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Recent World Bank Experience with RRAs & Operational Programming in FCV Countries

Stocktaking of Implementation of
Recommendations from IEG Evaluations
of Fragility, Conflict and Violence

November 2018

Main Findings



The World Bank has enhanced its analytic capacity to engage in fragile situations through Risk and Resilience Assessments (RRA) which can inform SCDs and CPFs

- RRAs are generally thorough in coverage of political and social drivers of fragility.
- Operational implications of findings are usually not addressed -- expectation of more specific advice and guidance on operational issues.
- RRAs not always sequenced to match Country Program Framework (CPF) cycle. Insufficient interaction with country teams during preparation may limit ownership and utility.
- The status of RRAs with respect to Systematic Country Diagnostic (SCD) and CPF preparation is undefined.

Country programs increased discussion of fragility but did not systematically link fragility and conflict drivers to program priorities or enhance selectivity.

- CPFs discuss fragility but they do not always cover the fragility drivers identified by the RRAs.
- CPFs often lack a narrative to show whether and how country program priorities are responsive or tailored to FCV contexts – perhaps due to the public nature of the CPF.
- Most CPFs respond to fragility drivers that address “development gaps” — youth unemployment, lagging regions, social exclusion.
- But fragility due to serious governance issues involving political economy pressures, elite capture, access to justice appears to be rarely addressed.

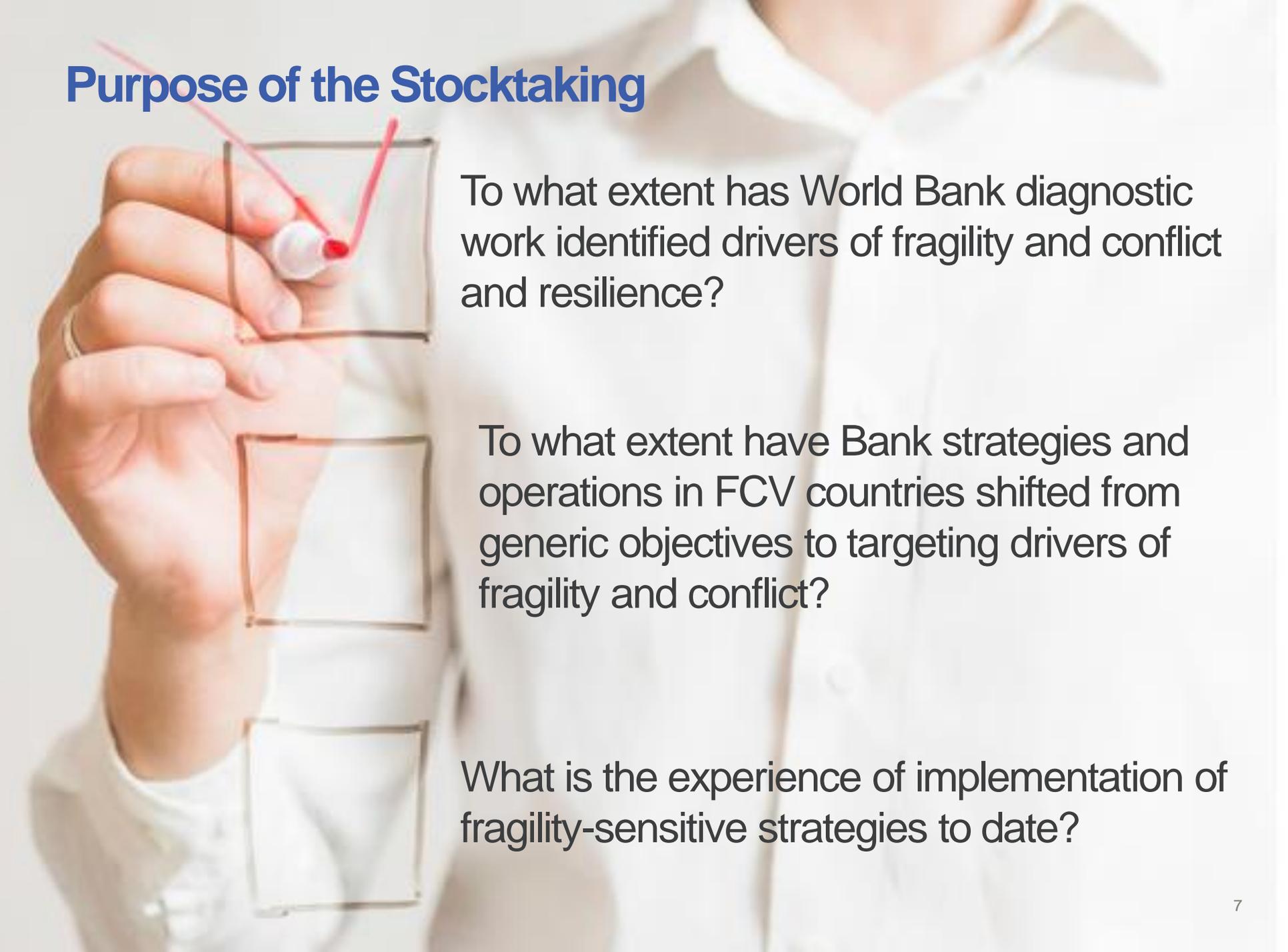
Have country programs changed to respond to fragility and conflict contexts?

