

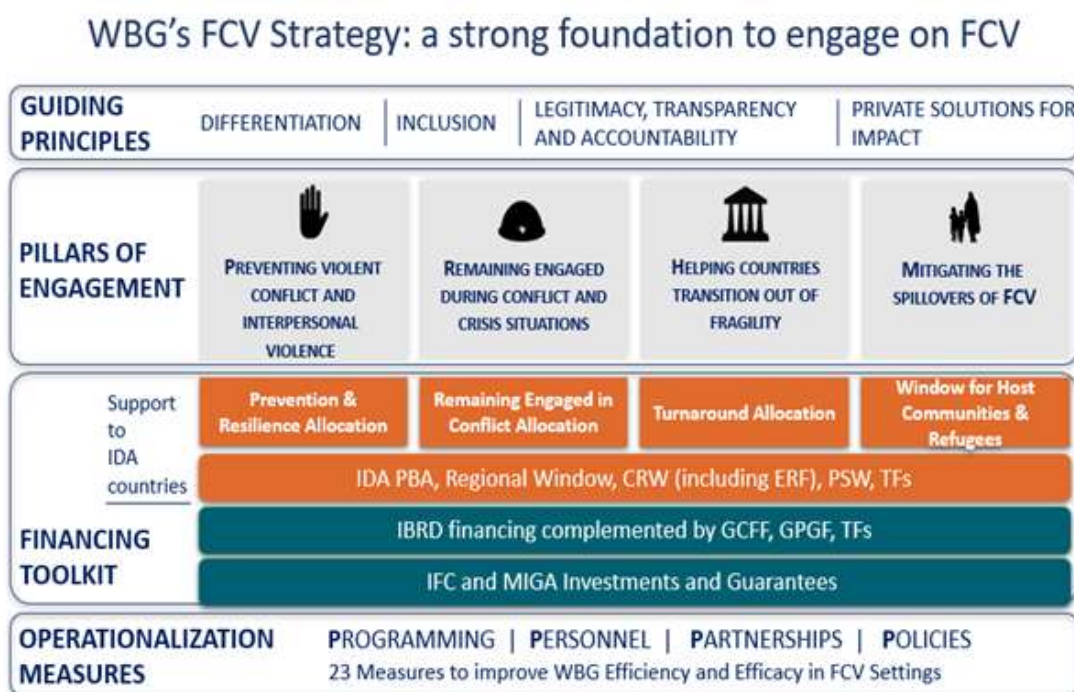
## Background note for consultations on the mid-term review of the WBG FCV Strategy

### Background

The purpose of the World Bank Group (WBG) [Strategy for Fragility, Conflict, and Violence 2020-2025](#) (FCV Strategy) is to enhance the WBG's effectiveness to support countries in addressing the drivers and impacts of fragility, conflict and violence (FCV) and in strengthening their resilience, especially for their most vulnerable and marginalized populations. As such, it directly supports the WBG's twin goals of ending extreme poverty and promoting shared prosperity, while supporting FCV affected countries in managing their challenges and risks.

The WBG launched the FCV Strategy in February 2020. The Strategy is built on a framework comprised of guiding principles, pillars of engagement, and a financing toolkit (Figure 1), which is operationalized on four levels: (i) through 23 specific measures aimed at tailoring the WBG's approach and strengthening its effectiveness in FCV settings; (ii) through corporate strategies, initiatives, and commitments where FCV is prioritized; for example, through International Development Association (IDA) replenishments, the International Bank for Reconstruction and Development (IBRD) and the International Finance Corporation's (IFC) Capital Increase packages, and the Multilateral Investment Guarantee Agency's (MIGA) FY21–FY23 Strategy; (iii) through country and regional programs; and (iv) through analytics and operations in FCV-impacted countries.

Figure 1: WBG's FCV Strategy



The FCV Strategy includes measures to strengthen the WBG operational effectiveness and impact at country level. Some of the key operational measures are highlighted in Figure 2 and a full list is part of the [FCV Strategy](#).

