

Joint feedback on the draft World Bank Group Fragility, Conflict and Violence (FCV) strategy from Australia, Belgium, Canada, Denmark, France, Germany, Netherlands, Sweden, Switzerland, and United Kingdom.

1. We welcome the publication of the draft WBG FCV strategy. We fully support the creation of this strategy for the whole WBG as an important step forward for this critical global agenda and the WBG's leading role in it. We recognise the significant work that has gone into producing this draft, through comprehensive discussion and input from units across the WBG as well as a global public consultation process. This major effort demonstrates the WBG's commitment to getting its approach to tackling FCV right, a vital objective that we share. Our objective in providing feedback on the draft is to support and encourage this commitment and maximise the operational value and thus the development effectiveness of the strategy. It is clear from the draft that the WBG will need to make changes to how it operates across a range of different fragile and conflict-affected situations.
2. We welcome in particular the inclusion in the draft of the four 'pillars of engagement' that were presented in the concept note; these provide a solid framework for WBG operations in Fragile and Conflict-affected States (FCS) and the link this provides to the IDA19 FCV special theme is important to knit together FCV finance, policy and operations. We also welcome the elaboration of the four 'guiding principles', which address key elements of tackling FCV: strengthening (legitimate, transparent and accountable) institutions, social and economic inclusion and the role of the private sector. In addition, the 'areas of special emphasis' provide a very useful clarification of how WBG interventions in FCS will be selective. The clarification on what the WBG will do when a government's actions or policies are directly leading to FCV is especially welcome given the challenge this poses to multilateral institutions. We strongly welcome the commitment to update OP 2.30 and think the draft strategy strikes a good balance between what are relatively new areas of intervention for the WBG (i.e. humanitarian-development-peace nexus, justice and rule of law) and its traditional comparative advantage (e.g. long-term institution building).

Strengthening the draft FCV strategy

3. The ultimate success of the strategy in shaping WBG engagement on FCV depends to a great extent on the strategic direction it sets for teams across the Bank Group: in this regard, we think there are improvements that could help to further strengthen the draft strategy. The strategy would set a clearer direction for teams if it included clearer implementation targets, milestones and a rationale for sequencing them so that progress can be measured over the strategy's lifetime. In addition, the strategy could be much clearer about accountability for the achievement of these targets, how progress will be monitored, and how results will be presented to the Board - an action-oriented results framework and/or action plan would be helpful in this regard.

To put the vision of the strategy into practice we think there are some areas where the WBG could make stronger and more specific policy and operational commitments:

Programming

4. While the draft strategy's focus on conflict prevention is very welcome, we would like more elaboration on the processes through which the WBG will identify and respond to structural drivers

and upstream risks of violent conflict. We believe that early interventions that divert countries away from a path towards violent conflict are as important as de-escalating violence once it has broken out. In-depth analysis of drivers of FCV and factors of resilience therefore need to be at the centre of Country Partnership Frameworks (CPF) in FCV settings and drive the structure and management of the portfolio.