- Many FCV CPFs do not look significantly different.
- Priorities such as governance, decentralization and citizens participation which are often found in FCV CPFs are not unique.
- Most CPFs did not distinguish between addressing urgent short-term needs and long-term capacity building to address fragility.
- Limited evidence of selectivity in terms of addressing fragility drivers directly or in terms of adapting operations to fragility contexts.
- Limited evidence of scenario planning or contingencies for more flexibility to respond to uncertainty.
- Results frameworks lack fragility indicators. Project indicators are often not disaggregated by geographic region or social groups.

Findings and Implications of the Stocktaking



Purpose of the Stocktaking

A person in a white shirt is holding a pair of glasses and a red pen. The person is looking down at the glasses, which are held in their left hand. The red pen is held in their right hand, and the tip of the pen is touching the top of the glasses. The background is a plain, light color.

To what extent has World Bank diagnostic work identified drivers of fragility and conflict and resilience?

To what extent have Bank strategies and operations in FCV countries shifted from generic objectives to targeting drivers of fragility and conflict?

What is the experience of implementation of fragility-sensitive strategies to date?

Prior IEG Evidence

- Two major IEG evaluations on fragility
 - World Bank Group Assistance to Low-Income Fragile and Conflict-Affected States (FCS, 2014)
 - World Bank Group Engagement in Situations of Fragility, Conflict and Violence (FCV, 2016)
- Evaluation of the new country engagement model
 - World Bank Group Country Engagement. An Early-Stage Assessment of the Systematic Country Diagnostic and Country Partnership Framework Process and Implementation (2017)
- Annual management action record (MAR) updates of the 2014 evaluation
 - Other IEG evaluations are too recent to have MAR updates.

Findings from previous IEG evaluations

- FCS and FCV evaluation findings:
 - WBG strategies and programs in FCV situations are not sufficiently underpinned by analysis of fragility drivers and resilience factors
 - FCV country strategies lacked tailoring to country conditions and focus on drivers of fragility and conflict
 - Strategies and programs in FCV should aim to (a) build state capacity; (b) build capacity of citizens; (c) promote livelihoods and job opportunities; and (d) redress effects of gender-based violence.
- Annual updates in the management record indicate that the Bank Group has strengthened its FCS work (Annex 2), mainly through:
 - Addressing gaps, strengthening analytic capacity and knowledge on fragility, introducing special windows, increasing lending envelopes to IDA-FCS, reforming policies and HR systems.
 - Preparing staff guidance and tools to enhance work on jobs and gender based violence.
 - But the degree of implementation and uptake in operations is less clear.

Findings from previous IEG evaluations

- Evaluation of the new country engagement model:
 - Availability of fragility assessments generally made it easier to integrate fragility issues within subsequent CPFs.
 - CPFs can draw on fragility assessments to design country strategies and assistance programs.
 - But it was too soon to assess their impact on lending operations.