**Figure 2: Measures to strengthen operationalization of WBG’s FCV Strategy**

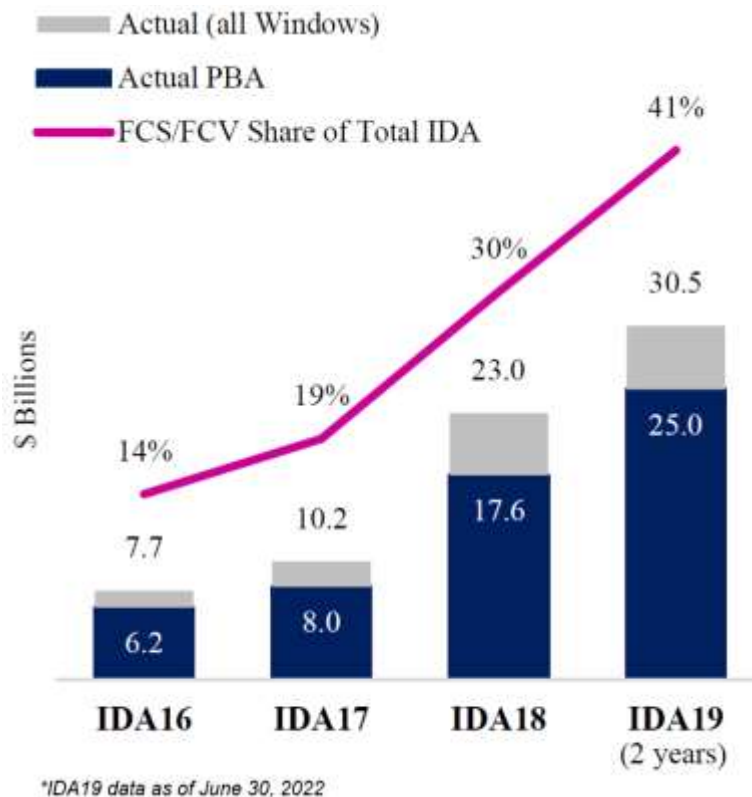


As envisioned in the FCV Strategy, progress on FCV Strategy implementation has been part of the annual updates to the WBG Board on FCV (January 2021 and March 2022). In addition, the FCV Strategy foresees a mid-term review (MTR) focusing on the operationalization of the FCV Strategy (ongoing). The FCV Strategy also states that the World Bank Group Independent Evaluation Group (IEG) will conduct an independent review of the FCV Strategy towards the end of the Strategy period.

**Overall progress and remaining challenges**

The FCV strategy broadens the WBG’s focus beyond the countries on the FCS list to engage across the wider spectrum of FCV in all countries where this is relevant. This spectrum covers situations such as those with predominant institutional, social, or political *fragility*, as well as situations with active *conflict*, including political conflict, and situations in which other forms of *violence* (such as interpersonal violence) is prevalent. Each of these elements of FCV frequently overlap and manifest in different country, subnational, or regional contexts in unique ways, requiring a differentiated way of working in each context. The WBG’s approach, delivered through a variety of interventions that span multiple sectoral areas, represents the institution’s contribution to supporting FCV prevention, transition, or engagement in each country.

In rolling out the FCV Strategy and implementing it over the last three years, the WBG has significantly increased financing to FCS countries. The WB has nearly tripled the FCS share of IDA financing from IDA16 to IDA19. In addition, the WBG also has a rising share of FCV financing in IBRD, IFC and MIGA. All of the 23 operational measures noted in the Strategy are on track.



The FCV Strategy has been operationalized through country and regional programs and operations that are grounded in strong analytics, building on the country-based model used in Bank operations. For example, the Risk and Resilience Assessment is now systematically used to identify FCV drivers and sources of resilience to inform country diagnostics and areas of country engagement.

One specific area in which the FCV Strategy has helped reinforce the WBG’s response and financing is forced displacement. Under IDA18 and IDA19, US\$3.4 billion of dedicated funding under the Refugee Sub-window/Window for Host Communities and Refugees (WHR) has been made available, with a further allocation of US\$2.4 billion planned under IDA20. In parallel, the Global Concessional Financing Facility (GCFF) has provided concessional financing to help IBRD host countries address refugee crises. In addition to funding, the strategic partnership between the WB and the United Nations High Commissioner for Refugees (UNHCR) has leveraged significant synergies in terms of analytics, programming, and implementation, with particularly close collaboration in countries with the highest levels of refugees and/or internally displaced persons, including a robust research program on the gender dimensions of forced displacement to inform programming.

Despite all the above-mentioned progress, the challenges to the WBG’s work in FCV-affected countries remain formidable. Reflecting on FCV Strategy implementation during the past period, a number of key strategic challenges have emerged: (i) ability to adapt in volatile situations; (ii) the prevention and transition agenda; (iii) increasing engagement on FCV in MICs; and (iv) private sector development in the context of increased instability. Addressing these issues is critical to be able to respond to increasingly challenging FCV environments and to enable deeper and more effective engagement.

## Objective and scope of mid-term review

The objective of the FCV Strategy MTR is to take stock of where the World Bank Group is as regards the implementation and operationalization of the FCV Strategy. The Strategy remains fit for purpose and the MTR does not seek to revise the FCV Strategy or its framework. However, in addition to taking stock, the MTR aims to identify areas where the WBG may need to adjust how it works in and on FCV for the remainder of the FCV Strategy period and beyond. The MTR is also aiming to be complementary and not duplicative of other processes and reporting, such as IDA.

Just like the Strategy itself, the MTR is a World Bank Group-wide effort and is undertaken in close collaboration between the World Bank, the International Finance Corporation (IFC), and the Multilateral Investment Guarantee Agency (MIGA).

The primary output of the MTR is a Report which will be discussed at the Board and at the end of the process made public.

The MTR focuses on a select number of dimensions and themes of the FCV Strategy, including previously identified challenges: (i) Improving the WBG's ability to adapt in challenging and volatile situations; (ii) Prevention and transition agenda; (iii) Increasing engagement on FCV in MICs; and (iv) Private sector development in the context of increased instability.

## External consultations

Dialogue between the World Bank Group and stakeholders is a critical aspect of our work as a broad range of perspectives strengthens the outcomes and accountability of our engagement. The FCV Strategy MTR therefore aims to consult with a broad range of stakeholders, including with multilateral and bilateral partners, World Bank Group clients and Civil Society Organizations. The main purpose is to hear from participants with knowledge of the FCV Strategy and its implementation on overall progress with operationalizing the Strategy. Consultations will take place in March and April.

We would especially appreciate feedback from persons that work directly with the World Bank Group in an FCV setting.

Please submit written feedback through the [online consultation website](https://consultations.worldbank.org/FCVstrategyreview):  
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