



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

Stakeholder Consultation Meetings

Feedback Summary

Date: 29th and 30th April, 2019

Location: Mogadishu, Somalia

Audience: Meetings with representatives from private sector organizations, UN agencies, and local and international non-governmental/civil society organizations

Overview and Key Issues Discussed: Hugh Riddell (Representative) and Xavier Devictor (Practice Manager, FCV Operational Support) presented the strategy during a series of consultation meetings with different stakeholder groups. Participants were then invited to ask questions and to express their views. For purposes of conciseness, the following summary highlights comments and recommendations that were provided during those meetings.

Specific Feedback from Stakeholders

From the private sector (1) – Large firms in the finance and ICT sectors

- Participants encouraged the FCV Strategy to highlight the role the private sector plays in an environment like Somalia – with large and sophisticated firms, including some who have operations beyond Somalia; with a key role in channeling remittances, the lifeline of many households; and with a significant role in service delivery in a context of collapsed public institutions.
- Participants also expressed their appreciation of the role the WBG can play in a conflict context, calling on the WBG to remain engaged and normalize relationships, but also to IFC to strengthen its engagement.
- Participants encouraged the FCV strategy to underline the complexity of fragility – distinguishing between the national and local levels, and flagging significant differences across regions; highlighting that the private sector is often between a rock and a hard place, having to deal with both government and non-governmental forces; regretting that the image of a warring country can become a self-fulfilling prophecy as it scares away private investment and make international banking transactions very complex (and they called on the WBG to help improve such image).
- Participants discussed the relationship between security and development – and recommended to start activities where there is a degree of stability, and / or to start at a relatively small level, to explore and build confidence to gradually expand operations.
- Participants highlighted several areas where WBG engagement would be needed, including – business environment; identification (key for financial transactions); capacity building for the private sector (for risk management, to support entrepreneurship, and to be able to attract private investors); infrastructure, including connectivity and water; agriculture (productivity improvements), fisheries (small infrastructure), and microfinance as key to the livelihoods of most Somali households; education and skills development; and PPPs (including for roads, railways, and ICT).

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Specific Feedback from Stakeholders

- Participants encouraged the WBG to demonstrate more speed and agility in FCV contexts, to take more risks and be proactive, and to leverage the private sector in a more systematic manner (including for infrastructure or service delivery).
- Finally, participants insisted on the challenges posed by international measures against money laundering and the financing of terrorism, which makes financial transactions extremely difficult (they noted that some operators must rely on “physical transport” of very large amounts of cash, estimated in hundreds of millions).

From the private sector (2) – Small firms, including women-led firms

- Participants encouraged the FCV Strategy to provide a clear definition / typology of FCV.
- Participants encouraged the FCV Strategy to recognize that the private sector can be critical to society in a conflict context, when institutions have collapsed, and private firms have substituted for them (at least partly). They noted that the private sector is much more effective at delivering services than NGOs.
- Participants encouraged the WBG to stay engaged in situations of conflict – including with the private sector.
- Participants discussed key areas of focus – including roads, capacity building for the private sector (including for women-led businesses), access to finance, security. They had differing views on the importance and relevance of the business environment in an environment of weak enforcement.
- Participants encouraged the WBG to recognize the role it can play in support of the political process, which is key to the resolution of the conflict.
- Participants also called for the WBG to be more agile – for example on bank guarantees etc. which de facto results in excluding many local SMEs.

