focused development professionals

Overview and Key Issues Discussed: The World Bank Group (WBG) FCV Strategy concept note was presented by Tracy Washington, Program Manager for IFC's Fragile and Conflict Situations (FCS) and International Development Association (IDA) Unit. Participants were then invited to ask questions and to express their views. The following summary highlights key points, recommendations, comments and feedback raised during the meeting.

Specific Feedback from Stakeholders	
1. Theme: Gender and youth	Participants stressed the importance of focus on gender and youth. These groups are particularly vulnerable, but the private sector provides opportunities to empower them. It was also noted that addressing gender issues requires a great deal of cultural sensitivity. For example, in some cases when women are getting paid and have good jobs, there could be more tension at home potentially resulting in domestic violence. These issues need to be considered when trying to address gender-related issues in the FCV context, and it also helps to include men in the discussion. Youth in FCV context are also frequently marginalized, but education and economic opportunities can provide them hope for the future. The private sector can play an important role in this regard.
2. Theme: Fragility lens	Participants mentioned the importance of looking at private sector development in FCV through a fragility lens that may go beyond the ESG requirements. There is a range of existing fragility indicators and frameworks, such as women's empowerment principles, that can help guide private sector engagement in the FCV context. Participants inquired how conflict analysis is applied to private-sector projects and to what extent this information could be publicly disclosed, given client confidentiality issues.
3. Theme: The structure of the private sector in FCV	

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Participants mentioned the full spectrum of economic actors present in FCV ranging from large foreign investors to regional companies to domestic SMEs and microenterprises, and that these different categories of the private sector actors require differentiated approaches.
4. Theme: Corruption and political risk
Many private companies, including from the diaspora, are interested in business opportunities in FCV countries, but are discouraged by the political risk involved and government corruption in FCV countries—even in their home countries. In this context, one of the participants asked whether it is possible for IFC to make investments conditional in certain countries to influence government behavior in terms of corruption, to help address the political risk issue for private investors.
5. Theme: Need for capacity building
Weak local capacity is a common impediment for private sector participation in FCV environments. For example, in the context of Public-Private Partnerships (PPPs) in the infrastructure space, the process often involves a transition from a private operator to the public counterpart. One of the participants expressed that it would add value if the World Bank Group could support local institutions with capacity building to facilitate the transition process. The participant suggested to extend the project runway to 7-9 years (e.g. powerplants) to build-in a “transition phase” as a solution to the weak capacity impediment. The rationale is that the longer concession period would make the projects more viable for investors. This could encourage the private sector to be more willing to engage in these types of projects.
6. Theme: Project pipeline development
One important factor to draw private sector participation, especially in PPP space, is to have a long-term pipeline of viable projects, which gives comfort to investors. Canada is already trying to leverage its successful model in implementing PPPs to support other countries, but in the FCV context the lack of pipeline it is one of the main obstacles for greater engagements in PPPs. One of the participants expressed that donors could play a role in supporting the private sector in developing a pipeline of bankable projects.
7. Theme: Reconciliation and resilience
Participants saw opportunities for private investment to act as a tool to support the reconciliation and resilience of FCV countries. One of the participants wrote a paper on this subject for the UN.
8. Theme: Sector-specific engagements
Participants mentioned interests in sectors such as power, tourism, health and educations as possible areas of focus for the private sector.
9. Theme: Scope of countries supported by FCV Strategy
One of the participants inquired whether the strategy could consider engagement in Cuba, given its importance for the region. However, Cuba is not a member of the World Bank Group, which precludes the WBG from engagement in the country.
10. Theme: Climate change
Participants mentioned climate change as a factor, which can drive/exacerbate FCV risks and threaten progress of development by intensifying challenges, reducing state capabilities and contributing to forced displacement.

List of Participants:

Name of Participant	Company	Position
1. Scott Jolliffe	Gowlings	Partner
2. Luc Lissoir	Gowlings	Partner
3. Paul Harricks	Gowlings	Partner
4. Joseph Georgie	Bank of Montreal	Director, Global Financial Inst.

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5. Garrett Bloor	Pres. Canada-Africa	President, Canada-Africa CC
6. Elissar Sarrouh	CAIDP*	Vice President
7. Don McCutchan	Gowlings	Partner
8. Gregory Binioswky	Gowlings	Partner
9. Stu Olley	Gowlings	Partner
10. Nadia Tobia	Tobia Architects	Principal
11. Jennifer King	MEDA*	Snr. Prj. Manager
12. Fiona MacKenzie	MEDA	Snr. Prj. Manager
13. Shelina Visram	Toronto Centre	Director
14. Ahmad Duranai	Architect/Business Owner	Canada-Afghanistan Biz Coun.
15. Frances Fortunes	MEDA	Snr. Prj. Manager
16. Julius Egbeyemi	Global Affairs Canada	Senior Policy Advisor

CIADP: Canadian Association of International Development Professionals

MEDA: Mennonite Economic Development Associates

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