Approach and Methods for the Stocktaking

- Consultations with FCV Global Theme team
- Review of core documents
- Selection of countries for which an RRA was undertaken and that have an SCD/CPFs, in consultation with FCV team
- Review of documents: FA/RRA, SCD, CPFs using a standard template
- Interviews with country team representatives to explore how fragility is being addressed in the assistance programs and lending portfolios
- Review of literature on fragility among five comparator organizations
- Analysis of findings from 7 country cases
- Review of four annual MAR updates on implementation of recommendations from the 2014 IEG evaluation on fragility
- Synthesis of findings

Covering a Diverse Sample of Countries

Country	FCS Status	RRA /FA	RRA/FA FY	SCD date	CPF date	CPF/CENs FY period
Central African Republic	FCS	FA	April 2016	(planned FY19)	July 2015	2016-17*
Congo, Democratic Republic of	FCS	RRA	Dec 2016	March 2018	April 2013	2013-16* (FY18-23 under prep)
Guinea-Bissau	FCS	FA	June 2015	June 2016	March 2017	2015-16, 2018-21
Kosovo	FCS	RRA	June 2017	Jan 2017	April 2017	2017-21
Madagascar	Up to 2017	FA	July 2014	August 2016	May 2017	2017-21
Nepal	Up to 2014	RRA	May 2017	February 2018	July 2018	2014-18, 2019-22
Tunisia	non-FCS	RRA	Nov 2017	June 2015	April 2016	2016-20

* Reviewed CPF preceded RRA/FA and SCD.

Fragility and Risk and Resilience Assessments

- RRAs are generally thorough in coverage of political and social drivers of fragility but resilience factors are treated more cursorily.
 - RRAs cover political economy, elite capture of resources, regional inequalities, social tensions, security and violence issues.
 - RRAs identify factors of resilience but their analysis is much weaker and their implications for country strategies and assistance programs are rarely discussed.
 - Weak institutions tend to be treated more as a symptom than a driver of fragility.
 - There is limited discussion of the “physical” drivers of fragility, such as climate change (which is often addressed separately in CPFs, e.g. DRC & Nepal), or population growth (not discussed in most CPFs).
- Limited discussion of operational implications
 - RRAs tend to provide little or no operational recommendations on “*doing different things in fragile countries*” (except for CDD & decentralization).
 - RRAs also lacked concrete insights on how “*operations could do things differently*” in order to adapt WBG operations to fragility and conflict.
 - CMUs felt RRAs are useful in their political economy analytics. But some expressed an expectation for the RRAs to go downstream and draw out operational implications.

Fragility Drivers identified in Risk and Resilience Assessments

Country	Political economy	Elite capture of resources	Weak Institutional capacity	Regional /Rural-urban disparities	Social tension/exclusion	Security risks & violence	Other
Central African Republic	X	X		X		X	Limited government reach
Congo, Democratic Republic of	X	X	X		X	X	Lack of governance: State capture; Macro-economy
Guinea-Bissau	X	X	X	X			
Kosovo	X		X		X		Youth bulge; int'l legitimacy
Madagascar	X	X	X		X		Military influence in politics
Nepal	X			X	X		Natural disasters & Migration slowdown
Tunisia			X	X	X	X	Macro-economy & youth

Factors of Resilience show greater variation and country-specificity than fragility drivers

Country	Economic potential	Strong Civil society	Social cohesion / coexistence	Local, Community & informal institutions	Reconciliation / political process	Int'l / regional support	Other
CAR	X				X		
Congo, Democratic Republic of	X		X	X			Democratic forces more rooted
Guinea-Bissau		X	X			X	
Kosovo		X				X	Trust in security inst.
Madagascar		X	X	X			Large Informal sector
Nepal		X	X	X	X		Economic resilience
Tunisia	X		X	X			Functioning state inst.

The RRA Process

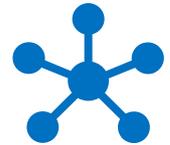
RRAs not always timed to match CPF preparation cycle



Uneven extent of ownership by country managers



Interaction with country teams in the preparation of RRAs is sometimes missing or insufficient



Undefined “status” of RRAs in CPF preparation



Findings from RRAs are often not explicitly referred to in CPF



Little evidence that RRA findings were discussed with in-country stakeholders



Fragility and Resilience Factors in Country Program Frameworks

- CPFs in FCV countries by and large discuss fragility but they do not always include the fragility drivers identified by the RRAs
- Fragility drivers that are “development gaps” (e.g., youth unemployment; lagging and poor regions) are generally addressed in CPF priorities as development issues
- Most CPFs do not distinguish between short-term measures and longer-term capacity building to address fragility constraints
- Fragility drivers resulting from serious governance and security challenges are less likely to be dealt with in CPFs
 - When the Bank opts out of some domains, such as security issues, more systematic discussion of the extent to which these fragility drivers are being addressed by other donor partners would improve the quality/realism of the CPFs
- Resilience factors identified in RRAs but their implications for Bank strategy are often not discussed, neither in the RRA nor in the CPF

