



World Bank Group Strategy for Fragility, Conflict and Violence (FCV) Consultation Meeting with Afghanistan Reconstruction Trust Fund Donor Representatives

Feedback Summary

Date: April 27, 2019

Location: Kabul, Afghanistan

Audience: Representatives of donors contributing to the Afghanistan Reconstruction Trust Fund

Overview and Key Issues Discussed: World Bank Group representatives including the IFC and the World Bank thanked the participants, appreciating that joining the discussion required a particular effort on a day when many organizations in Kabul faced movement restrictions owing to road closures ahead of planned public events. The WBG presented an overview of strategy, including its purpose, its key thematic elements, and how it will aim to address operational issues that affect delivery in FCV contexts. The team explained that this gathering was convened as part of the first phase of consultations on the strategy, which includes in-person consultations at the national level. Stakeholders are also welcomed to share additional feedback via email to FCVConsultations@worldbank.org or through the WBG's online consultation portal.¹ Participants were then invited to ask questions and to express their views. The following summary highlights comments and recommendations raised during the discussion.

At the close of the meeting, the WBG team noted the links between the developing FCV strategy and ongoing work in Afghanistan. Noting that the WBG country office is currently conducting a Performance and Learning Review (PLR) of the Afghanistan Country Partnership Framework and given the relevance of issues discussed during the meeting to the PLR, the team briefly shared a summary of emerging "key messages" from the PLR and encouraged participants to share insights on PLR with the World Bank Country Office in Afghanistan.

Specific Feedback from Stakeholders

1. General Comments

Comments:

Appreciation for the very good quality of the World Development Report 2011 and the FCV Strategy concept note, in particular the coherent observations and recommendations on governance.

Given the WBG's close engagement with donors in Afghanistan, where a majority of the country portfolio is financed through the Afghanistan Reconstruction Trust Fund, a single country MDTE, early engagement with donor representatives in country was appreciated.

Recommendations:

- Continue strong engagement throughout the ongoing FCV strategy development process, including with donor representatives in FCV contexts.
- Consider outreach to in-country donor representatives in FCV contexts where establishment of single country MDTEs is being considered/is under development, such as Iraq.

¹ Accessible at <https://consultations.worldbank.org/consultation/world-bank-group-strategy-fragility-conflict-and-violence>.

Specific Feedback from Stakeholders

2. Inclusion and Livelihoods, Markets and Sustainable Private Sector Development

Comments:

Focus on livelihoods was welcomed, as was the one WBG approach and the inclusion of both the IFC and the WB at the consultation. Creating sources of employment, especially for youth, is an essential and unavoidable topic in the context of ongoing conflict. The strategy should set realistic targets for private sector-led employment generation and should recognize labor force preferences. For example, agriculture is often cited as a source of prospective employment generation, but in countries with large cohorts of young people and low agricultural wages, job seekers may resist agricultural employment, and attempts to incentivize same can undermine the relationship of job seekers to the state, undermining trust.

Given demographic trends and the timelines required to support robust private sector development, expectations for private sector-led job creation in FCV contexts should remain realistic. Governments and development partners should consider holistic solutions to address employment needs, explicitly recognizing that unemployment is a driver of conflict. For example, programs that seek to promote responsible labor migration (such as the pipeline PLACED initiative being considered in Afghanistan) may be an essential complement to in-country job creation initiatives, together with demand-driven skills development and education opportunities.

Addressing both conflict and violence is valuable. Criminality can affect private sector development in ways that differ from the effects of conflict. In Afghanistan, local business leaders have said that they can manage to conduct business even in the context of ongoing conflict, but that criminality, particularly criminality linked to personal security (e.g., kidnapping), is less predictable and has a more material effect on domestic investment and business growth.(Afghan business leaders have raised this issue in public gatherings, including at 2017 senior officials meeting in Kabul.)

Recommendations:

- Retain realistic targets for the role of private sector-led job creation in FCV contexts. Ensure that strategy recognizes the need to support labor market programming that responds to population interests, particularly in countries with large youth cohorts. For example, promote investments in demand-driven skill development and education. In economies where employment is likely to be generated by agricultural production, support investments in agri-processing and agri-business. In countries with large youth populations and a history of regional migration, support programs that will promote responsible opportunities for labor migration.
- Continue to retain the distinct emphasis on security and rule of law as factors that affect private sector development in FCV contexts, consider being explicit on the effects of criminality on the private sector in some areas.

3. Inclusion

Comments:

The focus on inclusion of youth and on gender considerations is appreciated and this section of the strategy is expected to be of considerable interest in many FCV contexts. In post-conflict settings, disability may require particular attention, and should be reflected as a specific element of inclusiveness.

Recommendations:

- Consider adding more explicit reference to disability in thematic sections addressing inclusiveness.

4. Strengthening institutions-state legitimacy and Delivering services - civic engagement

Comments:

Specific Feedback from Stakeholders
<p>The strategy's proposed focus on long-term conflict drivers is welcomed. WBG is encouraged to draw on lessons learned and highlight WBG comparative advantages and limitations relative to traditional programming in the governance and civic engagement sectors, particularly at the subnational level in FCV contexts.</p> <p><i>Recommendations:</i></p> <ul style="list-style-type: none">• Consider explicitly discussing WBG comparative advantages and limitations relative to more traditional governance and civic engagement programming.
5. Challenges of Delivery/Partnership
<p><i>Comments:</i></p> <p>Attention to partnerships is appreciated. Donor partnerships are particularly important in settings with significant TF financing (e.g., Afghanistan) and to that end early engagement with in-country donor representatives is valued.</p> <p>Encourage ambition rather than marginal changes in assessing the WBG operating model and engagements with other development partners, including the United Nations, drawing on any learning from Pathways for Peace initiatives that may be relevant.</p> <p><i>Recommendations:</i></p> <ul style="list-style-type: none">• Continue engagement with donor partners at HQ and national level.• Address other development partnerships with ambition, avoid "tinkering around the margins".
6. Challenges of Delivery/Programming and Improving data, evidence and monitoring
<p><i>Comments:</i></p> <p>Attention to the need for flexible programming is necessary in FCV operational contexts, and the Strategy is encouraged to consider how WBG portfolios as a whole could incorporate flexibility needed to address the prospect of dramatic political or security changes in FCV contexts.</p> <p>Monitoring implementation and assessing the counterfactual narratives are significant operational challenges in FCV contexts, and the Strategy's plan to address the adequacy of monitoring and evaluation frameworks is welcomed.</p> <p><i>Recommendations:</i></p> <ul style="list-style-type: none">• In light of the prospect of frequent or dramatic political and security changes in FCV contexts, the strategy could consider addressing the need for flexibility in both overall portfolios and in programming instruments.• The strategy should consider options for both improving monitoring of ongoing implementation monitoring and addressing the counterfactual in impact assessments.

List of Participants: Attached. Note that invitation to the consultation meeting was extended to all members of the Afghanistan Reconstruction Trust Fund (ARTF) Strategy Group, which comprises all current donors to the ARTF with representation in Afghanistan (Australia, Canada, Czech Republic, Denmark, European Union, Finland, Germany, Italy, Japan, Netherlands, Norway, Republic of Korea, Sweden, Switzerland, United Kingdom, United States). Owing to security arrangements in the capital of Kabul ahead of public events planned for the week, some ARTF Strategy Group members were unable to join the in-person discussion.

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