5. We welcome the mention of human rights-based approaches and the support to justice and security services in the draft strategy. The final strategy should make clear that these are both drivers and consequences of FCV, and they should therefore appear in the general framework of the strategy and within its operationalisation (for instance in Risk and Resilience Assessments-RRAs and in the review of OP 2.30).
6. The strategy recognises the need for more proactive WBG supervision and implementation support to clients but does not set out how this will be delivered. We would like to see greater clarity on how supervision/support models will change in FCV settings and an explicit consideration of whether operating budgets need further adjustment to account for different ways of working in FCV settings, including necessary security costs.
7. We were pleased to see the role of the private sector in contributing to peace and stability integrated throughout the draft strategy and we welcome the clear commitments made for IFC. We also welcome the recognition of the fact that private sector investments can unintentionally exacerbate conflicts in certain circumstances - we believe they therefore require risk analysis. However, the draft strategy was not clear on how IFC will finance these commitments and ensure there is enough central expertise in IFC to support teams and build an evidence base of effective investing in FCS. We would like to see this clarified in the final version.
8. We would welcome the final version of the strategy providing much more detail on how the WBG's FCV approach with IBRD clients will evolve beyond current sources of support such as the Global Concessional Financing Facility, particularly regarding WBG support for conflict prevention.
9. We welcome the draft strategy's encouragement of greater use of conflict sensitivity tools (portfolio reviews, conflict filters, peace lenses), an essential part of engaging responsibly in FCV settings. But we would like the final strategy to commit to increased use of these tools and set out clearly how that commitment will be achieved.
10. Annex six of the draft strategy helpfully sets out the existing operational flexibilities for the WBG in FCV settings. We would like the final strategy to commit to these existing flexibilities being applied more consistently and to the WBG developing new operational flexibilities as needed, including the use of innovative approaches developed in WBG Trust Funds in FCV settings.
11. We are concerned by the current proposal to seek occasional policy derogation from the Board for specific IFC and MIGA projects. Any more flexible and phased approach requires a clear framework and consistent principles, so we do not undermine the ESF or Performance standards more broadly, and we are concerned this is not achieved by the current proposal. Having said that, we are open to exploring new approaches to managing and mitigating Environmental, Social, and Governance risks in FCS, while ensuring that robust standards are ultimately met.

12. The draft strategy is clear that scaling up WBG efforts in FCV settings requires a higher risk tolerance and the need to treat failure with a learning as well as an accountability lens. But it is not clear how an authorising environment will be created to make staff feel comfortable managing and mitigating higher risk programmes, or whether they have the right tools and incentives to do so.
13. We welcome the inclusion of gender as a ‘cross-cutting priority’ in the strategy and would like to see more concrete proposals regarding how gender issues will be addressed under the different parts of the strategy, including through focusing not only on Sexual and Gender-Based Violence (SGBV), but also identifying and tackling root causes of gender inequality, and supporting women’s economic empowerment, women, peace and security, and women’s participation.

Personnel

14. Tackling FCV is only one amongst a number of priority issues for the WBG, therefore we want real clarity in the final strategy on how the World Bank and IFC will incentivise staff to deliver differently in FCV settings, and ensure staff are rewarded for, amongst other things, designing appropriately tailored programmes, responding to risks, and working effectively with other development, humanitarian and security actors.
15. We would like the final strategy to provide a clearer vision for how the WBG’s footprint in FCV settings will change by 2025 given the decentralisation efforts underway. This should include an assessment of the optimal WBG footprint in different FCV contexts according to needs and risks.
16. We would like to see a much clearer description of how the WBG will expand its capacity and expertise on FCV amongst both its leadership and staff on the ground in FCS and in at-risk countries. While this issue is addressed in the draft to a certain extent, a vision of the big picture on changing staff skills, roles and responsibilities in FCV settings is missing. More concrete incentives to gain FCV experience, inclusive of specific gender and diversity groups, would also be welcome.

Partnerships

17. We very much welcome the draft strategy highlighting the importance of partnerships – they are key to achieving the strategy’s aims. We are in no doubt that a great deal of effective partnership working between the WBG and a range of bilateral and multilateral actors has taken place in recent years. What is not clear from the draft strategy is the WBG’s vision for how this good practice can be built upon, developed further and improved over time. We would like to see how partnerships will be incentivised in the final version of the strategy, particularly covering non-financial partnerships on analytics/diagnostics (especially RRAs), monitoring and evaluation, and in country coordination (e.g. through the country platform model). Reflecting the Pathways for Peace Report, we would expect this vision to include an articulation of how the WBG’s collaboration and coordination with the UN system in FCV (especially with the Resident Coordinator’s office) is anticipated to evolve, in relation to the Humanitarian-Development-Peace Nexus in particular.