Fragility & Resilience in Country Program Frameworks

Country	Strategic priorities related to Fragility & Resilience	Donor Coordination
CAR	Turnaround Note (prepared for IDA17 turnaround window) mapped RRA fragility drivers to strategic priorities ST support to Stabilization; and Preliminary support to recovery & development: Restore core institutions; Support to livelihoods; Basic social service delivery	Coordination with G8 and bilaterals on political, security & development
Congo, Democratic Republic of	[<i>No new CPF after RRA; SCD lacks selectivity or specific measures to address fragility</i>] Governance mentioned but not as the over-arching driver of fragility; Although fragility has been pervasive, the program does not distinguish between short-term and longer-term measures	Donor funds may have had perverse effects on governance
Guinea-Bissau	WBG objectives are conventional: Increase access to quality basic services; Expand economic opportunities and resilience; Governance includes enhanced accountability in sector programs	UN-WB joint fragility assessment
Kosovo	Only one (of three) focus areas responds to fragility & conflict drivers – through enhancing employment opportunities for youth, women and vulnerable groups	WB deferring to EU on governance and rule of law
Madagascar	Increase resilience and reduce fragility by enhancing HD, livelihoods of vulnerable, decentralization, transparency and accountability	No discussion of donor coordination re RRA recommendations
Nepal	FY14-18 CPS replaced ST stabilization measures with foundations for inclusive and sustainable growth; The CPF FY19-23 emphasizes (1) Public institutions: decentralization & fiscal federalism; (2) Jobs and Growth; (3) Inclusion and resilience.	Joint donor working group on decentralization led by the World Bank
Tunisia	2016 CPF preceded RRA but addresses fragility risks: Reducing Regional Disparities; and Promoting Social Inclusion; Private-sector led job creation under 3 rd focus area also relevant to fragility	Tunisia RRA was prepared jointly with AFD

How have CPFs changed in FCV situations?

- Variations in CPF design is to be expected due to variations among fragility drivers.
- However, country programs in FCV countries do not look significantly different from past programs in these countries or from CPFs in non-fragile situations.
- Governance, citizen participation, and decentralization, which are frequently priorities in FCV program are “fragility responsive” but not unique to FCV situations.
- Governance programs to strengthen state institutions are not discussed in RRAs but integrated in most country programs through routine programs, e.g. PFM, anti-corruption plans.
 - However, serious governance issues involving political economy pressures, elite capture, access to justice still seem to be rarely addressed despite the WDR2011.
 - Consequently, state capacity measures are still not addressing fragility drivers except for decentralization which is on the agenda in several FCV countries (DRC, Madagascar, Nepal).
- Limited evidence of selectivity in FCV situations either in terms of addressing fragility drivers directly or in terms of adaptation of operations to fragility contexts.
- Little evidence of the use of scenario planning or contingencies as a tool for flexibility in FCV country programs to respond to uncertainty.

Operationalizing Fragility and Resilience – Feedback from Country Management Units

Country	Strategic priorities related to Fragility & Resilience
CAR	Program mainstreamed fragility in portfolio, shifting assistance from the West (& capital) to previously excluded Eastern (Muslim) region. Goals were to provide basic social services, reconnect inaccessible areas, provide jobs & opportunities
Congo, Democratic Republic of	Conflict environment with outsized role of military and resource curse; limited reach of the state. Tension between short term needs and long term root causes. Program lacked selectivity—health, education, energy, roads, agriculture all priorities—the program has moved toward decentralization, to cities then at provincial level
Guinea-Bissau	WBG objectives are conventional but doing things differently No large policy reforms or DPLs. But rural transport (rather than highways) to connect rural population to services and markets; citizen engagement and capacity building of civil society; security sector PER and policy note on pensions
Kosovo	Focus on inclusion, youth, economic opportunities; Youth employment study; preparing TA on Roma, gender, environment, waterways, land cadaster
Madagascar	Education program is moving towards decentralization; Agricultural program moving to Landscape approach. Public Sector Performance project addressing PE by supporting transfers to communes with citizen accountability, changing power relations between center and periphery
Nepal	The CPF FY19-23 is too new to impact operations but the strategic emphases are consistent with fragility drivers—political inclusion; equity in service delivery; jobs; agricultural growth to address spatial inequality
Tunisia	Program shows major emphasis on youth employment: budget support for Governance, Jobs & Opportunities and projects for Youth Economic Inclusion, Tertiary Education & Employment, Integrated Landscape Mgmt.

