

# OVERALL RECOMMENDATIONS

**1. Clearly articulate the Bank's unique role and added value in FCV contexts.** Responding to FCV requires coordination between actors and understanding of where each can add the most value. The strategy should clearly state the Bank's comparative advantages in an FCV setting. This could include:

- unique convening power and the ability to leverage that power to coordinate between governments and non-government actors;
- credibility with governments to allow the Bank to influence critical policy reforms that will address the longer-term drivers of FCV;
- ability to finance long-term projects in ways that traditional government donors cannot, especially in contexts experiencing humanitarian crises.

**2. Support local communities and systems to escape the fragility trap.** The concept note focuses on building the legitimacy and capacity of the *state* to escape the fragility trap. We urge the Bank to approach fragility more holistically. Escaping the fragility trap requires a focus not just on the state, but also on the private sector and civil society. Efforts to help countries escape the fragility trap can include supporting independent non-governmental institutions, promoting civic engagement, and fostering a positive business environment.

The Bank should ensure that all activities will *support* local systems and economies, rather than replacing or undermining them, to avoid distorting economies or creating local dependencies. All Bank investments should have clear exit/transition strategies established in the planning stage, and adapted over time, to ensure that addressing current needs does not compromise future well-being of communities.

Working with the private sector to build more inclusive markets is essential to transforming the underlying drivers of conflict and grievances and helps communities escape the fragility trap. Social connections are also a vital part of economies in crisis and are a critical determinant of vulnerable groups' ability to cope and recover. The Bank should consider how to leverage and promote social connections among diverse groups and between communities and authorities in any conflict-affected context.



## RESEARCH INSIGHT

*Crisis-affected households rely much more on local markets and social networks than on externally provided humanitarian aid.*

*In a study of coping strategies in Syria ([Wages of War](#)), Mercy Corps found access to functioning markets was significantly correlated with better household welfare. People saw improvements in food security and housing conditions when they lived closer to markets, with stable prices and increased market activity during the crisis. Several of these market factors were also associated with greater psychosocial well-being, including lower stress and feelings of insecurity.*

**3. Establish how the Bank will work over the long-term to address FCV, while not losing momentum for immediate-term interventions.** Addressing FCV is a long-term endeavor. However, solely focusing on long-term investments will not create the momentum in the near term to prevent outbreaks of conflict and violence. For example, in Afghanistan, we found that a combination of unconditional cash transfers and vocational training reduced support for political violence by almost 20%.<sup>1</sup>

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<sup>1</sup> [Can Economic Interventions Reduce Violence: Impacts of Vocational Training and Cash Transfers on Youth Support for Political Violence in Afghanistan](#) (Mercy Corps, 2018).

In Somalia, our research showed that combining secondary school and civic engagement activities reduced support for political violence by 64%.<sup>2</sup> Both programs incorporated immediate-term deliverables with interventions that have an impact over the long-term.

**4. Invest in research, analysis, and adaptive management to build the evidence base and ensure the Bank's FCV interventions are flexible.** There is currently a lack of evidence of what works to deliver outcomes for people caught in crisis. The concept note recognizes the importance of strengthening monitoring and evaluation (M&E) systems to support adaptive learning. The laudable focus on M&E should be bolstered by complementary investments in research and analysis to better understand the drivers of FCV and real-time local conflict dynamics, along with the impact on different populations. The Bank should leverage its technical expertise in population wellbeing data collection to include vulnerable and crisis-affected populations, disaggregated for gender, age, and refugee or internal displacement status.

Ongoing analytics are essential to ensure interventions are conflict- and risk-sensitive and do not inadvertently exacerbate tensions. Particularly in FCV settings, analytics need to feed into real-time programming. As it expands in FCV, the Bank should develop mechanisms of adaptive management to ensure that investments can adjust to rapidly changing conflict dynamics and new information. Decentralizing decision-making authority has been shown to be one of the most effective ways of doing this for World Bank projects operating in complex, fragile contexts.<sup>3</sup> In our programming, we foster adaptive management through: regular communications with local authorities, flexible work-plans, regular community stakeholder reviews, and joint monitoring with local stakeholders.<sup>4</sup>



**5. Anticipate and mitigate effects on marginalized communities.** All projects should include robust risk and impact analyses on the different impacts of the FCV context on demographic groups, and the possible impacts of Bank programming. In FCV settings, the Bank should recognize the potential externalities of investments that focus on reducing armed conflict. For example, a decline in armed conflict often brings increased levels of sexual violence against women and girls.<sup>5</sup> The FCV strategy should reflect this and clearly establish how it will promote complementary investments for protection and risk mitigation.