From civil society

- Participants encouraged the FCV Strategy to better define FCV and to propose a typology that would effectively reflect the diversity of situations.
- Participants emphasized the need to place national ownership at the center of our approach (referring to both the g7+ and the Commission on Fragility and Development), including national authorities (and national development plans), as well as civil society and private sector. They noted a growing cynicism among the population vis-a-vis aid and promises that do not materialize. They expressed skepticism about “never-ending” capacity building programs. They noted that some projects (including by NGOs) had limited impacts.
- Along similar lines, participants called for genuine participation in program and project design (with processes that leave time and space for a real engagement). They cautioned against implementation by external / foreign partners. They encouraged transparency of performance, including to gain credibility with the population, to learn lessons, and to avoid “blame games”.
- Participants highlighted (and welcomed) the role private sector has come to play in an environment of institutional collapse, including for service delivery. Yet they also encouraged the WBG to work to strengthen the Government as they saw institutional fragility as a driver of conflict.
- Participants encouraged the WBG through the FCV strategy to further strengthen its value proposition – by focusing on medium-term lasting impacts (vs. crisis response); by taking risks, accepting to make mistakes, and learning from these mistakes; by helping countries avoid “big mistakes”; by strengthening operational flexibility, including in terms of areas of engagement; and by trying to engage in high risk areas.

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Specific Feedback from Stakeholders
<ul style="list-style-type: none"> • Participants encouraged the WBG to consider “geographically-focused engagements”, i.e. multisector support to respond to the distinct needs of selected regions; • Participants highlighted key sectors to support – human capital; irrigation and agriculture; governance; infrastructure; community development and cohesion.
From the UN country team
<ul style="list-style-type: none"> • Participants identified key issues which the FCV Strategy should discuss in a degree of detail – including the “do no harm” principle; the WBG’s role in the security sector (which they would like to see increased); the approach to take with governments that are not committed to a “positive” agenda; and the convening role of the institution (to mobilize donors around a multi-pronged effort). • Participants encouraged the FCV Strategy to be far more concrete on what a new approach would entail – and to clarify the WBG’s comparative advantage. • Participants provided a set of additional advice including: (i) the need to learn from humanitarian aid; (ii) the importance of supporting marginalized communities; (iii) the importance of service delivery; (iv) the need to recognize that in the short term competition for scarce natural resources is a more pressing risk factor than climate change; (v) the need for a holistic approach; (vi) the need for more risk tolerance and flexibility; and (vi) the importance of drawing more explicitly lessons from the WBG’s engagement to date.

Prepared by: Xavier Devictor, Practice Manager, FCV Operational Support, WBG

Participation List:

Name	Organization and Title
Hersio Abdulle Siad	Women Entrepreneurs
Farhia Muse Osman	Women Entrepreneurs
Caasho Malaq Mahdi	Women Entrepreneurs
Shukri Cabdirisaaq Cabdulaahi	Women Entrepreneurs
Burhan Hassan Jama	Bluesky Energy
Mohamed Saadiq	BECO
Mohamud Farah Ali	BECO
Mohamed Yusuf Diirye	Mogadishu Power
Abdullahi Nur Osman	Senior Somali Business Advisory Counsel
Abdinasir Jimale Mohamed	Chamber of Commerce
Ahmed Farah "Jaahweyn"	SON
Ridwaan Hassan	Vivacom
Shukri Jama	Som Networks
Bashir Yusuf	Peace Group Hotel
Shuayb Haji Nor Mohamed	Salaam Somali bank
Mohamed Abdi Olow	Salaam Somali Bank Director
Abdallah M. Ahmed Sabah	IBS Bank

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Name	Organization and Title
Mohat Mohamed	IBS Bank CEO
Abdi-Shakur Afrah	Premier bank Chief of Compliance and acting CEO
Osman Ali Ade Halane	Dahabshil Bank Director Southcentral
Abdirizak Haji Hussein	E-Dahab Director
Guleid Osman Mohamed	Somali Bankers Association CEO
Said Ali Shire	Amal Bank CEO
Yasin Hasan Yusuf	Hormuud Telecom
Dr. Sayid Mohamed Abdule Hassan	AMTEL
Aden Bule	Dalkom Somalia
Abdulrahman Issak	Golis
Abdirashid Hashi	Heritage Institute
Awil Osman	iRise
Mahad Wasuge	Somali Public Agenda
Abdi Ahmed Mohamed	Agriculture
Zahra Jama Sala	SIDRA
Mariam Khalif	KIMS
Muna Yusuf	Youth
Abdi Rubac Muxumed	Wakiil