Implications from the Stocktaking

- RRAs could be sequenced better so that they can inform SCDs and CPFs, perhaps by clarifying the status of the RRA in the country engagement model.
- RRAs could provide more specific advice and guidance on operational issues to support the contextualization and adaptation of WBG operations to F&C factors
- In FCV countries, SCDs could more systematically draw on RRAs.
- CPFs would need to consider the RRA explicitly at the initiation stage to ensure that its implications are clearly explored and developed during the CPF process
- CPFs could be more consistent on the extent to which F&C drivers not addressed by the WBG are being addressed by donor partners
- Results frameworks could include (and report on) fragility and resilience indicators to monitor FCV trends at the country level.
- CPF and project results frameworks could more systematically track indicators disaggregated by geographic region or social groups, given the concern for lagging regions and excluded populations in any CPFs.

Issues for Discussion

- Should RRAs be prepared jointly with country management units – supported by fragility/conflict specialists – to ensure greater ownership and operational relevance?
- Should the RRA methodology be more closely aligned with the core priorities laid out in the 2011 WDR?
- Should the Bank Group response and approach to FCV be more differentiated between post-conflict countries and those that have other drivers of fragility?
- Should fragility-sensitive CPFs primarily address programming constraints (i.e., mitigating FCV risks in projects), or should they aim to directly address fragility drivers through the country program?
- How can awareness of FCV issues and guidance on operational issues be more actively integrated within GP training programs and operational design?
- How can the RRA be used more systematically to inform dialogue with partners?



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Annex 1: Findings from Comparators

Practices Among Comparators

- The Deep Dive included a literature scan to identify relevant practices among six comparator institutions (USAID, DfID, EuropeAid, OECD/DAC, AFD, and GIZ).
- Most comparators conduct conflict assessments/analysis to inform strategies and operations (e.g., involving issues such as social marginalization, corruption, elite impunity).
- FCV resources include conflict toolkits, specialized FCV staff, “living handbooks”, and helpdesks.
- Comparators emphasize programming flexibility in FCV .
- Some make use of FCV specific indicators (USAID, DfID), including indicators related to fragility and conflict and perceptions (disaggregated by groups):
 - For example: Size of displaced population, extent of citizen participation in selecting government, proportion of territory affected by ethnic conflict, number of deaths from armed conflict, perception of insecurity.
- Approaches go beyond indicators to capture unintended effects in FCV



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Annex 2: **Management Action Record** **Updates from Previous IEG** **Evaluations**

The Bank Group has Implemented Actions in Response to IEG Recommendations on Fragility

- Since 2013, the Bank Group has enhanced its FCS work by
 - Strengthening analytic capacity and knowledge, introducing special instruments, increasing lending envelopes to IDA-FCS, and reforming policies & HR systems.
- These changes are consistent with and go beyond recommendations of IEG's 2014 evaluation, which have been tracked in annual management (MAR) updates.
- Overall progress has been recorded in MAR actions related to:
 - Strengthening analytical work,
 - Preparing staff guidance on FCV,
 - More systematic use of fragility assessments and informing country strategies and programs,
 - Development of Job Diagnostic Tool, and
 - Informing work on gender issues in FCV.

... but Their Uptake in Operations is Less Clear

- The ultimate goal of strengthening effectiveness in FCV situations should be enhanced development results and FCV outcomes.
- But, the degree of implementation and uptake in operations is less clear from the management updates:
 - E.g., with respect to (i) operationalization of the fragility metrics to define the FCV status of a country; (ii) efforts to build state capacity; (iii) follow up on CDD Institutionalization Study to make CDD more sustainable.
- Implementation appears to have lagged in some important areas:
 - Use of Jobs Diagnostic under the FCV jobs framework has grown but integration within FCV CPFs is limited.
 - IFC has implemented institutional initiatives in FCV—including introducing the IDA Private Sector Window—but there is no evidence of a sustained increase in business volume in FCV.
 - Moreover, IEG’s recommendation to adapt IFC’s business model to scale up its work in FCV contexts remains relevant in light of implementing IFC 3.0 and commitments under the capital increase.
 - MIGA has aimed to scale up its work in FCV mainly through the CAFEF facility. However, MIGA has not increased its guarantee volume compared to the period prior to CAFEF.



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