**6. Plan for the political and capacity challenges of partnering with governments in FCV contexts.** In FCV settings, governments can be belligerents to conflict, collapsed and incapable of partnering, or perceived as illegitimate by citizens. When a government is a conflict party, it is vital that the Bank invest in conflict mapping to understand the grievances and responsible parties. In countries with shrinking space for civil society, partnerships between the Bank and the government could inadvertently help enable tools of repression. When a government is collapsed or incapable of partnering, the Bank should identify alternative partnerships with the private sector, local civil society, and international NGOs (INGOs), as it did with the Social Fund for Development (SFD) in Yemen. In contexts where the government is perceived as illegitimate, the Bank should work deliberately on rebuilding state-citizen trust through bottom-up approaches, such as civil society strengthening. In all three scenarios, effective partnering with local CSOs and NGOs is vital.

<sup>2</sup> [If Youth Are Given the Chance: Effects of Education and Civic Engagement on Somali Youth Support of Political Violence](#) (Mercy Corps, 2018).

<sup>3</sup> Dan Konig, [Navigation by Judgment: Why and When Top Down Management of Foreign Aid Doesn't Work](#) (Oxford University Press, 2018).

<sup>4</sup> [Managing Complexity: Adaptive Management at Mercy Corps](#) (Mercy Corps, 2015); [ADAPTING Aid: Lessons from Six Case Studies](#) (Mercy Corps and International Rescue Committee, 2016).

<sup>5</sup> Carol Cohn, *Women and Wars* (Polity, 2012).

**7. Specify how the Bank will partner with local civil society actors and other community institutions.** Many of the Bank's proposed efforts, especially strengthening relationships of trust between communities and state, must include credible, non-state actors. In protracted humanitarian crises, partnerships with local civil society groups and other local institutions may be our only means of reaching communities in need. Where formal governance structures have dissolved or are not functioning, civil society often fills in, helping to organize and prioritize aid to fulfil the most critical needs. Working with local civil society organizations also helps ensure that interventions in FCV settings are informed by local actors and political economy analysis, and empower crisis-affected populations to engage in problem-solving and decision-making.

A global study of local partnerships found two main areas in which they want support from international organizations: increasing their influence in their communities and society, and gaining more independence.<sup>6</sup> Strengthening local NGOs' and CSOs' pre-existing projects through training and capacity-building, rather than launching new programs in parallel, can be an effective way to bolster local CSO leadership in FCV settings while furthering the Bank's objectives. We recognize that some of these local organizations have limited capacity to absorb the significant levels of funding that the Bank can offer. In such cases, the Bank would do well to engage such actors in advisory rather than implementing roles.

Partner selection will underpin the strategy's success. The Bank should work with independent third-party institutions, including the UN and INGOs, to identify partners and appropriate support mechanisms to not aggravate potential conflict dynamics. The Bank's 'Do No Harm' analysis and actor mapping should ensure that its partnerships approach is not exacerbating power imbalances and is moving beyond the list of 'usual suspects' among local civil society actors. The Bank should partner with existing networks and coalitions in FCV settings, and leverage its convening power and credibility to forge new cross-sector partnerships where they are not established. Our framework for partnering with local civil society and community organizations lays out key principles, such as equity, transparency, and mutual benefit.<sup>7</sup>

**8. Strengthen the Bank's 'pivot to prevention'.** Up to this point, the Bank's preparedness investments have primarily been aimed at improving readiness to respond to crises, rather than preventing them. We welcome the focus in the concept note on understanding the underlying causes and drivers in FCV settings. The strategy should include clear guidance on how the Bank will work to



understand root causes and drivers. To avoid duplication or costly startups, we suggest building research partnerships with prevention-focused NGOs and academic institutions already operating in FCV contexts.

To make more tangible commitments to conflict prevention, the strategy should outline the kinds of interventions it intends to make, including peacebuilding, violence prevention, social cohesion initiatives, conflict-sensitive economic development, local civil society and government trust-building, and participatory budgeting, for example.

<sup>6</sup> ['Keystone Performance Surveys: NGO Partner Survey 2010'](#) (Keystone Accountability, 2011).

<sup>7</sup> [Local Partnerships Guide](#) (Mercy Corps, 2012).

### **PROGRAM EXAMPLE: Engaging Communities for Peace in Nigeria (ECPN).**

*Mercy Corps found that programs in the Middle Belt of Nigeria that addressed tensions through joint community improvement projects, negotiation support, and joint conflict prevention planning were able to withstand an outbreak of violence in the surrounding area. Compared to control communities where Mercy Corps is not present, these communities were able to maintain relationships as well as communicate and trust one another. This intervention cost \$60 per direct participant, however, those who did not participate experienced indirect positive effects due to the programming, thereby extending the value of this investment.<sup>8</sup>*

## **DETAILED COMMENTARY ON CONCEPT NOTE**

### **Thematic Challenge 1: Strengthening institutions and macro-stability**

This section puts excellent emphasis on the importance of institutional capacity and legitimacy across various levels (local to national) and domains (economic policy, security, service delivery). However, the strategy should identify how to sequence and combine capacity-building programming. The Bank should prioritize the domains of justice, security, and transparency to build the foundations for state legitimacy: strengthened justice, security and transparency provide the bedrock on which strong institutions can then be built.



Local governance institutions are often the primary interface with citizens. The Bank will need to address its own internal barriers to working directly with local governments over the longer-term. In the shorter-term, the Bank should forge partnerships and ensure close coordination and complementarity with NGOs and other donors who are able to access and work with local governance bodies.

### **PROGRAM EXAMPLE: Promoting Sustainable Peace & Resiliency in Kayah State (PROSPER), Myanmar.**

*In Myanmar, we are building the capacity of local government and ethnic group leaders to engage communities through participatory development planning with the aim of building good governance models while also improving community trust in government. In the first three years of the program, Mercy Corps trained 172 officials from 25 local governance structures in community engagement (including facilitation, consultation, negotiation, and participatory planning and budgeting). Following the training, state officials began to adopt community planning and partnership processes, as well as innovative ways of involving citizens and communities.*

<sup>8</sup> [Does Peacebuilding Work in the Midst of Conflict? Impact Evaluation of a Peacebuilding Program in Nigeria](#) (Mercy Corps, 2019).

## RESEARCH INSIGHT

*In Mali, we found that perceptions of political exclusion, poor governance, and government corruption were major drivers of grievances and pushed young people to join violent groups. The lack of strong institutions, coupled with perceptions that the government excluded certain communities from accessing services and decision-making, was a major driver of violence. The majority of respondents in each consultation group—members of armed groups, non-violent youth, and community leaders— described multiple government failures, including a lack of security, acceptable healthcare, education, and access to water as their primary sources of frustration.*

*A key recommendation of the study was to facilitate stronger local governance and inclusive community-government decision-making processes.<sup>9</sup>*

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### Thematic Challenge 2: Delivering services to foster social inclusion.

We welcome the recognition that *how* services are delivered impacts on citizen trust in the government. Recent research finds that how people experience services - and how they perceive other citizens or groups are receiving the same services - can influence their perception of the local and national state far more than the straight-forward provision of services.<sup>10</sup> Perceived unfairness, corruption, or exclusion from services can be particularly important factors in forming perceptions of the state.

The concept note states that 'the provision of social services and social protection can reduce FCV over the long term and increase trust in the government and service providers.' This needs to be developed further to reflect the nuanced link between how services are provided and perceptions of government legitimacy. We suggest the following language:

*'If delivered in a way that is perceived as fair, transparent, inclusive, relevant to the community's needs, comparable to the services provided to other groups, and responsive to their experiences, the provision of social services and social protection can reduce FCV over the long term and increase trust in the government and service providers.'*

We welcome the focus in this section on the potential offered by new digital technologies that align with our own work. Through our **AgriFin** model, we provide smallholder farmers with digital tools via mobile phones to help boost harvests and incomes.<sup>12</sup> The Bank should consider the risks presented by digital technology, alongside the opportunities. Investing in targeted efforts with government, civil society, and the private sector - specifically social media companies - can counter efforts to harness social media for violence.

## RESEARCH INSIGHT

*In Iraq, we found that when Sunnis believed the government would provide more inclusive services, they perceived the government as more legitimate. In turn, Sunni support for political violence and extremism declined. This was despite the fact that the new prime minister, Haider al-Abadi, was Shia'a.<sup>11</sup>*

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<sup>9</sup> ['We Hope and We Fight': Youth, Communities, and Violence in Mali](#) (Mercy Corps, 2017).

<sup>10</sup> ['Service Delivery, Public Perceptions, and State Legitimacy'](#) (Secure Livelihoods Research Consortium, 2017).

<sup>11</sup> [Investing in Iraq's Peace: How Good Governance Can Diminish Support for Violent Extremism](#) (Mercy Corps, 2015).

<sup>12</sup> [AgriFin Program Overview](#) (Mercy Corps).



**PROGRAM EXAMPLE: Building Participation Through Civil Society (BPCS), Iraq.**

*This program found that when CSOs have a greater perceived ability to influence the government's service delivery, perceptions of government legitimacy improve. We helped 175 CSOs build capacity, aggregate community concerns, and advocate with the government. At the end of the program, our research showed improvements in perception of government responsiveness across all 18 governorates. Individuals who viewed CSOs as capable of improving key services in their communities were more likely to believe that they, themselves, can influence government policies. People who believe they can influence government decisions on their priority issues are more likely to view the government positively, because they believe that their participation and voice is valued.*

### **Thematic Challenge 3: Promoting livelihoods, markets, and sustainable private sector development.**

In protracted crises, people depend on markets in order to cope in the short term and to recover both during and after a crisis. Our approach to making markets work in crisis has four components:

- meeting basic needs while protecting future productivity;
- addressing the immediate barriers to individual participation in the local economy;
- supporting coping through local market systems; and
- improving market systems over time.

As program partners, members of the private sector have demonstrated enormous potential to achieve wide and lasting benefits for the communities we serve. By leveraging the resources, relationships, talent, and the embedded role of the private sector, our interventions are more sustainable and can reach more people. At the same time, we recognize market actors can fuel conflict dynamics or even benefit from war economies. We advocate for interventions that bridge divisions across conflicting parties and address uneven power dynamics in markets. At a minimum, investments must incorporate principles of conflict sensitivity within all private sector engagement.



**PROGRAM EXAMPLE: Bakery Relief and Enhanced Food Access for the Displaced (BREAD)**

*II, Syria. In Syria, Mercy Corps used a market-driven approach to ensure that food assistance did not undermine the local market, however, keeping bread prices low was important for social stability and mitigating risks of violence. Due to the expense of flour and the lack of government support, we provided bakeries with flour for bread production to fill the gap left after government subsidies ceased. This ensured local bakeries were able to continue operating and selling bread at an affordable price. The program also monitored prices of other key inputs identified in market assessments (in particular, yeast and fuel) to ensure they remained available to bakeries. The program reached an average of 100,000 people per day, far more than a model of direct bread delivery could have managed.*

## Thematic Challenge 4: Mitigating the impact of climate change and supporting fair access to natural resources.

The recognition of climate as a contributing factor to FCV is welcome. We think the strategy can go a step further and clarify that the recurrent cycle of climate shocks leads to decreased climate resilience of communities, which in turn worsens FCV contexts.

While the concept note helpfully acknowledges the risks to the Pacific Islands in terms of climate impacts, the geographical focus needs to expand. We recommend this section acknowledge the links between climate and conflict across Africa and the Middle East. Mali, Niger, DRC, CAR, Sudan, South Sudan, Uganda, Ethiopia, Somalia, Yemen, Afghanistan, and Pakistan are all at the vulnerable to humanitarian crises caused by climate shocks, compounded by weak governing institutions and recent histories of violence.<sup>13</sup>



The concept note acknowledges that climate change can contribute to heightened risk of conflict through migration, extreme events and resource scarcity, but it should also acknowledge additional pathways, specifically food insecurity. Food insecurity - exacerbated by climate impacts on agricultural production and coupled with poverty - increases the likelihood and intensity of conflict. Shared waters can be a source of dispute between countries and may be used as a tool during periods of conflict. Population growth and climate variability place increasing pressure on rivers and lakes.

We further recommend the strategy include strong analytical processes which seek to understand local climate-conflict dynamics, and investments in early warning systems that take climate-conflict dynamics into account to help identify prevention measures. This could include assessing:

- The macro trends, such as population growth and environmental degradation, as well as the climate trends;
- The climate related effects such as drought, floods, soil loss, or erosion;
- The social and economic impacts of climate change; and,
- How those social and economic impacts contribute to livelihood loss, resource competition, grievances, intergroup tensions, and conflict.

The strategy should also consider the differential impacts of climate change on the population. In many contexts, women are more vulnerable to the effects of climate change than men — primarily as they constitute the majority of the world's poor and are more dependent for their livelihood on natural resources.<sup>14</sup>

<sup>13</sup> Joshua Busby and Nina von Uexkull, '[Climate Shocks and Humanitarian Crises](#)' (Foreign Affairs, 2018).

<sup>14</sup> [Fact Sheet: Women, Gender Equality and Climate Change](#) (UN Women Watch, 2009).

**PROGRAM EXAMPLE: PEACE III, Uganda/Kenya.** *The Peace III program worked to strengthen cross-border conflict management and integrated climate change into risk assessments and interventions. For example, Mercy Corps facilitated a natural resource sharing agreement between the Dodoth and Turkana communities over grazing land and water resources. The agreement led to increased trade, improved government relations, and greater interest in cooperative initiatives.*

## Thematic Challenge 5: Promoting equity and inclusion, with a special focus on gender and youth.

### Gender

We agree with the concept note that 'exposure to conflict and fragility can shift gender roles in ways that present opportunities for positive change.' However, we think the strategy should be clearer in what those opportunities are, and – just as importantly – the missed opportunities inherent in *not* focusing on gender equality. Interventions that push for greater gender equality are vital not just for individual women and girls, but for wider stability. For example, when women participate in creating a peace agreement, the agreement is 35% more likely to last for fifteen years or more.<sup>15</sup>

The strategy should incorporate the aims of the Women, Peace and Security (WPS) agenda as a framework for working with governments given that many donor and FCV states are signatory to the resolutions.



**PROGRAM EXAMPLE: Women Investing in More Secure Environments (WISE), Mali.** *WISE empowered women to advance inclusive governance and economic systems in Mali's northern regions. Women leaders organized 170 community peace dialogues to build popular support for the national level peace accord. Political and traditional leaders were trained on inclusive governance and gender-sensitive programming and budgeting. As a result, 71% of community members believed that their leaders could effectively address conflict in the region and expressed higher levels of satisfaction with government services. In the 2016 elections, 38 women who participated in WISE ran for office and 14 were elected.*

### Youth

We strongly support the concept note's emphasis on partnering and co-designing operations targeting youth. However, focusing on encouraging youth to 'aspire to play a stronger role in their societies' will not foster inclusion unless there is space for them to do so. The strategy should include a complementary

<sup>15</sup> Marie O'Reilly, Andrea Ó Súilleabháin, and Thania Paffenholz, '[Reimagining Peacemaking: Women's Roles in Peace Processes](#)' (IPI, 2015).

emphasis on creating an enabling environment for youth engagement. Interventions to increase the capacity of civil society and governance structures to absorb youth advocacy and participation should also be included. As noted above, the Bank's unique position to influence governments and national policies should lead to an emphasis on strengthening the supply-side of governance to actively promote youth's involvement in decision-making.

'Youth' is not a homogenous group and often the assumption in programming and policy is that 'youth' means 'young men'. Young men and young women in FCV settings have different needs, opportunities, and challenges. Similarly, the needs and appropriate programming will be different for older adolescents (15-19) versus young adults (20+). When working under the umbrella of 'youth', the Bank should break down the grouping by gender and age, while similarly disaggregating data to inform interventions. The Bank must bring strong gender, social inclusion, disability, and socioeconomic analysis to its work on youth to better understand the nuances and intersecting identities which may compound or reduce vulnerability.



**PROGRAM EXAMPLE: Somalia Youth Learners Initiative (SYLI)**

*Our Somalia Youth Learners Initiative (SYLI) program showed that the greatest reduction in youth support for political violence comes from the combination of participation in quality secondary education. This transfers knowledge and skills needed for future employment as well as civic engagement opportunities to empower youth to positively contribute to their communities.*

## **Economic inclusion**

The World Bank has traditionally played a critical role in advancing and integrating the role of financial and non-financial services for the most vulnerable while pushing national governments to better allocate and utilize resources and financing tools to meet the needs of their population. The Bank can continue to promote economic inclusion by working with governments to influence policy and by supporting innovative means of inclusion, such as digital financial services (DFS).



**PROGRAM EXAMPLE: Linking Financial and Social Capital to Enhance Resilience of Agro-Pastoral Communities (LEAP), Mali and Niger**

*The LEAP program worked with the local microfinance institution, Soro Yiriwaso, as well as Orange Money to test a package of digitally enabled services. The services were tailored to meet the unique needs of vulnerable agro-pastoralists to secure their financial capital, increase investment in new economic opportunities, better manage financial resources, and mitigate risks. These services ranged from savings accounts both for individuals and groups, access to financial and digital literacy through voice messaging in the local language, warehouse receipt product, and access to micro-insurance. This pilot was launched in Mopti which has recently seen an upswing in violence. Many of these products, however, are still operational due to lean operational structures and agent networks for cash in/out.*

## **Thematic Challenge 6: Improving data, evidence, and monitoring:**

It will be vital for the strategy to consider *who* will collect, monitor and evaluate data as well as how that data will be used to strengthen decision-making. The strategy needs to articulate a framework for the Bank to understand when to lead on data and analysis and when to commission or work jointly with others. As part of this, the strategy could include building governments' capacity to collect and share data. However, in some settings this may not be appropriate, particularly in contexts where the government is part of the problem or where the populations have little trust in the government. In some situations, the Bank could collect data through neutral partners in civil society and other third-party validators. Of particular importance is strengthening the capacity to collect data on conflict dynamics and social cohesion. This should directly inform interventions that are conflict sensitive and advance peace.

Setting the right indicators – both on a strategy-level and individual program-level – will be crucial to the success of the strategy. Mercy Corps has created an expanded basket of indicators under outcomes that include 'increased social cohesion,' 'root causes of conflict addressed,' 'reduced support for and participation in violent conflict,' 'disputes resolved more effectively,' and 'improved national and subnational policies and political systems that support peace.' Measuring fragility requires innovative combinations of proxy indicators at the macro level, along with looking at more granular project- or community-level trends. On questions of indicators and measurements, Mercy Corps has a body of examples and best practices. We will continue to share these through ongoing technical discussions with the World Bank Group FCV Group.

## **CONTACT**

Megan Doherty  
Senior Director | Policy and Advocacy  
[medoherty@mercycorps.org](mailto:medoherty@mercycorps.org)

### **About Mercy Corps**

Mercy Corps is a leading global organization powered by the belief that a better world is possible. In disaster, in hardship, in more than 40 countries around the world, we partner to put bold solutions into action — helping people triumph over adversity and build stronger communities from within. Now, and for the future.



1111 19<sup>th</sup> St. NW, Suite  
650  
Washington, DC 20036  
202.463.7383  
[mercycorps.org](http://mercycorps.org)